

# Date import increases

DWAIPAYAN BARUA, Chittagong

Bangladesh imported 42,931 tonnes of dates—a popular iftar item—in the last four months, up 6.32 percent year-on-year thanks to the increasing consumption of the fruit.

The eating habit of people has changed in the recent years as health conscious people now consume dates round the year, said Faruq Ahmed, a date importer based in Khatunganj.

It was a common trend in the past to see a rise in the demand of the fruit during Ramadan only, Ahmed said. Dates of different varieties with prices ranging from Tk 75 a kilogramme to Tk 2,800 a kg are now found in roadside iftar stalls, retail kitchen markets as well as the super shops.

This year, dates have been imported from the highest 17 countries, including the United Arab Emirates (UAE), Saudi Arabia, Iraq, Tunisia, Algeria and Palestine.

In the last four months to April, 20,740 tonnes of dates—the highest—have been imported from the UAE. The second highest amount of dates came from Algeria – 14,509 tonnes. Around 3,315 tonnes came from Iraq and 3,165 tonnes from Saudi Arabia.

Zahidi brand of dates imported from Iraq are the cheapest. Before the beginning of Ramadan, low quality Zahidi dates were sold at Tk 70 a kg and the higher quality at Tk 100 a kg in Khatunganj wholesale market.

Dates of the two categories are now sold at Tk 75 and Tk 120 a kg respectively, industry insiders say.

# India to build sugar stockpile to cut surplus supplies in market

REUTERS, New Delhi

India will build government stockpiles of sugar to cut a surplus in the market, two official sources said on Tuesday, a move that will prop up local prices and help money-losing mills pay dues to millions of cane growers, a key voting bloc.

The cabinet of Prime Minister Narendra Modi would soon approve a plan to create

“buffer stocks” of 3 million tonnes of sugar to suck the extra supply out of the domestic market and to stave off a free fall in prices, one of the sources said.

Buffer stocks refer to government-held purchases.

Other than creating buffer stocks of sugar, the government could look at other means of supporting prices, said the second source.

# GE announces record efficiency of gas turbine

STAR BUSINESS DESK

GE yesterday announced that its 7HA.01 gas turbine in Chubu Electric's Nishi-Nagoya power plant in Japan achieved 63.08 percent combined-cycle gross efficiency, setting a new world record in efficiency.

The HA turbine is powering the world's most efficient power plants in both 50hz and 60hz segments, says a GE press statement.

The Nishi-Nagoya Block-1 power plant, equipped with three 7HA.01 gas turbines, is capable of generating more than 1,188 megawatts (MW) of power. That is equivalent electricity to supply approximately 2.7 million average homes in Japan.

“By providing outstanding performance, reliability and efficiency, GE's H-class gas turbines are well suited to power the upcoming high capacity LNG-based power plants in Bangladesh,” reads the statement.

“Bangladesh is exploring innovative avenues to generate electricity that is cleaner, more reliable and affordable,” said Deepesh Nanda, CEO of Gas Power Systems at GE South Asia.

“Today GE's technologies like the H-class offer one of the most cost-effective conversion of fuel to electricity as well as industry leading operational flexibility. Such attributes can be a huge value add for GE customers in Bangladesh opting to use HA gas turbines in future,” said Nanda.

GE Power partnered with Summit Power International Ltd to offer its first HA gas turbine in South Asia for Summit's upcoming 590 MW combined-cycle dual-fuel power plant at Meghnaghat in Bangladesh. GE already has an installed base of more than 35 gas turbines, generating about 2.2 GW of electricity in Bangladesh.

# MoU signed on direct flights to Austria

STAR BUSINESS REPORT

Bangladesh and Austria has signed a memorandum of understanding aimed at running direct flights between the two countries.

The signing took place during Civil Aviation and Tourism Minister AKM Shahjahan Kamal's visit to Austria from May 15-20, said a statement of the ministry.

During a meeting with Kamal, Norbert

Hofer, federal minister for transport, innovation and technology of Austria, said they were keen on starting the flights soon, which would boost economic relations.

Kamal was accompanied, among others, by Rahat Bin Zaman, chargé d'affaires of Bangladesh to Austria, and Air Vice Marshal M Naim Hassan, chairman of the Civil Aviation Authority of Bangladesh.

# Oil rises towards \$80

REUTERS, London

Oil rose towards \$80 a barrel on Tuesday, supported by concern that falling Venezuelan crude output and a potential drop in Iranian exports could further tighten global supply. Crude is trading at the highest since late 2014, underpinned

by a supply-cutting deal among the Organization of the Petroleum Exporting Countries plus Russia and other non-members, and strong global demand.

Brent crude, the global benchmark, rose 63 cents to \$79.85 a barrel by 0812 GMT. Last week, it topped \$80 for the first time since November 2014.

# SC asks Citycell to clear BTRC dues

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The apex court said Citycell would have to pay the money to the BTRC as recommended by an expert committee headed by Prof Jamilur Reza Choudhury.

The SC formed the committee in November 2016 to assess the relevant fees of the Bangladesh's first mobile phone operator payable to the commission, according to BTRC's lawyer Khandaker Reza-E-Raquib.

The committee submitted a report to the Appellate Division in June last year and recom-

mended the out-of-operation operator pay Tk 372 crore to the BTRC in revenue sharing fees, spectrum charge, late fees and fine.

Citycell has already paid Tk 244 crore as per the recommendation, said Raquib.

PBTL recently filed the petition seeking directives so that Citycell is exempted from paying the rest.

Attorney General Mahbubey Alam appeared for the BTRC while Barrister Rakanuddin Mahmud and Advocate Ahsanul Karim represented PBTL.



**M Khorshed Anowar, head of retail banking of Eastern Bank, and Zubair BA Siddiky, managing director of Foodpanda Bangladesh, exchange documents after signing an agreement at the bank's head office in Dhaka recently. EBL Skypay will process Foodpanda customers' Visa and Mastercard credit, debit and prepaid card payments on the latter's mobile app and website.**

# President stresses private sector development

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“Alongside creating some one crore jobs, the government has targeted to raise the export volume to \$40 billion by setting up the special economic zones. So, most plots in these economic zones are being allocated for private entrepreneurs.”

He said local and foreign investments are on the rise because of tax exemption and other government incentives provided to the investors.

Green industrialisation has been possible as the government was trying to ensure a visionary and entrepreneur-friendly policy, he said.

Sectors such as garment, leather, shipbuilding, bicycle and ship-breaking are also moving forward. “Some of the industries like ceramic, plastic, furniture and electronics have

ensured global standards in production and logged considerable export growth.”

The awards were given to 13 industrial units in six categories for their contribution to the economy.

Fariha Spinning Mills from Narayanganj received the top award in the large industry category while Spectra Engineers and Envoy Textiles held the second and third positions respectively in the category.

BRB Polymer, Chittagong Denim Mills and Basumati Distribution won the first, second and third prizes respectively in the medium-sized industry category.

In the small industry category, the winners were Runner Automobiles from Mymensingh, Oco-Tex Ltd from Gazipur and Abul Industries. Smart

Leather Products was the lone company recognised in the new micro-industry category.

Super Star Electrical Accessories Ltd from Narayanganj and Service Engine BPO from Dhaka were awarded under the hi-tech category while Karupanno Weaving Factory was the lone award recipient in the cottage industry category.

ASM Mohiuddin Monem, deputy managing director of Abdul Monem Ltd and chairman of Service Engine BPO, received the award on behalf of Service Engine BPO.

Industries Minister Amir Hossain Amu and Industries Secretary Muhammad Abdullah were also present.

Managing Director of Fariha Spinning Mills Monir Hossain spoke on behalf of the industrialists.

# Robi losses linger

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Intense competition on both data and voice pricing caused the losses, said Shahed Alam, executive vice-president and head of regulatory affairs at Robi.

“At present, the data price is not regulated. As a result, we are forced to sell data below the production cost,” he added. The operator also blamed the losses on the additional expenditure of 4G rollout, the increased borrowing rate in the market and the prevailing high tax regime.

Robi rolled out 4G service in all 64 districts on February 20. It has more than 5,000 4G-enabled sites with nearly 20 lakh active users. The operator registered Tk 1,627.8 crore as gross revenue for the January-March period, up 5.22 percent year-on-year.

Its active subscribers base grew 6.3 percent quarter-on-quarter to reach 4.56 crore, out of which 2.53 crore are internet users. As of March, about 40 percent subscribers are using smartphone in Robi's network, though the market average is about 35 percent.

Robi's data users consume 803MB every month on average as data consumption increased at a phenomenal rate after the launch of 4G services.

“As of now, we are very near to achieving the two million 4G subscriber milestone,” said Mahtab Uddin Ahmed, Robi's managing director and chief executive officer, in a statement.

It has contributed about Tk 680 crore to the government exchequer in the first quarter of the year, according to Axiata, Robi's parent company.

# Berger glows in grim market

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Turnover, another important indicator of the market, declined 22 percent to Tk 438.41 crore, with 10.97 crore shares and mutual fund units changing hands on the DSE. Of the traded issues, 100 advanced, 179 declined and 53 closed unchanged on the premier bourse.

Coming second on the turnover chart was Intraco Refuelling Station, which was followed by BSRM, Al-Arafah Islami Bank and United Power Generation.

Berger Paints was the day's best performer, followed by Queen South Textile, Legacy Footwear, Advent Pharma and Shepherd Industries.

Dhaka Bank was the day's biggest loser, shedding 12.19 percent, followed by First Security Islami Bank, Eastern Cables and Modern Dyeing.

Among the major sectors, banks lost 0.77 percent, pharmaceuticals 0.67 percent and engineering 0.50 percent. Conversely, fuel and power gained 0.50 percent and general insurance 0.14 percent.

Chittagong stocks also declined yesterday, with the bourse's benchmark index, CSCX, shedding 29.30 points, or 0.31 percent, to finish the day at 10,064.12 points.

Losers beat gainers as 101 stocks declined and 83 advanced, while 40 finished unchanged on the Chittagong Stock Exchange.

The port city bourse traded 63.92 lakh shares and mutual fund units worth Tk 25.40 crore in turnover.

## Correction

In a news item titled “Pubali Bank elects vice chairmen” published on The Daily Star on May 21, it was said that Pubali is a state-owned bank. Actually it is a private bank. We are sorry for the mistake.

# Most banks see EPS fall

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Dhaka Stock Exchange statistics shows its benchmark index, DSEX, declined 656.97 points, or 10.50 percent, to 5,597.44 points in the first quarter.

The banking sector had to keep huge provisioning in the first quarter as the classified loans are soaring, said Khondkar Ibrahim Khaled, a former deputy governor of the Bangladesh Bank. “Those with higher classified loans saw their EPS decline mostly.”

On the other hand, many banks could not disburse new loans in the first quarter as they have already reached their loan-deposit ratio, so profits were hampered, he added. Huge competition to attract deposits is another reason for the decline in banks' EPS in the quarter.

Banks are offering higher interest on deposits but the lending rate is yet to rise proportionally, so the spread declined this quarter and with it, the EPS.

For instance, in March banks' spread stood at 4.34 percent, in contrast to 4.62 percent a year earlier.

“We are keeping sufficient provisioning, so EPS is affected,” said Mohammad H a b i b u r R a h m a n Chowdhury, deputy managing director and chief financial officer of Prime Bank.

The main difference maker in this quarter's EPS was the declining operating profit, he said.

Prime Bank's operating profit this quarter stood at Tk 109 crore, down almost 55 percent year-on-year.

# US, China nearing deal to remove US sales ban against ZTE

REUTERS, Beijing

Washington and Beijing are nearing a deal that would remove an existing US order banning American companies from supplying Chinese telecommunications equipment maker ZTE Corp, two people briefed on the talks told Reuters.

The people, who declined to be identified because negotiations are confidential, said the deal could include China removing tariffs on imported US agricultural products, as well as buying more American farm goods.

ZTE, hit by a seven-year ban in April which effectively crippled its operations, would gain a reprieve after the world's two largest economies stepped back from the brink of a full-blown trade war following talks last week.

The company did not immediately reply to requests for comment.

White House advisors have said previously the ban against ZTE is being reexamined, and that the firm would still face “harsh” punishment, including enforced changes of management and at board level.

One person told Reuters there was a “handshake deal” on ZTE between US Treasury Secretary Steven Mnuchin and Chinese Vice Premier Liu He during talks in Washington last week that would remove the ban in exchange for the purchase of more US agricultural products.

The second person said China may also eliminate tariffs on US agriculture products it assessed in response to US steel duties, and that ZTE could still be forced to replace its leadership, among other penalties.

Both sources said the deal, while not yet cemented, was likely to be finalised before or during a planned trip by US Commerce Secretary Wilbur Ross to Beijing next week to help reach a broader trade pact to avert a trade war.

The company, publicly traded but whose largest shareholder is a Chinese state-owned enterprise, had been hit with penalties for breaking a 2017 agreement after it was caught illegally shipping US goods to Iran and North Korea, in an investigation dating to the Obama administration.

Shares in Chinese telecommunications gear firms jumped on the news of the reprieve.

The sources said that while US companies that sold products to ZTE would be relieved if a deal was reached, some in the US government as well as the business community have said they opposed what they saw as a clear-cut legal case being used as a bargaining chip in the broader

trade conflict.

American companies provide an estimated 25 percent to 30 percent of components in ZTE's equipment, which includes smartphones and gear to build telecommunications networks.

Earlier in May, Trump signaled a stunning reversal on ZTE when he said on Twitter that he would help the company get “back into business, fast”, saying the ban would cost too many jobs in China.

Chinese officials had made the issue a key focus of their demands during negotiations in Beijing earlier in May, threatening to halt talks on broader bilateral trade disputes unless Washington agreed to ease the sanctions, according to sources at the time.

Chinese officials had viewed the US punishment, which prompted the country's second-largest maker of telecommunications equipment to suspend its main operations, as an attack that exposed China's dependence on imports of key technologies.

China's Ministry of Commerce did not respond to a faxed request for comment.

Many experts have said the case will push Beijing to double down on state support for

strategic industries, an issue that remains at the heart of US-China trade friction.

“The release of hostage ZTE will be the start of China and the US to implement their trade agreements,” Hu Xijin, editor in chief of Chinese state-backed Global Times tabloid, said on his Twitter account after news of the deal was reported.

Washington and Beijing both claimed victory in trade talks on Monday as the world's two largest economies stepped back from a global trade war and agreed to hold further talks to boost US exports to China.

Over the weekend, the two sides pledged to keep talking about how China could import more energy and agricultural commodities from the United States so as to narrow the \$335 billion annual US goods and services trade deficit with China, although details and a firm timeline were thin.

Chinese Foreign Ministry spokesman Lu Kang told a regular news briefing that following the consensus reached by the two sides over the weekend, the United States would send a high-level delegation to China for detailed discussions - apparently referring to Ross' visit - and urged people to wait and see the outcome.



**Visitors are seen in front of the Chinese telecom equipment group ZTE Corp's booth at the Mobile World Congress in Barcelona.**

REUTERS/FILE