

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
Closed	Closed	\$1,684.80 (per ounce)	\$19.43 (per barrel)	▲ 2.42%	▼ 0.74%	▼ 0.07%	▲ 0.60%	BUY TK 83.95	90.05	102.27	11.69
				1,379.55	19,137.95	2,550.04	2,843.98	SELL TK 84.95	93.85	106.07	12.29

যে বাবুল, নিরাপদে থাকুন আর আপনার কিস্তি জমা দিন জুন মাসে

এসআইবিএল-এর সম্মানিত মুদাৱাবা ডিপোজিট ফিম (MDPS) গ্রাহকবৃন্দ এপ্রিল, মে এবং জুন মাসের কিস্তি একত্রে জুন মাসে জমা দিতে পারবেন। এজন্য ব্যক্তি কোন ফি দিতে হবে না।

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BUSINESS

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TAMING CORONAVIRUS RAMPAGE

Guideline on the way for garment factory reopening

REFAVET ULLAH MIRDHA

The Department of Inspection for Factories and Establishments (DIFE) has been making a guideline for reopening the garment factories, most of which have been asked to shut down by the sector's apex trade body on April 11.

The factories were supposed to reopen on April 26. But given the exponential rise in cases of COVID-19 and the proximity in which the sector's 4 million-odd workers operate, the factories were asked to abandon the plan.

The guideline will mainly instruct the factory managements on how to run the units following health safety measures, Shibnath Roy, inspector general of the DIFE told The Daily Star over the phone.

He has discussed the health issues of the garment workers and the reopening of the factories with the experts of the International Labour Organisation.

While Roy did not say specifically when the factories will reopen, he said the factory managements will have to follow the proposed guidelines.

The DIFE in its all three notices since March 27 said only those factories with work orders from international retailers or are engaged in the production of personal protective equipment and coronavirus prevention-related medicines can run their units by taking adequate health safety measures.

Once the government announces the return of normalcy the factory managements may reopen their units, Roy also said.

Meanwhile, the Bangladesh Garment Manufacturers and Exporters Association, the sector's apex trade body, said the date for restarting the production line will depend solely on the coronavirus situation in the country.

"We are still working with the safety



Garment workers wait for their salary in front of a factory in the Ashulia industrial belt on the outskirts of Dhaka. The photo was taken recently.

protocols and also expecting a clear guideline from government," it said on Tuesday.

Labour leaders though said the issue is a complex one.

On one hand, some buyers are putting pressure on the factory owners for executing their work orders, and on the other hand, the number of infected patients is also increasing in the country every day, said Nazma Akter, president of Sammilito Garment Stramiki Federation.

The decision to reopen the factories is in the state's hand, but the government, factory owners and buyers

should show responsible behaviour towards the workers.

Akter suggested for wider discussion involving owners, union leaders, government higher-ups and the related experts before making any call on the start date.

"It will not be wise to reopen the factories now. Every day the tally is going up," said Amirul Haque Amin, president of the National Garment Workers Federation.

Ahsan H Mansur, executive director of Policy Research Institute, advocated for gradual reopening of the factories, starting from next month.

"We have to open the factories as almost all the affected countries have already opened their economies. We will

be lagging if we do not open the factories soon," he said, citing that competing countries like China, Vietnam, Cambodia and Turkey have already opened up their economies.

However, the health and safety measures should be followed carefully, he said, adding that the factory managements can make preparations for those from now on.

For instance, there can be several exit and entry gates in the factories. The workers will enter through one gate and will exit through another, a move that can prevent overcrowding.

Moreover, regular handwashing and cleaning of floors and washrooms while wearing hand gloves must be enforced, he added.

Grameenphone can't stop raking in profits

Q1 profit up 25.8pc riding on 4G conversion, efficiency

MUHAMMAD ZAHIDUL ISLAM and AHSAN HABIB

Grameenphone's net profits soared 25.8 per cent year-on-year to Tk 1,070 crore in the first quarter of the year driven by data revenue and cost-efficient programmes despite operating an increasingly challenging environment.

The carrier's profit margin was 29.6 per cent in January to March, the highest in recent times, according to the company's quarterly financial statement, which was published yesterday.

Earnings per share of the country's largest-listed company stood at Tk 7.92, up from Tk 6.92 in the same quarter a year earlier.

Grameenphone reported Tk 3,620 crore in revenue, registering 3.7 per cent year-on-year growth. It earned Tk 850 crore from the data segment, which posted 24.6 per cent growth, according to the report.

A huge 4G conversion took place in the quarter pushing up data revenue growth, said a company official. In the quarter, 23 lakh internet users who were using 3G service converted to 4G.

The operator though continued to face challenges in the quarter, GP said.

The challenge is related to the Bangladesh Telecommunication Regulatory Commission's audit claim of Tk 12,580 crore.

"The restrictions placed on us by our regulator by not issuing NOCs (approvals) lasted until March, which impacted our planned investment in the country," said Yasir Azman, chief executive officer of Grameenphone, in a statement.

Additionally, the company faced scarcity of numbers from the beginning of the quarter that negatively impacted the subscriber base, he said.

"Despite the challenges, our focus remained on market execution and maintaining our network leadership," said Azman, adding that the operator's drive on 4G conversion led to 1.42 crore 4G users at the end of the quarter.

The operator faced several challenges from the BTRC, centring the audit claims and its refusal to give approvals, even for network expansion and maintenance.

Despite the restrictions, the leading operator invested Tk 40 crore for network coverage and added 197 new 4G sites to its network.

"Grameenphone is a well-performing company, so its good performance was expected," said Ershad Hossain, managing director of City Bank Capital.

As the novel coronavirus is spreading, the use of telecom service is also rising.

As a result, the company will perform better in the coming days, he said, adding that had there been no audit-

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Remittance to nosedive 22pc in 2020: WB

REJAUUL KARIM BYRON and MD FAZLUR RAHMAN

Remittance flow to Bangladesh may plunge by as much as 22 per cent in 2020 because of the fallout of the global coronavirus pandemic, in a major blow to the economy, said the World Bank yesterday.

Money sent by the migrant workers is projected to fall to \$14 billion this year, said the multilateral lender in its Migration and Development Brief.

Remittance is Bangladesh's second-largest source of foreign earnings after the garment industry.

The inflows from the migrant workers, which rose 21.49 per cent to \$11.05 billion in the first seven months of the fiscal year on the back of the 2 per cent cash incentive, had kept the growth momentum until January this year.

But the momentum came crashing in the following months as the impact of the deadly bug started to become evident. In March, remittance fell 12 per cent year-on-year to \$1.28 billion, the lowest in 15 months.

Coronavirus, which originated in China in December last year, has affected both international and internal migration in South Asia.

As the early phases of the crisis unfolded, many international migrants, especially from the Gulf countries, returned to countries such as India, Pakistan and Bangladesh, the WB said.

Gulf countries, which include Saudi Arabia, the UAE and Kuwait, are home to 75 per cent of about 1 crore Bangladeshis living abroad.

Since the middle of February, about

2 lakh migrant workers returned home, with most arriving from Saudi Arabia, the UAE and Malaysia, according to Shariful Islam Hasan, head of BRAC's migration programme.

Remittances to South Asia are projected to decline 22 per cent to \$109 billion in 2020, following the growth of 6.1 per cent in 2019.

Falling oil prices will affect remittance outflows from the GCC countries and Malaysia and the coronavirus-induced economic slowdown from the US, the UK and the EU to South Asia.

Apart from the GCC countries, a major

chunk of Bangladesh's migrant workers lives and work in Malaysia and Singapore, while the US and the UK are respectively home to 5 lakh and 10 lakh expatriate professionals.

"The ongoing economic recession caused by COVID-19 is taking a severe toll on the ability to send money home and makes it all the more vital that we shorten the time to recovery for advanced economies," said World Bank Group President David Malpass in a press release.

The coronavirus-related global slowdown and travel restrictions will also

affect migratory movements, and this is likely to keep remittances subdued even in 2021, the brief said.

In the past, remittances have been counter-cyclical, where workers send more money home in times of crisis and hardship back home. This time, however, the pandemic has affected all countries, creating additional uncertainties.

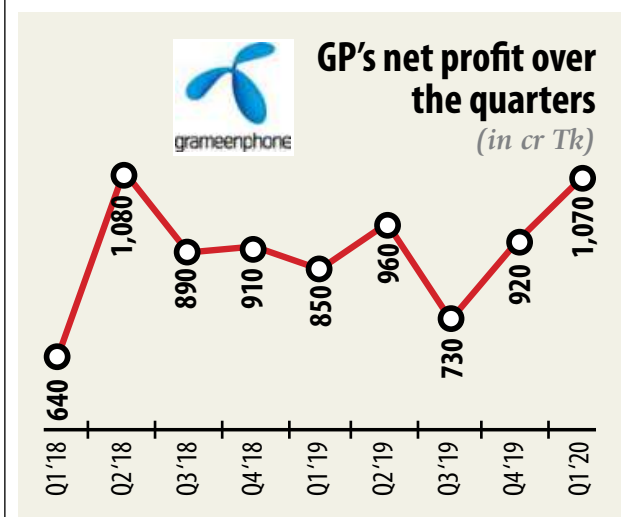
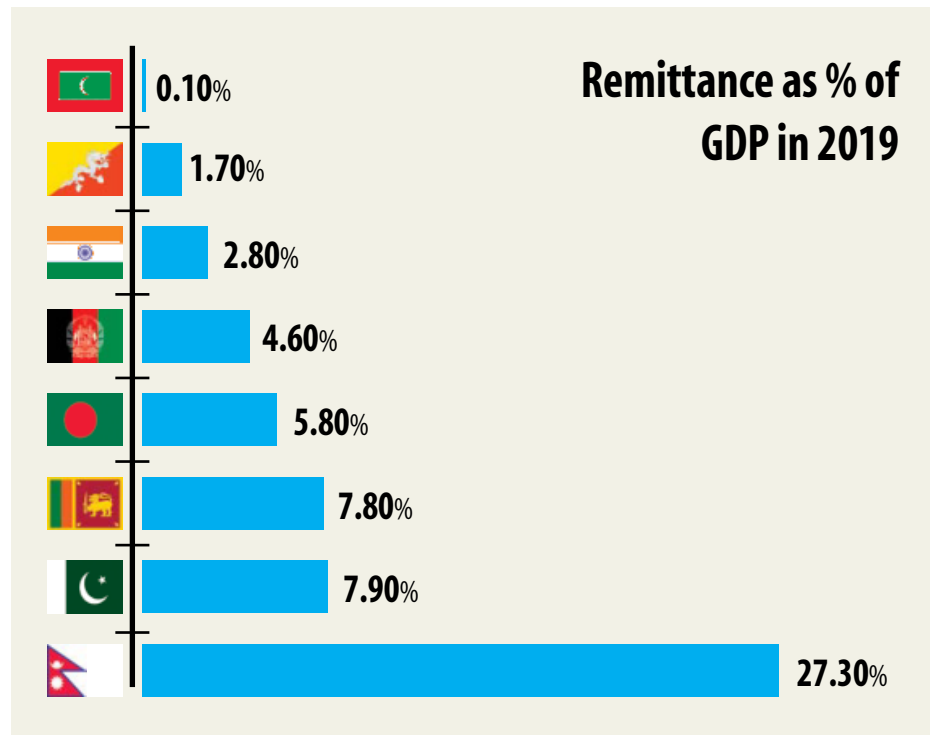
"Effective social protection systems are crucial to safeguarding the poor and vulnerable during this crisis in both developing countries as well as advanced countries. In host countries, social protection interventions should also support migrant populations," said Michal Rutkowski, global director of the social protection and jobs global practice at the WB.

So far, the WB said, government policy responses to the coronavirus crisis have largely excluded migrants and their families back home.

But there is a strong case for including migrants in the near-term health strategies of all countries, given the externalities associated with the health status of an entire population in the face of a highly contagious pandemic.

"Quick actions that make it easier to send and receive remittances can provide much-needed support to the lives of migrants and their families," said Dilip Ratha, lead author of the Brief.

Finance Minister AHM Mustafa Kamal has urged the Asian Development Bank to provide another \$150 million, which would be used to create jobs for the local Bangladeshis and migrant workers who have lost jobs as well as rehabilitate the micro, cottage, small and medium entrepreneurs.



related disputes with the government, its share prices could be Tk 500.

"GP's competitors are still far behind." The company's share was traded at Tk 238 on March 25, the last trading day before the country was placed on lockdown. The market has not opened since.

"Good performance of a stock is a good sign for the market and its higher profits will positively impact the market," Hossain added.

The profit growth of the company is impressive despite losing about 6 lakh subscribers during the quarter due to the government's restrictions on the issuance of new connections, said Md Moniruzzaman, managing director of IDLC Investments.

The company witnessed negative growth in voice revenue but managed to grow data revenue and had an improvement in operating efficiency, which contributed to the bottom line remarkably.

The company's income is yet to take a hit from the payment of Tk 1,000 crore to the government against the audit claim as per court order, he said.

However, the challenges remain on whether it will be able to get in the government's good books and settle unresolved court cases quickly.

The telecom company has the potential to grow faster but it has to pay huge attention to its dispute with the government rather than to its competitors, said a stockbroker preferring anonymity.

The government should emphasise on ensuring that the operator provides better services at competitive rates, he added.

Grameenphone's total number of active connections stands at 7.53 crore, 4.04 crore of which are using the internet.

Its users consume 2,225 megabytes of data every month on an average, up from 1,418 MB a year ago.