

Onion to be sold in open market soon

Govt official says amid price spiral; importers to get low interest loans

STAR BUSINESS REPORT

The Trading Corporation of Bangladesh (TCB) will start open market sales of onions soon as it looks to hold back the runaway price of the essential cooking ingredient in recent days, said acting commerce secretary.

The move comes after traders raised the prices of onion by 25 percent or Tk 12.5 each kilogram, banking on India's slapping of a minimum export price for the tuber.

The Indian authority slapped \$850 (Tk 71,821) as minimum export price for per tonne of onion on September 13 to contain the price hike in its domestic market.

Since then, traders hiked prices all through the value chain and the key cooking ingredient was selling up to Tk 80 a kg at the retail level in Dhaka city, stretching the wallets of consumers.

But at Shymbazar, one of the main wholesale markets for onions, the imported tuber was trading at Tk 50-52 a kg yesterday, said an importer preferring to be unnamed.

"We are trying to start truck sales as early as possible to intervene in the market," said TCB Chairman Md Hasan Jahangir.

As an immediate action, the TCB plans to buy from wholesale markets, particularly from markets in land ports -- Bhomra and Hili -- through which onions are imported.

"We cannot bring onion by opening letters of credits in such a short time. We need immediate action. We are trying to control the market."

The TCB will initially intervene in Dhaka. Later, it will consider selling in the rest of the country, Jahangir said.

The government will consider facilitating the import of onions from alternative sources such as Myanmar to contain the price hike, said Md Shafiqul Islam, secretary in-charge of commerce ministry.

The prices of locally grown onion have remained unchanged but some opportunistic retailers are asking for Tk 60 for each kg of Indian onions.

Given the high price of imported onion, many are opting for the locally grown one.

One such consumer is Ansarul Haque, who was startled yesterday by the high prices of Indian onion.



STAR/FILE

Onion prices surged overnight after traders hiked rates in the wake of restriction imposed by India on its shipments.

After checking out the prices in four stores he finally settled on locally grown onion at Tk 65 a kilo at a store at Mohammadpur.

Onion is a key spice in Bangladesh, which produces less than its annual requirement.

The country has to import to 7-8 lakh tonnes of onions to cover the gap, said Mohammad Abdul Mazed, general secretary of Shymbazar Onion Aratdar (wholesalers) Association earlier.

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All buildings must be insured: Kamal

Insurers must get listed within three months or have their licences scrapped

STAR BUSINESS REPORT

All kinds of structures, including buildings and flats, must be brought under insurance coverage as the government looks to develop the insurance sector in Bangladesh, said Finance Minister AHM Mustafa Kamal yesterday.

The premium rates of the insurance should be competitive so that no extra burden befalls flat owners, Kamal told journalists after a meeting with chairmen and managing directors of insurance companies at the auditorium of the National Economic Council (NEC) in Dhaka.

The total number of buildings in Dhaka is 204,106, according to Rajdhani Unnayan Karttripakkha.

The officials of the insurance companies who attended the meeting demanded the government bring all kinds of buildings and flats under insurance coverage.

The minister assured them that their demands would be implemented gradually.

"In the developed countries not only flats and buildings but also pets are covered under insurance. People must come under insurance coverage for accidents for sustainable development of the insurance sector."

Kamal also said the shortage of skilled



AHM Mustafa Kamal

manpower in the sector would be met through the awarding of scholarships to students.

He also demanded all insurers get listed with the stock market within the next three months, saying that otherwise their licences would be suspended.

"Nevertheless, if any company still fails to get listed with the stock market, their licences would be scrapped permanently," he added.

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Unfair competition makes goods 70pc costlier: analysts

STAR BUSINESS REPORT

People in Bangladesh spend 70 percent more than the actual price of the basic commodities because of the absence of a fair competition in the market, an economist said yesterday.

They have to spend nearly \$14 billion a year due to the higher prices, said Abdur Razzaque, an economist on international trade, labour and development.

He spoke at a seminar on "Growth in competition: the role of competition commission" at the office of the Economic Reporters' Forum (ERF) in Dhaka.

In his keynote presentation, Razzaque said lower income groups are the victims of anti-competition behaviour.

According to the economist, competition boosts overall growth in the long run, benefiting the lower income households further.

In Bangladesh it is possible to boost the economic growth by at least 2 percent every year if the competition policy is applied properly and the social benefits for the marginalised groups are increased.

In Bangladesh, the competition commission was formed in 2012 and it started functioning in 2016.

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UAE investors want to develop five economic zones

25 investment proposals placed at Bangladesh Economic Forum in Dubai

STAR BUSINESS REPORT

UAE-based investors expressed their interest to take up a number of new projects, including five economic zones in Bangladesh, as the two nations look to take their bilateral relations to a new height.

As many as 25 fresh investment projects were tabled at the second edition of the Bangladesh Economic Forum at the Conrad Dubai Hotel yesterday.

They discussed the projects with Salman F Rahman, prime minister's adviser for private industry and investment, and a visiting Bangladesh delegation comprising officials of the Bangladesh Investment Development Authority, Bangladesh Economic Zones Authority and Bangladesh Hi-Tech Park Authority at the event.

He said he is pleased to see strong and genuine interest among UAE-based investors, including UAE

in Bangladesh, according to data compiled by the Forum.

Rahman met with a number of large UAE-based business groups, who have expressed their interest in developing economic zones and hi-tech parks in Bangladesh.

Bangladesh is developing 100 economic zones and 28 hi-tech parks to accelerate the flow of foreign direct investment that jumped 68 percent year-on-year to \$3.61 billion last year.

Rahman led the 20-member delegation comprising officials of the Bangladesh Investment Development Authority, Bangladesh Economic Zones Authority and Bangladesh Hi-Tech Park Authority at the event.

He said he is pleased to see strong and genuine interest among UAE-based investors, including UAE

citizens and foreign business groups, for Bangladesh.

"We have seen large investments coming from China, Japan and the United States. We believe investors from the GCC countries, especially Saudi Arabia and the UAE, should take advantage of the lower cost of investment, operations and higher return on investment in Bangladesh."

He said investment from the GCC and the Arab World would help Bangladesh economy achieve a higher growth rate.

"We are more than ready to welcome them."

The Forum is a private sector initiative of UAE-based non-resident Bangladeshi professionals and entrepreneurs.

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New entrepreneurs needed to boost economic growth

Experts say at event of ICE Center

STAR BUSINESS REPORT

Innovative and new ideas for entrepreneurship can further develop the country's economy and absorb the growing workforce, experts said yesterday.

Traditional enterprises are not that profitable and are facing huge competition, necessitating the need to come up with new ideas that will ensure profit and contribute to the economy's growth, they said.

"Just a plan to do something can generate entrepreneurship among students and keep students away from job-seeking tendency," said Golam Dastagir Gazi, textiles and jute minister.

The minister spoke while addressing a programme styled "Journey of innovators and entrepreneurs" organised by the Innovation, Creativity, and Entrepreneurship (ICE) Center of the Dhaka University on the eve of its anniversary at the Senate Hall.

The minister said those who think a lot can generate new ideas about entrepreneurship. According to him, capital is not a big barrier to be an entrepreneur.

"If someone has no money to start a business, he or she will have to find a job to earn money before venturing out to implement their plan individually or under joint venture."

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LR Global is the most experienced and professional Investment Management company in Bangladesh and has been investing in Bangladesh market since early 2000. Our strong track record of more than 20 years in frontier markets has given us an edge on investing in less transparent markets, leveraging our tested investment process executed by an **EXPERIENCED** team of professionals. Our extensive experience and proven track record of converting obstacles of these market into opportunities has allowed LR Global managed funds to materially outperform (annualized alpha of 4.1% since 2010) the benchmark index. In Bangladesh market, we have over USD 125 MM exposure in both public and private equities.

Performance Summary as on Thursday, September 12, 2019

177

93

Feb-10

Jan-11

Dec-11

Nov-12

Oct-13

Sep-14

Aug-15

Jul-16

Jun-17

May-18

Apr-19

LRGB Fund's Index

Benchmark (Rebased)

*Benchmark: In January 27, 2013, DSE launched a new benchmark DSEX (free float adjusted index) which was developed by S&P. The previous benchmarks (DGEN, DSI & DS20) have been discontinued by DSE. 2013 benchmark return has been restated by combining DSEX & DGEN. All the benchmark returns before 2013 have been calculated based on DGEN.

LRG

ASSET MANAGEMENT

In addition to investing in publicly listed companies, we also directly invest in target companies in high potential sectors including - financial services/Fintech, healthcare, digital marketing and consumer products. We also invest our own capital and, unlike traditional venture capital firms, we do not operate as a venture fund. As a result, we are highly selective & have greater flexibility with regards to structuring and investment time horizons for the right opportunities.

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We are looking to add Senior Associates & Operating Partners to our **EXPERIENCED** investment team. The person we are looking for initially can be assigned to oversee our flagship private investments including but not limited to Thyrocare Bangladesh Limited (Healthcare), Unicorn Industry (Packaging), or Eastern Progressive Shoe Industries (EPSI).

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We have material experience not only in investing but also executing the business plan for our portfolio companies. For instance, Thyrocare is a part of world's largest preventive care company based in Mumbai, India. We helped set up Thyrocare from day 1, and today Thyrocare has achieved operating profitability, serving over 10,000 customers and employs over 150 professionals in Bangladesh. Thyrocare Bangladesh is the only accredited lab certified by College of American Pathologists (CAP), which is the GLOBAL gold standard in terms of excellence in diagnostic industry, and the Test REPORTS are recognized worldwide.

We are encouraged by the success of Thyrocare, and we are exploring similar investments with both local and foreign brands in Bangladesh. In order to identify and invest in similar high potential opportunities, we are looking for exceptional candidates with strong investment analysis, research, risk management and operational execution skills. Candidates with strong multitasking ability and organization skills are encouraged to apply.

Our Senior Associates & Operating Partners get a 360 investment experience ranging from initial analysis, industry analysis, detailed due diligence to overseeing key functions in the portfolio companies including representing shareholders as a Board Member to ensure the execution of the Business Plans.

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Applicants must have minimum 5 years of direct investment experience in both public & private equity. Sharp analytical mind, outstanding communication skills, and execution skills are most important for this role. The job also demands laser sharp focus and ongoing coordination with the business operations of multiple ventures. Candidates must having passed CFA level 2 and/or MBA with Engineering Background (BUET) will be given preference.

Apply Instruction

As LR Global is an equal opportunity employer, all qualified candidates regardless of gender and economic backgrounds are encouraged to apply. If you think you are fit for this position, send your resume at hr@lrglobalbd.com by September 30, 2019.