

Debt-laden Lankan port handed over to Chinese owner

AFP, Colombo

Sri Lanka Saturday handed over a deep-sea port to a Chinese firm, in a deal agreed to boost the cash-strapped island's finances that has raised concerns at home and abroad over Beijing's growing influence. The \$1.12 billion deal first announced in July lets a Chinese state company take over the southern port of Hambantota, which straddles the world's busiest east-west shipping route, on a 99-year lease. "With the signing of the agreement today the Treasury has received \$300 million," Prime Minister Ranil Wickremesinghe said at a ceremony in the capital to mark the handover. "This is the beginning of our debt settlement," Wickremesinghe said. The loss-making port will now be jointly managed by the state-owned Sri Lanka Port Authority and China Merchants Port Holdings.



MERCANTILE BANK
Md Anwarul Haque, chairman of Mercantile Bank's executive committee, and Kazi Masihur Rahman, CEO, open the bank's 122nd branch at Khepupara in Patuakhali on Thursday.



NCC BANK
Md Nurun Newaz Salim, chairman of NCC Bank, opens the bank's 107th branch in Comilla on Thursday. Mosleh Uddin Ahmed, CEO, was present.



BRAC BANK
MA Mannan, state minister for finance; Subhankar Saha, executive director of Bangladesh Bank; Selim RF Hussain, CEO of Brac Bank; Kamal Quadir, CEO of bKash, and Jinu Rajan, global network architect of Transfast, attend a programme where Transfast, an international money transfer and cross-border payments company, Brac Bank and bKash launched an international remittance receiving service in Bangladesh. The service will enable the mobile financial service provider's registered customers to use their mobile phones to receive remittances from abroad directly into their bKash accounts.

China's November producer prices ease to four-month low

REUTERS, Beijing

China's producer price inflation slowed to a four-month low in November as factory activity softened due to the government's ongoing efforts to curb pollution, cooling demand from factories for raw materials. Producer prices rose 5.8 percent from a year earlier - the lowest since July, the National Bureau of Statistics said on Saturday. The rise was slightly less than

market expectations and compared with the previous month's 6.9 percent increase. Analysts polled by Reuters had predicted the PPI in November would rise an annual 5.9 percent, easing back also because of a high base a year earlier. "The environmental protection drive could affect production of middle- and low-stream firms, easing demand for raw materials," said Wen Bin, an economist at Minsheng Bank in Beijing.

Insider trading led to abnormal price hike of BBS Cables shares

FROM PAGE B1

The unusual price hike prompted the Bangladesh Securities and Exchange Commission to form an investigation committee -- just less than a month after the company started trading. "Even the manager of the company made profit from BBS Cables stocks," Howlader said, adding that company insiders bought shares due to a lack of knowledge about stockmarket rules. In response to queries from the investigation committee, BBS Group informed about the share purchase by the company insiders. It also committed to never buying shares from the secondary market again. Howlader went on to warn investors about the rumour that the share price will go up to Tk 250. "I heard a rumour that owners of the company will take the share price up to Tk

250 very soon, but this is absolutely incorrect." "We have lack of knowledge about the stock market rules and regulations and I am trying to learn more about the market to avoid violation," BBS Cables traded at Tk 119.30 at the last trading session last week, according to the DSE. Established in 2009, BBS Cables went on to cement the number two position in the cable business in 2015, according to Howlader. The company has plans to step into the global market, he added. Investors should invest in stocks after knowing about the business of respective companies, said Syed Farhad Ahmed, managing director of Aamra Group, which has two companies listed on the DSE: Aamra Technology and Aamra Network. He also advised investors to make an effort to know about the company's vision before buying its stock.

Suits, blazers emerging as strong export items

FROM PAGE B1

The UK, the US, Japan and Germany are the major export destinations for suits and blazers from Bangladesh. Swedish retail giant H&M and British retailer Marks & Spencer are the major customers of suits and blazers from Bangladesh, exporters said. Asif Ibrahim, vice-chairman of Newage Group, another leading garment exporter, said he has established blazer factory with his Hong Kong-based business partner at Ashulia three years ago. The factory employs 1,200 workers and has production capacity of 1 lakh pieces a month. "I mainly export suits to the EU and the US," Ibrahim said, adding that he gets \$10 to \$12 for a blazer. Like Rashid, he too is mulling over expanding his suit-manufacturing line as China is progressively walking out of this segment. "This has created scope for Bangladesh," he said, while citing a shortage of skilled manpower in this emerging sub-sector as a barrier. Similarly, Asif Zahir, a director of Ananta Group, a leading garment exporter, said he also manufactures 1 lakh pieces of suits a month at his factory in Adamjee Export Processing Zone. "The suit industry is a specialised one. It will take time to be a major producer of suits, although we have the buyers and technologies," he said, adding that the suits yield a good margin. It is not possible to receive \$20 from a T-shirt but it is possible to get more than \$20 from a suit, Zahir added. And yet the promising sector is struggling to lure in the scale of investment that denim, another value-added segment, has managed. For instance, Kutubuddin Ahmed, chairman of Envoy Group, a leading apparel exporter, has no plans to dive in to the suit manufacturing. Instead, he is concentrating on consolidating his denim manufacturing capabilities.

Deep-sea resources largely untapped

FROM PAGE B1

Some 69,000 artisanal mechanised and non-mechanised boats and about 200 industrial steel body trawlers are engaged in fishing in up to 60 kilometres from the coastline, according to Alam. And hilsha is the single most valuable species caught. The average depth of the Bay of Bengal is 2,500 metre. And yet, there is hardly any capability of catching demersal fishes below 50 metre depth of water. Longline fishing is totally absent in deep waters, he said. There is tremendous scope for increasing marine catch by introducing technology, long line and incentives for bigger ocean going trawler, said Alam, also a former naval officer. The global population will be 9 billion by 2050 and 100 million tonne of additional fishes will be needed by that time. "It will be good if we can catch at least 5 million tonnes of fishes from the sea." Not only fish, the sea also offers prospect of aquaculture, energy and mineral resources, carrying cargo through the development of shipping and port facilities, tourism and biotechnology, he said. The blue economy comprises of the activities that directly or indirectly take place in the seas, oceans and coasts, using oceanic resources and eventually contributing to sustainable inclusive economic growth, employment and well being while

preserving the health of the ocean.

Bangladesh has taken initiative to tap into the blue economy after it got the right to fish and explore resources within 118,813 square kilometres of the sea and trawl up to 200 nautical miles into the Bay of Bengal based on a verdict from an international tribunal in 2014. "Fish oils are used to make pharmaceuticals. The skin of fish is also used to make jackets." Alam, citing Bangladesh's overseas trade of \$74 billion in 2015, said more than 90 percent of the freight trade was seaborne. Some 2,600 foreign ships visited Bangladesh's ports and \$5 billion was required to pay to carry the freight due to inadequate merchant ships, he said. The sea also offers scope to tap prospect of exploring fossil fuels and other mineral resources, renewable energy, modernisation of salt production industry as well as cruise tourism. "Trends in aging population, rising income and relatively low transport costs will make coastal and ocean locations ever more attractive. Cruise tourism is the fastest growing sector in the leisure travel industry," he added. Finance Minister AMA Muhith said there is a lack of capacity and skills to explore and utilise the blue economy. Coordinated initiatives by all including public and private sectors are necessary to use sea resources, he

said. Muhith, citing the increase in food production since 1971, said Bangladesh has been able to exploit its land much better than marine resources. "Not only prospect, there is also a lot of risk related to blue economy. We have to proceed in a planned manner to ensure sustainability," said Selima Khatun, special assistant to Prime Minister Sheikh Hasina. "We have to ensure that no resource is destroyed to acquire another resource," she said, citing past attempt to catch frog and export legs of the species. Frog eats insects but indiscriminate catch affected its population. The use of pesticides has also affected aquatic lives, she said. Amanullah Chowdhury, vice-chairman of Rangs Group, said the government's support, especially from the fisheries department, is needed to develop the blue economy. "We do not get that much support," he said, citing delays in giving decisions as a case in point. Mohammad Akhtaruzzaman, vice-chancellor of Dhaka University; Khan Habibur Rahman, president of the Zoological Society of Bangladesh; Md Anwarul Islam, chairman of the Dhaka University's department of zoology; and FH Ansarey, managing director of the agribusiness division of ACL, spoke among others.

Mahfuzur Rahman, chairman of ATN Bangla, and Kazi Wahidul Alam, editor of The Bangladesh Monitor, a leading travel and tourism publication, hand over a trophy titled "Meizan-Malaysian Palm Oil Spera Rondhonshilpi 2017" to Nahid Sultana at a programme at the Sonargaon hotel in Dhaka. ATN Bangla and the publication jointly organised the competition's 13th edition.

THE BANGLADESH MONITOR



Sales of savings tools on the rise

FROM PAGE B1

Because of the huge sales of the savings tools, the government's net borrowing from the banking sector went into negative in the first quarter of 2017-18. The government borrowed Tk 2,132.3 crore from banks in the first quarter and repaid Tk 5,270.2 crore to take its net borrowing from the source to Tk 3,137.90 crore in the negative. As a result, most banks are sitting on excess liquidity, the BB official said. "The banks will get a respite if the government starts to borrow from the banking system in full swing," he added. AB Mirza Azizul Islam, a former caretaker government adviser, told The Daily Star yesterday that the net investment in the savings instruments would increase further in the coming days as depositors' confidence in the banking sector has eroded

because of frequent financial scams. Though initially only state-run banks were rattled by scams, massive irregularities are now being detected in the private sector lenders. "It may create an uncertain situation for clients," Islam said. According to the former adviser, the higher rates on the savings tools are encouraging investors to park their money in the instruments which will create a mismatch for the government in dealing with deficit financing. Islam, however, said the government should not slash the interest rates on the savings certificates because the tools are mainly bought by middle and lower-middle income groups. "But the government should stop the sales of savings tools when its budgetary target is met," he noted.

Digital World brings promises for business

FROM PAGE B1

He suggested that the organisers reserve 25 to 30 percent space of the venue for the participation of foreign countries next year, which would help even more businesses to connect. A huge number of foreign experts and companies attended this year's event and held a good number of meetings. It was also the first time that e-commerce businesses, around 85 companies, showcased their products. Rajib Ahmed, president of e-Commerce Association of Bangladesh (e-CAB), said they were very happy as most companies got business and were able to meet global companies.

"Companies also sold some products here but partnership meetings were their main success, which will ultimately help the industry grow further," he added. Apart from Sophia's appearance, there were other events that attracted visitors such as sessions on gaming, digital marketing, e-commerce and innovation. Facebook's presence was noticeable with a myriad of experts from the world's largest social networking site attending workshops and seminars. The closing session's chief guest was AMA Muhith, finance minister. It was here that Palak termed it one of the most successful events in the country's history.



PRIME BANK
Mohammad Zubayer Ershad, head of Prime Bank's consumer banking division, and Mohd Noor Ali, managing director of Unique Group, exchange documents after signing a "Prime Payroll" agreement. The group's employees will enjoy certain privileged services and facilities from the bank.



STANDARD BANK
Kazi Akram Uddin Ahmed, chairman of Standard Bank, cuts a ribbon to open the bank's 118th branch on Jamal Khan Road in Chittagong on December 6. Mamun-Ur-Rashid, CEO, was present.