



## BIG WINNERS AND LOSERS IN 2019

DSEX, the benchmark index of the Dhaka Stock Exchange, had a rough 2019 by all accounts. It shed 932 points and Tk 47,744 crore in market capitalisation. In short, confidence in the capital market sank. And yet some companies -- particularly insurers -- successfully weathered the storm and some floundered.

TOP GAINERS	YEARLY RETURN	TOP LOSERS	YEARLY RETURN	COMPANIES WITH HIGHEST TURNOVER	IN % OF DSE'S TOTAL TURNOVER
Standard Ceramics	362%	Intech	-76%	United Power	3.46
Samata Leather	240%	Legacy Footwear	-67%	Fortune Shoes	2.22
Pragati Insurance	195%	Al-haj Textile	-65%	Monno Ceramics	2.2
Beacon Pharma	177%	Usmania Glass	-58%	Square Pharmacueticals	2.02
Sonar Bangla Insurance	154%	Familytex	-58%	Bangladesh Submarine	1.79
United Insurance	147%	Ifad Autos	-57%	Brac Bank	1.78
Paramount Insurance	147%	Generation Next	-57%	Grameenphone	1.66
Progressive Life	95%	C&A Textiles	-56%	National Tubes	1.49
Prime Insurance	90%	Mithun Knitting	-56%	JMI Syringes	1.43
Golden Harvest	83%	Safko Spinning	-55%	Khulna Power	1.33

# Concord excited about govt move to phase out clay bricks

*The realtor is a pioneer of the environment-friendly hollow block*



Shahriar Kamal

of buildings, surrounding walls, herringbone bond road and rural passages in place of bricks, which use valuable topsoil as raw material.

To start off, the ratio of bricks to blocks would be 9:1. From next fiscal year, the ratio of use of blocks will increase to 20 percent and increase gradually to completely phase out fire burnt clay bricks by 2024-2025.

"The government has given a clear indication of how much demand it will create. Now, business will come to this industry on their own."

With 10 concerns spanning from real estate, construction, entertainment, hospitality and garments, Concord is one of the largest real estate, engineering & construction entities in Bangladesh.

The company began operation in 1973 and has so far completed more than 1,000 buildings and constructed various projects that are technically challenging ones.

It has constructed the National Martyrs' Memorial in Savar, the VVIP terminal of the Hazrat Shahjalal

International Airport and the first three high-rise buildings in Dhaka's commercial hub Motijheel: Bangladesh Shilpa Bank Bhaban, Janata Bhaban and Jibon Bima Tower.

Concord has handed more than 10,000 apartments, including a

environment friendly building materials manufacturing," Kamal said.

The company began making ready-mix concrete in mid 1980s and signed up for making hollow blocks, pavers and other blocks in 1998, when clay bricks burnt in traditional fixed chimney kilns was the only available product for construction.

The chimney kilns release large quantities of carbon dioxide and other environmental pollutants into the atmosphere.

The actual number of brick kilns in Bangladesh and the bricks they spit out is hard to come by. The number of kilns will be between 7,000 and 10,000, manufacturing 2,100 crore to 4,300 crore units of bricks annually, said trade bodies representing brick makers in mid-December.

"We could realise that there are serious negative factors to clay bricks," said Kamal.

He cited reports of Dhaka's terrible air quality and said brick kilns are sources of 58 percent of all the fine-

particulate air pollution in the capital and the situation becomes worse in dry season.

The kilns emit huge greenhouse gas and affects farmland. Air pollution might cause 5,000 premature death annually in the Dhaka city, he said.

In contrast, hollow blocks are environment friendly: no topsoil or coal is needed to make and burn them, so there is no CO2 emission.

On the other hand, one clay brick consumes 3.2 kilograms of topsoil and eight kilograms of coal and one square foot of such brick causes emission of 17.6 kilogram of CO2, according to Concord.

Blocks also absorb less water than clay bricks and its use makes construction faster than clay bricks.

"Due to its ductile, lightweight properties, concrete hollow blocks make structures more earthquake resistant. It is also more heat and sound resistant than clay bricks because of existence of void in the block."

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# Bangladesh economy to be 25th largest in 15 years

*Predicts British think-tank*

STAR BUSINESS REPORT

Bangladesh's economy will make one of the biggest jumps between 2020 and 2034 on the back of demographic dividend and rising per capita income, according to the World Economic League Table 2020.

Bangladesh ranks 40th among 193 countries this year and will rise to 25th in 2034, a spot currently held by Belgium, showed the latest edition of the WELT, produced by London-based Centre for Economics and Business Research (CEBR), an international economic forecaster.

In the long run, the report said,

has risen at a rate of just 1 percent per year since 2014. This has meant that per capita incomes have grown considerably in recent years.

Government debt as a share of GDP rose to 34.6 percent last year, up from 34 percent in 2018. Despite the increase, the public sector finances remain in good shape. The relatively low debt burden has provided the government with the fiscal headroom to operate a budget deficit of 4.8 percent in 2019.

The annual rate of GDP growth is forecast to slow to an average of 7.3 percent between 2020 and 2025.

Over the subsequent nine years,

Pakistan is forecast to move from 44th place to 50th place between 2020 and 2034. The Maldives will also fall from 149th to 145th.

Nepal will rise from 100th to 88th place in 2034, Sri Lanka from 67th to 62nd, Bhutan from 163rd to 160th, and Afghanistan from 117th to 107th.

The US is now expected to remain the world's largest economy throughout the 2020s and is to be overtaken by China only in 2033, CEBR's 11th annual world economic outlook report said.

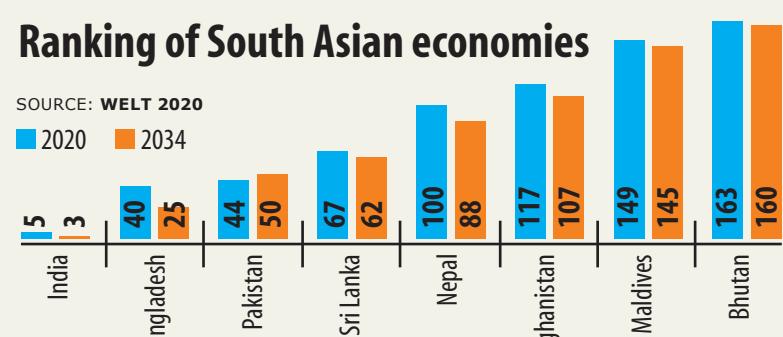
The WELT tracks the size of different economies and projects changes over the next 15 years, up to 2034. The base data for 2019 is taken from the International Monetary Fund's World Economic Outlook and the GDP forecast draws on CEBR's Global Prospects model to forecast growth, inflation and exchange rates.

The report said 2019 was a bad year for the world economy with the weakest GDP growth since the recession year of 2009. But the clouds started to lift towards the end of the year and the CEBR predicts that expansionary fiscal and monetary policy around the world will cause growth to accelerate in 2020.

In 2019, any lingering "feel-good factor" from the upswing of the global economy in 2017 largely dispersed and was replaced by renewed volatility and uncertainty. Trade tensions came to the fore with the US and China imposing substantial tariffs on each other's export sectors.

Perhaps the most unexpected element in this report is the ongoing strength of the US economy, though the CEBR expects that 2019 will prove the high water mark as the problems of the trade war and the deficit impinge. But in 2011, the US economy was 21.2 percent of world GDP. In 2019 its share had risen to 24.8 percent, its highest share since 2007.

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many Asian economies will rise through the ranks of the WELT as these countries cash in on their demographic dividends.

The two most prominent examples are the Philippines, which will enter the top 25 largest economies reaching 22nd place in 2034, and Bangladesh, it said.

With a purchasing power parity adjusted GDP per capita of \$5,028 in 2019, Bangladesh is a lower middle-income country. The economy performed well in 2019, expanding by an impressive 7.8 percent. This is, however, below the 7.9 percent GDP growth rate recorded in 2018.

In Bangladesh, the population

the CEBR forecasts that the economy will remain at this impressive rate, which will see Bangladesh climb from 40th place in the WELT to 25th place by 2034.

Three rapidly growing Asian economies are the fastest risers in the table amongst the larger economies: the Philippines, Bangladesh, and Malaysia.

In South Asia, India has decisively overtaken both France and the UK to become the world's fifth largest economy in 2019. It is expected to overtake Germany to become fourth largest in 2026 and Japan to become the third largest in 2034.



**Our heartfelt congratulations to Biman Bangladesh Airlines on their 48th Anniversary.**

Biman Bangladesh Airlines has proudly carried our national flag across the world since 1972. Standard Chartered is delighted to have been a partner on this illustrious journey. We wish Biman Bangladesh Airlines many more magnificent years in service, connecting Bangladesh to the world.

BANGLADESH	2004	2009	2018	2019	2020	2024	2029	2034
GDP, in taka billion (constant prices)	4,396	5,911	10,633	11,462	12,315	16,325	23,219	33,025
GDP, USD billion (constant prices)	87	124	282	304	327	433	616	876
GDP, USD billion (current prices)	69	109	288	317	348	499	784	1,231
RANK	53	57	43	41	40	30	26	25