

STOCKS		COMMODITIES		ASIAN MARKETS		CURRENCIES	
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	USD	EUR
▲ 0.62%	▲ 0.51%	\$1,513.55	\$56.23	▲ 0.09%	▼ 0.33%	83.85	92.79
4,712.08	8,690.90	(per ounce)	(per barrel)	40,165.03	22,850.77	107.79	0.76
						SELL TK	84.85
							96.59
							111.59
							0.80



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DHAKA MONDAY NOVEMBER 4, 2019, KARTIK 19, 1426 BS [starbusiness@thedailystar.net](mailto:starbusiness@thedailystar.net)

## Not fund crisis, poor governance depresses stocks: CPD

STAR BUSINESS REPORT

Fund crisis is not the main problem for the capital market but lack of good governance and structural weaknesses of institutions are, the Centre for Policy Dialogue (CPD) said yesterday.

The CPD identified five issues that are weakening the markets: poor-quality initial public offerings (IPO), anomalies in financial reporting, lack of transparency in beneficiary owner's (BO) accounts, suspicious trading in secondary market and questionable role of institutional investors.

The lack of good governance and structural institutionalisation is fuelling a crisis in the stock market, so when the government provides



**Fahmida Khatun, centre, executive director of the CPD, attends the unveiling of the think-tank's report on Bangladesh economy, at the Cirdap Auditorium in Dhaka yesterday.**



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liquidity support the index rises temporarily but not for long, said Khondaker G o l a m Moazzem, r e s e a r c h director of

the CPD.

His comments came at the unveiling of its report 'State of the Bangladesh Economy in FY2019-20', at the Cirdap Auditorium in Dhaka.

Whenever stocks plunge some people blame the liquidity crisis and seek support from the government and the government also takes such measures, Moazzem said.

"But liquidity crisis is not the reason for the market's slide."

However, a permanent or sustainable solution from the government never comes by, so the stock market is still suffering, he said.

The market became unstable after the last national polls despite a number of promises in the election manifesto.

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## Tanners long way off LWG certification

REFAVET ULLAH MIRDHA

The Savar Tannery Industrial Estate (STIE) and the tanners are still a long way off from meeting the requirements of the vital Leather Working Group (LWG) certification although the audit team of the global compliance certification body is scheduled to visit Bangladesh within two months.

The LWG is the global body for compliance and environmental certification in the leather and leather goods sector.

The central effluent treatment plant (CETP) at the STIE cannot be made fully functional to international standards yet, although the construction of the project started in 2014 and was scheduled to be completed by 2017.

Now, Bangladesh is targeting the lowest-graded bronze certification from the LWG, said Jitendra Nath Paul, project director of the STIE.

For the bronze certification, the STIE will have to obtain at least 65 out of 100 marks, for silver 75 and for gold 85 or above, according to experts.

"With the current status of compliance, the STIE might not be able to obtain even the bronze certification as we need to improve some things," Paul said.

If the STIE can set up the automated monitoring system, install water-flow metres in all tanneries for reduction of water consumption and technology for de-watering sludge, better sludge management and improvement of approach road, it may



get some extra marks, he said.

"If we can perform these tasks, we are hopeful that we will obtain the bronze certification. Once we get the bronze, we will start working to obtain the silver and gold certification."

Although Paul is hopeful about the improvement of the STIE and sludge management by December, he is doubtful about the improvement of compliance by the tanneries by the stipulated time.

For instance, among many factors, the tanneries will have to reduce water consumption by almost half during washing of rawhide for tanning purposes by December.

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### NEW INDO-BANGLA TRADE ROUTE

## Ship sets off to check viability

OUR CORRESPONDENT, New Delhi

An Indian container ship sets off from West Bengal today to see if it is technically and commercially viable to establish a trade route up to Guwahati traversing through Bangladesh.

Carrying 53 tonnes of edible oil, petrochemicals and beverages, the vessel hopes to make the 1,425-kilometre trip from Haldia to Pandu in 12 to 15 days.

MV Maheshwari will be using routes established under an India-Bangladesh protocol connecting the Ganges and Brahmaputra rivers through Bangladesh, according to a statement of the Indian shipping ministry.

The Protocol on Inland Water Transit and Trade allows mutually beneficial movement of goods and vessels of both countries.

Shipping Secretary Gopal Krishna will flag off the vessel and a series of pilot movements are planned, the Indian ministry added.

The route in discussion aims at providing an alternative to transporting raw materials and finished goods for industrial development of India's north eastern region.

One part of the route is India's National Waterway-1 (Ganga-Bhagirathi-Hooghly river system), over which goods transport



increased from 5.48 million tonnes in 2017-18 to 6.79 million tonnes in 2018-19.

About 3.15 million tonnes of it comprise export-import trade between India and Bangladesh.

As part of the protocol routes, two stretches of waterways in Bangladesh, one from Sirajganj to Daikhowa and another from Ashuganj to Zakiganj, will be maintained at requisite depth.

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### Warehouses fined for selling onion at inflated prices

STAFF CORRESPONDENT, Ctg

A mobile court yesterday fined four warehouse owners at the Khatunganj wholesale hub for selling onion at exorbitant prices.

The court led by Executive Magistrate Tawhidul Islam of Chattogram district administration raided several warehouses at Hamidullah Miah Market at Khatunganj and fined four a total of Tk 1.30 lakh.

It slapped a fine of Tk 50,000 on M/s Khatunganj Trading, Tk 40,000 on M/s Osiuddin Traders, Tk 20,000 on M/s Soumik Traders and Tk 20,000 on M/s Bengal Traders.

During the two-hour drive the team found that the warehouses were selling onion imported from Myanmar at prices between Tk 100 and Tk 110 per kilogramme to different wholesalers from the city and adjoining districts though the import cost of the onion was Tk 42 per kg, said the magistrate.

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## Oppo opens local plant

*The Chinese smartphone maker will assemble 1m devices a year*

MUHAMMAD ZAHIDUL ISLAM

Chinese handset maker Oppo is all set to launch its "Made in Bangladesh" smartphones in the local market this month as its mobile assembly plant goes into commercial production.

This will allow local consumers to buy Oppo devices at reasonable prices and strengthen the Chinese company's foothold in the fast-growing market.

Initially, Oppo plans to assemble its two mid-range sets -- Oppo A5 and Oppo A1K -- in the plant in Gazipur and the sets will be available this November.

The company has targeted to assemble one million devices per annum.

Oppo is the third Chinese company to have set up mobile manufacturing plant in Bangladesh, following in footsteps of Transsion and Vivo.

Bangladesh's recent economic progress and the growth forecast has brought Oppo to Bangladesh and set up the plant, said Damon Yang, managing director of the company's local operations.

"Currently, Bangladesh is one of the fastest growing economies in the world and the country is already in a leading position in terms of digitalisation. The country is also eying to be the early mover in adopting 5G technology."

Yang said by setting up the plant, Oppo will be able to offer smartphones



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**Employees work at the plant of the smartphone maker in Gazipur.**

at a reasonable price and it will facilitate the revolution of high-speed internet across the country.

"Also, this investment from Oppo will create jobs and develop a pool of technically skilled workforce in the country," he said.

Oppo did not disclose how much it invested in Bangladesh. Local firm Benli Electronic Enterprise Co Ltd is the local partner of the plant.

Oppo has employed more than 200 locals to run the plant. The company

is also eying export potential.

The new plant will take the number of mobile manufacturing plants of Oppo, the fifth largest handset manufacturer in the world, to 10 across the globe.

According to a report of Counterpoint Research Market Monitor, the company shipped 56.3 million pieces of devices globally in the first half of 2019, which was 58.9 million in the second half last year.

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## Brand Forum recognises 79 digital campaigns

STAR BUSINESS REPORT

Seventy-nine local digital commercial campaigns won this year's Digital Marketing Award for their creative communication in marketing and branding.

Bangladesh Brand Forum honoured the winners in 16 categories at the third edition of the awards at Le Méridien Dhaka on Saturday, according to a press release.

The event was presented by Meghna Group, powered by Content Matters and was organised in association with The Daily Star.

FCB Bitopi won the only grand prix award. It scooped 12 gold, 16 silver and 50 bronze awards.

Analyzen took home 15 awards, including four gold and two silver. Asiatic Mindshare Ltd, a concern of Asiatic 3sixty, won 12 awards, including two gold and two silver.

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**Recipients of Digital Marketing Award 2019 pose at an event at Le Méridien Dhaka on Saturday. Bangladesh Brand Forum honoured 79 digital campaigns in 16 categories.**

BANGLADESH BRAND FORUM

## NEWSIN brief

### Stocks rise but turnover falls

Stocks rose slightly yesterday breaking a losing streak of two days. DSEX, the benchmark index of the Dhaka Stock Exchange, edged up 29.18 points, or 0.62 percent, to finish the day at 4,712.08.

Turnover, however, dropped 19.6 percent to Tk 325.97 crore. As some listed companies declared higher dividend on the last two trading days and earnings of most of the banks rose in the last three quarters, share prices of these companies marked a rise yesterday, according to insiders.

National Tubes was the most traded stocks with a turnover of Tk 19.09 crore.

### Samata Leather declares 2pc dividend

Samata Leather Complex declared 2 percent stock dividend for the year that ended on June 30, 2019.

As per DSE data, the company did not declare any dividend at least in the last ten years. Its earnings per share went up to Tk 0.28 this year from Tk 0.02 last year.

### S Alam Cold Rolled Steels declares 10pc cash dividend

S Alam Cold Rolled Steels has declared 10 percent cash dividend for the year that ended on June 30, 2019.

The company's earnings per share and net operating cash flow per share dropped to Tk 1.05 and Tk 0.50 respectively this year from Tk 1.25 and Tk 1.17 in the previous year.

This was due to a decrease in total collection from customers and an increase in advance income tax payment.