

Kafrul homemaker scoops Tk 10 lakh win purchasing Walton refrigerator

STAR BUSINESS DESK

A South Kafrul homemaker won Tk 10 lakh yesterday making a lucky purchase of a Walton refrigerator for Tk 25,210.

Suchona Rahman is the sixth such winner of an “I will be millionaire once again” segment of Walton’s nationwide “Digital Campaign Season-7”, says a press release of the local brand.

To run till upcoming Eid-ul-Azha, the campaign offers Tk 10 lakh and cash vouchers of up to Tk 1 lakh on lucky purchases of Walton refrigerators, washing

machines and microwave oven.

Rahman purchased the refrigerator from Walton Plaza’s Mirpur-10 branch on July 13 and later received an SMS informing of her win. She said to be already using a Walton air conditioner and LED TV.

Of the other winners, Wazed Ali is a tailor by profession of Gazipur, Solayman Haque a towel trader of Naoga, Chaithwai Aoung Marma a poultry farmer of Rangamati, Ranjit Chandra Roy an office assistant of Khansama Upazila Project Implementation Office in Dinajpur and Nazim Uddin a fish farmer of Chattogram.

Savlon offers Covid-19 decontamination, consultancy service

STAR BUSINESS DESK

Liquid antiseptic brand Savlon yesterday announced launching a “Savlon Shurokkha” service for institutions, including educational ones, and businesses to cope with Covid-19 realities and reopen through measures for a return to normalcy.

Under the service, a skilled team, including virologists and microbiologists, will conduct risk assessment inspections at the establishment seeking the service and provide consultancy, health and hygiene related training, decontamination and

certification to ensure long-term protection.

Launched through a press conference at ACI Center, the service can be availed through hotline 16509 and Facebook pages Savlon Shurokkha and Savlon Bangladesh.

“With the help of this service, any institution can ensure safety of their employees,” said Syed Alamgir, managing director of ACI Consumer Brands, in a press release.

“Closed institutions can resume their regular operations and currently operating institutions can ensure safety for themselves,” he said.

Euro boosted as huge EU stimulus plan propels global stocks

AFP, New York

Global stock markets mostly rose Tuesday along with the euro as EU leaders clinched an agreement on what they boasted was a historic rescue plan.

The 750 billion euro (\$858 billion) deal was sealed after intense negotiations that saw threats of walkouts, vetoes and fierce opposition from the Netherlands and Austria. “Deal!” tweeted EU Council Chief Charles Michel, whose job was to guide the talks over more than 90 hours.

The package sends tens of billions of euros to countries hardest hit by the virus, most notably heavily-indebted Spain and Italy, which had lobbied hard for a major gesture from their EU partners. “This is the most important moment in the life of our Europe since the creation of the euro” in 2002, French President Emmanuel Macron said.

The agreement boosted European bourses, including in Paris and Frankfurt, and also lifted the single currency to its highest level against the dollar since early 2019.

BK Asset Management’s Kathy Lien said Europe has done much better than the United States at reopening its economy without igniting a spike in coronavirus cases, and that the package agreed in Brussels could add to that momentum. “With the US economic outlook growing more uncertain, these steps to ensure a stronger recovery (have) and should continue to drive (the) euro higher,” Lien said.

Focus now turns to lawmakers in Washington who are looking to pass a huge new stimulus package, with key supplemental unemployment benefits set to expire at the end of July.US stocks had a mixed session, with the Dow pushing higher behind gains in petroleum and banking shares, while the Nasdaq retreated from a record close.



AFP

The stimulus money aims to get European economies moving again.

Quincy Krosby, chief market strategist at Prudential Financial, said the pullback in Nasdaq was probably due to profit taking.

Investors are hopeful that some of the US states with bad coronavirus outbreaks may be leveling off and that lawmakers in Washington will approve another round of stimulus, Krosby said. “The package would help cushion the continued downside of the virus on the economy,” she said.

Dow members Exxon Mobil and Chevron jumped 7.2 percent and 5.1 percent, respectively,

as oil prices climbed to their highest level in four months after the European stimulus agreement was announced.

Another Dow member, Boeing, gained 2.4 percent as the Federal Aviation Administration said it would issue a proposed airworthiness directive for the 737 MAX, which has been grounded since March 2019 following two deadly crashes. The FAA statement moves the MAX a step further on the recertification path after the agency on July 1 completed test flights on the plane.

Tesla’s Musk qualifies for \$2.1 billion payday Number of e-GP tenders crosses 4 lakh

REUTERS

Tesla Chief Executive Elon Musk qualified on Tuesday for a payout worth an unprecedented \$2.1 billion, his second jackpot since May from the electric car maker following its massive stock surge.

Tesla’s stock was down 3% in afternoon trading, eroding a recent rally that has elevated the company’s market capitalization to almost \$300 billion, larger than any other carmaker.

Despite Tuesday’s stock dip, and importantly for Musk’s personal finances, Tesla’s six-month average market capitalization for the first time has reached \$150 billion. That triggers the vesting of the second of 12 tranches of options granted to the billionaire in his 2018 pay package to buy Tesla stock at a discount. Musk, who is also majority owner and CEO of the SpaceX rocket maker, receives no salary.

Even with Tuesday’s decline in



Tesla’s stock, its six-month average market capitalization rose, thanks to the stock’s strong rally in recent months.

In early May, Musk’s first tranche vested after Tesla’s six-month average stock market value reached \$100 billion.

p/ Musk has already achieved targets related to Tesla’s financial growth that are also required in

order to vest the latest options tranche.

Each tranche gives Musk the option to buy 1.69 million Tesla shares at \$350.02 each, less than a quarter of their current price. At Tesla’s current stock price of \$1,594, Musk would theoretically be able to sell the shares related to the tranche that vested in May and the current tranche for a combined profit of

\$4.2 billion, or almost \$2.1 billion per tranche.

Musk’s first tranche was worth about \$700 million in May, when it vested, but its value has since increased along with Tesla’s stock price.

The median compensation for Tesla employees last year was about \$58,000, according to a company filing.

Tesla’s stock has surged more than 500% over the past year as the company increased sales of its Model 3 sedan.

Following higher-than-expected second-quarter vehicle deliveries, some investors believe Tesla might report a profit in its second-quarter report on Wednesday after the bell. That would mark four consecutive profitable quarters, a first for Tesla and a key hurdle for it to be added to the S&P 500 index.

Analysts on average expect a \$240 million loss for the quarter, according to Refinitiv. A month ago, analysts expected a loss of almost \$340 million.

Banks just not getting worked up by farm loans

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Banks are supposed to disburse at least 2 per cent of their total outstanding loans in farm credit. The farm loan had since maintained an upward trend.

The declining trend of the farm loan is a warning call for the country’s food security, said Rahman yesterday.

“Agriculture can protect us to a great extent from the ongoing financial meltdown. A one per cent growth in the farm sector can reduce poverty by 0.39 per cent,” he said.

The farm sector is now under tremendous pressure as people have flocked to villages to live their life smoothly and save themselves from the storms of the meltdown in the urban areas.

Both the government and the central bank will have to make a concerted effort to boost the farm loan disbursement to ensure a quick recovery from the recession, the economist said.

The agriculture sector accounts for 48 per cent of the country’s total employment. A strong partnership between banks and microfinance institutions is needed to give a boost to farm

loan disbursement in the quickest possible time, Rahman added.

The central bank should immediately explore the reasons behind banks’ reluctance to disburse farm loans, said Hossain Zillur Rahman, chairperson of Brac.

“The policymakers are not playing their due role in making the farm sector vibrant. And the declining farm loan is one of the reflections of their stance.”

The government should widen its dependency on the farm sector to keep the GDP growth sustainable, said the former adviser to a caretaker government.

“The central bank will have to compel lenders to disburse the required farm loans such that the ongoing financial recession doesn’t affect the peoples’ livelihoods badly,” said Salehuddin Ahmed, another former governor of the central bank.

The BB yesterday announced the new farm loan policy for the current fiscal year, setting an annual lending target of Tk 26,292 crore.

Managing directors of three banks on

condition of anonymity said that they would take initiatives to disburse farm loan. The loan disbursement will rebound in September and October, they said.

Banks have been in a state of confusion due to the wide-ranging economic fallout caused by the pandemic, putting a negative impact on the farm loan distribution, according to them.

Health, agriculture and employment creation have given priority while allocating resources for the annual development programme in fiscal 2020-21.

Of the development budget, 22 per cent has gone to the overall agriculture sector (agriculture, rural development, water resources and others).

“Ensuring food and nutrition security for the large population in Bangladesh, and protecting the lives and livelihoods of farmers, farm labourers and relevant others engaged in the agriculture sector are the main challenges now for us given the forecast of imminent famine in the post-coronavirus world,” Finance Minister AHM Mustafa Kamal said in his budget speech on June 11.

The unhappiest Eid for cattle farmers and traders

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Besides the economic downturn brought on by the rogue virus, there are two other reasons for the dire situation in cattle trading, said Md Imran Hossain, president of the Bangladesh Dairy Farmers’ Association (BDFa).

One is that the very rich who used to sacrifice big cows every year are not participating in Qurbani this time for fear of the virus and the other is the restriction on performing Qurbani imposed by flat owners’ associations or housing societies.

“Many want to perform Qurbani due to their religious obligation but are unable to do so due to the barricade put by the associations.”

Hossain, the owner of Sadeeq Agro, one of the country’s biggest dairy farms located in the capital Mohammadpur, went on to urge the government to remove these obstacles to save thousands of centrifugal poor cow farmers.

Sadeeq Agro prepared 2,100 cows for this Eid and so far managed to sell only 450.

Last year, the farm had sold 75 per cent of its cattle two weeks before Eid. He had reared 1,900 cows. He projects more than 1,000 cows would remain unsold this year.

Hossain also demanded the government to provide money from the stimulus package to the

suffering dairy farmers so that they can continue in the business.

SMALL COWS ARE IN HIGH DEMAND

As coronavirus ate away significant portions of people’s income, buyers are opting for a small cow.

Buyers who used to avail cows worth Tk 1 lakh or Tk 1.2 lakh are now looking for cows worth Tk 65,000 to Tk 75,000 this time, said cattle trader Kakoli Khan, the owner of Shuddho Krishi, an e-commerce site.

According to her, 90 per cent of her customers prefer small cows.

Ecommerce platforms involved in cattle trading also confirmed that small cows are being sold as soon as they are uploaded on the site.

“Professional dairy farmers usually sell big cows. This time, the demand for big cows is low. So, they will face huge losses in the business,” said Hossain, president of the BDFa.

However, according to Khan, the demand for goats is high. She has already taken 31 orders for goats.

NORTH BENGAL FARMERS HIT HARD

Beside coronavirus, northern cattle farmers were fighting with lumpy skin disease (LSD) as their cattle were getting infected at an alarming pace by another highly contagious virus LSD.

Now, they are facing a new backlash: sustaining flood.

Abdul Aziz of Kurigram districts Fulpur Bazar area has to take shelter on THE street with his cattle Because the flood has submerged his house and farmhouse.

“Hundreds of cows have now been brought to the streets,” Aziz told The Daily Star yesterday. Saidul Alam, a cattle trader, brought his 32 cows to the street.

He bought a total of 42 cows, of which only ten have been sold with a nominal profit.

“I can’t sleep thinking about how to sell the remaining 32 cows as there are no customers,” he added.

It is the same story among the cattle traders and farmers in neighbouring Lalmonirhat district.

Abdul Hakim, a cattle farmer, has sold just one of his five cows at a loss of Tk 23,000.

“Flood and coronavirus have destroyed our business,” he said, adding that he is staring at losses of Tk 1.25 lakh if he has to sell his cattle at the current price.

This year 1.19 crore cattle have been prepared for Qurbani, up from 1.18 crore last year, according to the Department of Livestock Services.

Old Dhaka’s small businesses demand speedy disbursement of stimulus funds

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He also called for waiving VAT on locally made capital machinery and businesses providing repairing services. Apart from fiscal support, a few non-fiscal assistances will also help SMEs, he added.

Most of the CMSMEs in Old Dhaka do not have bank accounts, said Mohammad Jalal Uddin, president of the Bangladesh Bread Biscuit and Confectionery Makers Association. He said 95 per cent of SMEs were good borrowers and successfully repaid their loans.

He called upon banks to give loans to CMSMEs without bank accounts based on recommendations of the respective business bodies. There are 5,000 bakeries in Bangladesh out of which only 270 are in operation.

Without fiscal assistance, small

industries in Old Dhaka will face a big problem, he said.

Jalal informed that 1,000 bakeries in Dhaka generated employment for 2 lakh people.

The main problem in Old Dhaka is traffic congestion, he added. He also requested the government to allow CMSMEs to pay all utility bills through equal instalments in the next six months.

Most of the CMSMEs are unable to fulfil all requirements of banks, said Md Golam Mawla, president of Bangladesh Edible Oil Wholesalers Association. He also said entrepreneurs of this sector were yet to get fiscal support from banks.

Entrepreneurs engaged in manufacturing consumer items need large investments and so they need financial support at this time, he said.

AmCham to award TV, print journals for pandemic efforts

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Winners will be selected after careful assessment by “a highly reputed” selection committee before being awarded in a future programme.

Amid the Covid-19 pandemic, journalists across the globe are facing numerous challenges when discharging their duties, such as field reporters dealing with the risk of infection.

However, they continue to spread awareness on cautionary measures while combating misinformation, confusion and panic by providing accurate reports.

In a statement the AmCham said the award was a continuation of its

commitment to support society.

AmCham believes that this initiative would motivate the journalists’ community and further highlight their major contributions to Bangladesh’s fight against the coronavirus fallout.

Information Minister Mohammed Hasan Mahmud attended the virtual conference as chief guest while JoAnne Wagner, deputy chief of mission at the US embassy in Bangladesh, was a guest of honour. AmCham President Syed Ershad Ahmed was in the chair as Vice President Syed Mohammad Kamal moderated the programme and briefed participants on the award’s specifics.