

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.59%	▲ 0.62%	\$1,941.20	\$51.96	▲ 0.64%	▼ 0.68%	▲ 0.53%	▲ 0.86%	BUY TK 83.95	102.01	114.03	12.81
5,652.32	9,871.15	(per ounce)	(per barrel)	48,176.80	27,258.38	2,858.90	3,502.96	SELL TK 84.95	105.81	117.83	13.47

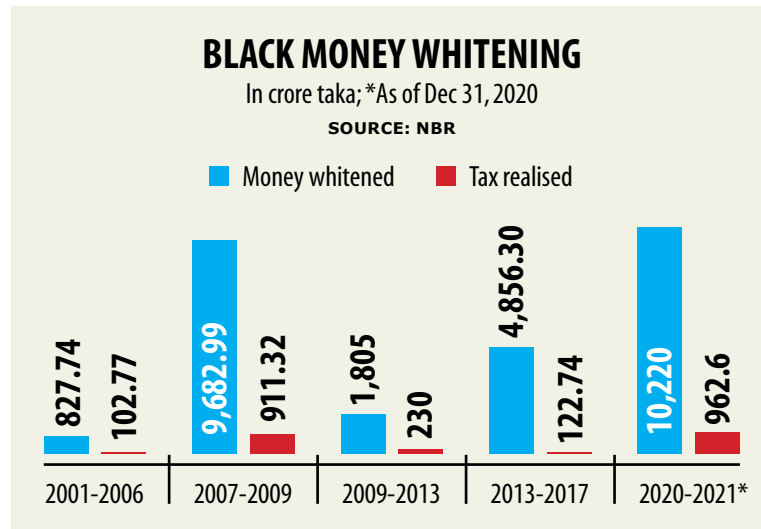


Star BUSINESS

DHAKA TUESDAY JANUARY 5, 2021, POUISH 21, 1427 BS • starbusiness@thedailystar.net

Record Tk 10,220cr black money legalised in Jul-Dec

This fiscal year the govt gave a wholesale opportunity to whiten black money in a bid to accelerate economic growth, increase investment



REHAUL KARIM BYRON

Black money-holders legalised the highest amount of undeclared assets in history in just six months of the current fiscal year as no government agency now raises questions about some sources of incomes due to a waiver announced in the budget.

A whopping Tk 10,220 crore

entered the formal economy in the first half of the current fiscal year after many untaxed money-holders whitened their assets by paying taxes, the National Board of Revenue (NBR) said in a press release yesterday.

"This will particularly help attract investment, create jobs and raise tax-to-GDP ratio."

READ MORE ON B3

Onion farmers stare at losses

Prices fall for arrival of early variety, Indian imports

STAR BUSINESS REPORT

Onion farmers fear losses in the wake of falling prices of the crop resulting from the arrival of early varieties and the resumption of imports from India.

Over the last one week, the prices of the popular item declined as much as Tk 300 each maund in major producing districts—Pabna and Faridpur.

A maund, or 40kg, of new onions was selling at Tk 1,100-Tk 1,200 at Pabna's Sujanagar onion market, one of the biggest hubs for the root vegetable in the country. In Faridpur, the fresh bulbs were traded at Tk 950 per maund down from Tk 1,250-Tk

1,350 last week, according to farmers and traders.

Farmers say the prices should be a minimum Tk 1,200, and they will incur losses if they have to sell below the level.

Amirul Islam, an onion farmer in Tatipara village of Sujanagar, said he would incur a loss of Tk 5,000- Tk 10,000 for each bigha at the present prices of onions.

"Growers will turn away from onion cultivation if they do not get a fair price. The government should take necessary steps now," said Kamal Sheikh, a grower in Laskardia village under Nagarkanda upazila in Faridpur.

READ MORE ON B3



RASHED SHUMON

A man sprays pesticide on an onion field at Keraniganj in Narayanganj.

JMI launches KN95 masks

STAR BUSINESS REPORT

JMI Hospital Requisite Manufacturing, a sister concern of JMI Group, has launched the first-ever locally made KN95 face mask, which prevents the spread of the novel coronavirus.

The effective N95, KN95 or FATP2 masks are manufactured in the US, China, Japan, South Korea and some European countries.

JMI produced the KN95 masks maintaining the

READ MORE ON B3

BB relaxes payment rules for availing foreign services

STAR BUSINESS REPORT

Bangladesh Bank yesterday relaxed rules for businesses to remit money in order to avail services from foreign companies.

Businesses will be able to send up to 1 per cent of their annual sales as declared in their previous year's income tax return or \$100,000, whichever is higher, according to a central bank notice.

Previously a maximum of 1 per cent of annual sales or \$100,000 could be

remitted without

customers for meeting current legitimate expenses within

the set threshold, he said.

However, prior permission had to be taken if that 1 per cent amounted to over \$100,000 as per the previous rules of the BB.

In most cases, businesses remit money in the form of audit, certification, testing, training, valuation and consultancy fees and so on.

The central bank has recently taken a set of measures to relax the foreign exchange rules as part of its effort to bring ease to doing business, said a BB official.

The new rules will empower banks in making outward remittances on behalf of their



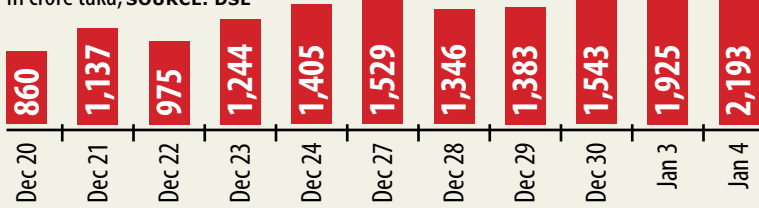
DSE sees rare rise in turnover

The indicator crosses Tk 2,000cr mark for the fourth time in a decade



TURNOVER TRENDS

In crore taka; SOURCE: DSE



STAR BUSINESS REPORT

Stocks turnover rose yesterday to the Tk 2,000 crore range, a rarity for the Dhaka bourse over the past decade.

This important indicator of the market went up 13.9 per cent to Tk 2,193 crore, the highest since June 28 last year.

That day, the DSE witnessed a turnover of Tk 2,543 crore, driven by share transfers of GlaxoSmithKline to Unilever.

A turnover of Tk 2,000 crore was first seen in the bourse in late 2010 and for a few days in 2017.

"As the deposit rate is very low in the banking sector, some investors are shifting their funds to the stock market," said a top official of a leading brokerage house.

On the other hand, when the market goes up, people gain

confidence and funds flow in, he said, adding that the market had already gained confidence.

But investors need to be cautious otherwise they will incur losses, drying up the market again, he added.

The DSEX, the benchmark index of the DSE, rose 33.36 points, or 0.59 per cent to 5,652.32 yesterday.

Among 362 companies, 157 advanced, 142 declined and 63 remained same.

As the market has been uplifted to a position not witnessed for many years, some investors got the chance to sell off shares they had invested in many years ago, said Mohammed Rahmat Pasha, CEO of UCB Capital Management.

They are selling shares and buying new scripts, so turnover rose, he said. Some of the shares being traded

Partner with insurers having sound credit ratings

BB asks banks

STAR BUSINESS REPORT

The central bank yesterday asked banks to consider insurance papers of the insurers, who have sound credit ratings, while giving loans.

Allegations have recently surfaced that some banks have imposed several conditions stipulating that businesses have to avail insurance coverage from select companies the lenders have listed, according to a circular issued by Bangladesh Bank.

Businesses face difficulties in availing loans from the banks if they do not settle on insurance from those select companies

as per the instructions of the lenders, said an official of a commercial bank.

The insurance companies are usually forced to keep their deposits with the corresponding banks in exchange of the facility given by the lenders.

In some cases, directors of different banks have close business links with insurance companies. This also helps insurance companies widen their business unethically, said the official.

Against this backdrop, the central bank asked banks to consider partnering with insurance companies whose credit ratings are satisfactory.

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Hopes for recovery help Asian markets start New Year with a pop



A pedestrian, left, looks at share prices on a digital broadcast outside the Bombay Stock Exchange in Mumbai yesterday.

AFP, Hong Kong
Optimism about the economic outlook in 2021 helped Asian investors kick off the new year Monday on a positive note, as hopes surrounding the rollout of coronavirus vaccines offset a frightening surge in infections. With uncertainty over Brexit and a new US stimulus gone, sights are now on the economic recovery from the calamity that was 2020, with a broad expectation that countries will enjoy strong rebounds as life gets back to some semblance of

normal. Vast amounts of government and central bank cash have been a crucial driver of a global rally in equities from their March troughs, and analysts expect those loose monetary policies -- particularly at the Federal Reserve -- to stay in place for the foreseeable future. "Stock markets are headed higher and they are headed higher without the old traditional valuation techniques" as long as the Fed "keeps the liquidity bubble going," David Kotok, at Cumberland Advisors, told

Bloomberg TV. However, while the consensus is for a strong performance for markets this year, he did warn that the first quarter will likely be tough as vaccinations are administered but the virus continues to spread. Seoul rallied two percent following strong export data, while Sydney put on more than one percent as there were signs a spike in new infections in the city was being brought under control. Hong Kong rose, though China Mobile Communications, China Telecommunications Corp and

China Unicom (Hong Kong) Limited all dipped more than three percent after they were delisted in New York to comply with an order by Donald Trump barring investment in firms with ties to the Chinese military.

State-owned oil giants CNOOC and Petrochina were also hit on speculation they could be next in line.

Shanghai, Singapore, Taipei, Manila and Jakarta were all on course to start the year on a positive note.

But Tokyo fell as investors fretted over reports that Japanese Prime Minister Yoshihide Suga was considering issuing a regional state of emergency for the capital and surrounding areas as new virus cases soar. Still, Rakuten Securities said the Nikkei could hit 30,000 by September as people are vaccinated.

The broad gains in Asia came after the Dow and S&P 500 finished at fresh records on Wall Street. "Covid cases and vaccine distribution will remain the key focus for investors for now. The political forces that influenced markets late in 2020 have almost faded as the US election and Brexit have passed," said Kerry Craig at JP Morgan Asset Management. "Without the wide distribution of vaccines, the paths of Covid and the economy are locked together, given the impact on social mobility and economic curtailment. This link will be broken as immunity levels rise into the middle of the year, but until then the economic path will be bumpy over the first quarter. "On currency markets the pound extended gains against the dollar on the first trading day after the United Kingdom left the European customs union, having eventually agreed a trade deal.

Singapore's virus-hit economy suffers worst decline in 2020

AFP, Singapore

Singapore's economy suffered its worst ever annual contraction in 2020 as the coronavirus pandemic hammered the city-state's vital trade and tourism sectors, official data showed Monday.

But the 5.8 per cent decline was not as bad as feared -- official forecasts had predicted a fall of up to 6.5 per cent -- as economic activity picked up with the easing of curbs.

The financial hub plunged into its first recession since the 2008 global financial crisis in the second quarter when the government closed most workplaces as part of drastic measures to contain infections.

One of the world's most open economies, Singapore is seen as a bellwether for the health of global trade, and its economy's dramatic deterioration rang alarm bells.

But curbs were eased in the second half of the year and key sectors of the economy, such as manufacturing, have begun to recover. In the fourth quarter, the economy shrank 3.8 percent year-on-year, less than expected, according to preliminary growth data released by the trade ministry.

Song Seng Wun, a regional economist with CIMB Private Banking, told AFP the contraction was not as bad as feared due to strong exports of some goods. Song said he expects a "rebound of around six percent" this year. "We are seeing businesses continuing to benefit from the further easing of restrictions and stronger global demand for (microchips) and medicines," he said.

Singapore's small economy is typically hit first by external shocks before ripples spread across the region. However, it usually also recovers quickly from any downturn.



A man cycles along a bridge in Singapore yesterday.

Japan's Nissan to ramp up production at India car plant

REUTERS, New Delhi

Japanese automaker Nissan Motor Co will ramp up production at its car plant in India to meet demand for its Magnite sports-utility vehicle (SUV), which it also plans to export, a senior executive said on Monday.

Nissan will hire 1,000 more workers at its plant in the southern Indian city of Chennai and boost production to up to 4,000 cars a month from 2,700 cars currently, Rakesh Srivastava, managing director at Nissan Motor India, told reporters.

The automaker plans to export the compact SUV to Indonesia and South Africa but meeting demand in the Indian market will be a priority, Srivastava said.

Nissan has had a difficult run in India with sales having slumped 60% over the past five years and its sole plant in the country operating way below capacity.

The Magnite's success is expected to determine the amount of money and energy that Nissan will spend to turn its fortunes around in India, sources have told Reuters.

Bitcoin slumps, slamming brakes on New Year rally

REUTERS, London/Tokyo

Bitcoin fell sharply on Monday, losing ground from a record high of \$34,800 touched a day earlier, with traders citing volatility in highly leveraged futures markets.

Bitcoin fell over 14 per cent after earlier touching as high as \$33,670, wiping out more than half its 20 per cent rally from New Year's Eve to a record \$34,800 on Sunday.

Bitcoin was last down 9 per cent at \$30,077.

A functioning cryptocurrency derivatives market has developed since 2017, with offshore exchanges still offering highly leveraged trading. Moves in such markets can have an outsized effect on bitcoin's

price. "It's the unwinding of some of that leverage," said Richard Galvin of crypto fund Digital Asset Capital Management.

Bitcoin's record high came less than three weeks after it crossed \$20,000 for the first time, on Dec. 16. The world's biggest cryptocurrency more than quadrupled in price last year.

Traders said bitcoin's drop on Monday was not unusual for the volatile asset, whose wild price swings have in part prevented it from becoming widely used as a currency.

"It's still an unavoidably volatile asset by its nature," said Joseph Edwards of crypto brokerage Enigma Securities.

Peugeot, Fiat merger to be sealed by shareholders

AFP, Paris

The shareholders of France's PSA and US-Italian rival Fiat Chrysler are expected to approve their merger on Monday, creating the world's fourth-biggest automaker by volume, Stellantis.

The outcome of the vote by PSA and Fiat shareholders is seen as a foregone conclusion, coming two weeks after the European Commission gave conditional approval to the mega-merger announced in late 2019.

The 50/50 tie-up, which was delayed by the Covid-19 pandemic, is seen as crucial for the two groups to undertake the investment needed to transition to clean car technology.

"This merger is a matter of survival for both Fiat and PSA," Giuliano Noci, professor of strategy at Milan Business School said, citing the "enormous technological and strategic challenges" faced by both as well as the damage wrought by the pandemic.

The merger allows Fiat-Chrysler to strengthen its presence in Europe and the French group to regain a foothold in the US.

Ranking behind global rivals such as Volkswagen, Renault-Nissan-Mitsubishi and Toyota, Stellantis will be the fourth-largest automaker by volume and the third-largest by revenue, with a workforce of over 400,000. The new company will group producers such as Peugeot, Citroen, Fiat, Chrysler, Jeep, Alfa Romeo and Maserati, each of which will continue under their own brand names.

PSA and Fiat expect the merger to allow them to achieve billions of euros in synergies each year.

"Only the most agile, with a Darwinian spirit, will survive," PSA chief Carlos Tavares, who will take the helm of the merged group, said in November.

The European Commission had been worried the merger could affect competition in Europe's lucrative van market, with PSA and FCA together accounting for 34 percent of market share.

To assuage those concerns, the commission said PSA would continue an agreement with Toyota to manufacture vans to be sold under the Japanese brand in Europe.

Government of the People's Republic of Bangladesh
College Education Development Project (CEDP)
Muminunnisa Govt. Mohila College, Mymensingh
www.mugmc.edu.bd
E-mail: muminunnisagovtmohilacollege@gmail.com, Phone No. 091-67247

Invitation for Tenders

Issue No. MGMC/CEDP/G-2/2021 Date: 05-01-2021

1	Ministry/Division	Ministry of Education.
2	Agency	University Grants Commission/National University.
3	Procuring entity name	Principal, Muminunnisa Govt. Mohila College, Mymensingh.
4	Procuring entity code	N/A.
5	Procuring entity district	Mymensingh.
6	Invitation for	Supplying of Furniture & Fixtures for Departments, Classrooms, Central Library, Laboratories and others (G-2).
7	Invitation Ref. No.	MGMC/CEDP/G-2/2020
8	Date	05/01/2021
KEY INFORMATION		
9	Procurement method	Open Tendering Method (National).
FUNDING INFORMATION		
10	Budget and source of funds	Development Budget (Government & IDA Credit).
11	Development partners	International Development Association (IDA), World Bank.
PARTICULAR INFORMATION		
12	Project code	224017200
13	Project name	College Education Development Project (CEDP).
14	Tender Package No.	G-2.
15	Tender package name	Supplying of Furniture & Fixtures for Departments, Classrooms, Central Library, Laboratories and others (G-2).
16	Tender publication date	05/01/2021
17	Tender last selling date	20/01/2021
18	Tender closing date and time	21/01/2021 Time 12.00pm.
19	Tender opening date and time	21/01/2021 Time 12.30pm.
20	Name & address of the office	Muminunnisa Govt. Mohila College, Mymensingh.
21	Selling tender document	Muminunnisa Govt. Mohila College, Mymensingh.
21	Receiving tender document	Muminunnisa Govt. Mohila College, Mymensingh.
21	Opening tender document	Muminunnisa Govt. Mohila College, Mymensingh.
21	Place /date/time of pre-tender meeting (optional)	Will not be held.
INFORMATION FOR TENDERER		
22	Eligibility of tenderer	The tenderer shall have a minimum of 03 (three) years overall experience in the supply of goods and related services; years counting backward from the date of publication of IFT in the newspaper. The tenderer shall have satisfactory supply of similar goods of minimum BDT 18,00,000.00 (eighteen lac) only under minimum 01 contract in the last 03 years. The minimum amount of liquid assets i.e. working capital or credit line(s) of the tenderer shall be BDT 18,00,000.00 (eighteen lac) only. Other criteria as stated in Tender document.
23	Brief description of goods or works	Chair, Table, Sofa, Steel Almirah, File Cabinet, Steel Book shelf, Paper Stand, etc.
24	Brief description of related services	Related service shall be in accordance with Section 4: Particular Conditions of Contract, Section 6: Schedule of Requirements and Section 7: Technical Specification of the tender document.
25	Tender document price	BDT 1,500.00 (one thousand five hundred).
26	Tender name	Location Tender security amount (Tk) Completion time in days
	Supplying of Furniture & Fixtures for Departments, Classrooms, Central Library, Laboratories and others (G-2)	Muminunnisa Govt. Mohila College, Mymensingh 50,000.00 (fifty thousand) 28 (twenty-eight) days
27	Name of official inviting tender	Professor Md. Abu Taher, Principal, Muminunnisa Govt. Mohila College, Mymensingh.
28	Designation of official inviting tender	Principal, Muminunnisa Govt. Mohila College, Mymensingh.
29	Address of official inviting tender	Principal, Muminunnisa Govt. Mohila College, Mymensingh.
30	Contact details of official inviting tender	Tel: 091 67247 Tel: 091-61053 Tel:
31	The procuring entity reserves the right to accept or reject all tenders without assigning any reason whatsoever.	

Sd/-
Professor Md. Abu Taher
IDG Manager & Principal
Muminunnisa Govt. Mohila College
Mymensingh

Hundreds of Google employees in US form workers' union

REUTERS

Over 200 Google employees in the United States have formed a union, the elected union leaders wrote in a New York Times opinion piece on Monday.

"Alphabet Workers Union" aims to ensure that employees work at a fair wage, without fear of abuse, retaliation or discrimination, the union heads wrote.

Google did not immediately respond to Reuters request for comment.

Government of the People's Republic of Bangladesh
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Education Engineering Department
Feni
E-mail: ee_fen@eedmoe.gov.bd

Invitation for Tenders (IFT)

Tender Notice No. EE/EED/e-Tender/100 TSC/2020-21/04 Date: 03.01.2021
This is an online tender, where only e-Tender will be accepted in the National e-GP Portal and no offline/hard copies will be accepted. To submit e-Tender, registration in the National e-GP System Portal (<http://www.eprocure.gov.bd>) is required.
The fees for downloading the e-Tender documents of following packages from the National e-GP System Portal have to be deposited online through any registered bank's branches.

Sl No.	Package No.	Name of works	Tender ID & procurement method	Last date & time of selling documents	Last date & time of submission documents
01	EED/Fen/Dew/100 TSC/WB-98	Construction of Academic (5-storied) Cum Administrative (4-storied) building with workshop & service area (single storied) in/c Sanitary, electrification & Rain water preservation works along with site development, Construction of internal road, Boundary wall, Gate and Installation of Deep tube-well at Chhagolnainya Upazila under Feni district.	504329 OTM	03-Feb-2021 16:00:00	04-Feb-2021 12:30:00

Further information and guidelines are available in the National e-GP System Portal and from e-GP help desk (helpdesk@eprocure.gov.bd).

Sd/-
Israth Nusrath Siddika
Executive Engineer
Education Engineering Department
Feni

Bepza gets new executive chairman



STAR BUSINESS DESK

Bangladesh Export Processing Zones Authority (Bepza) has witnessed a new executive chairman taking charge yesterday.

Maj Gen Md Nazrul Islam replaced Ma Gen SM Salahuddin Islam, who took on the role of military secretary to the president recently.

Before joining Bepza, Nazrul was general officer commanding of 66 Infantry Division at Rangpur Cantonment. Prior to that, he served as area commander of logistics at Dhaka Cantonment.

He also commanded one Artillery Brigade at Cumilla Cantonment. He also served in the Directorate General of Forces Intelligence, Armed Forces Division and Military Secretariat Branch in Army Headquarters.

He commanded three artillery units. Moreover, he has served at the UN mission in Sierra Leone and Democratic Republic of Congo.

Islam had also been awarded Sena Parodoshita Padak in 2020.



Syed Waseque Md Ali, managing director of First Security Islami Bank, opens a relocated branch at Euro Star Tower in Kachukhet of the capital's Kafrul area on Sunday.

FIRST SECURITY ISLAMI BANK

Euro zone companies see productivity boost from pandemic

REUTERS, Frankfurt

Euro zone companies expect to emerge more efficient from the coronavirus pandemic thanks to greater use of digital technologies and remote working, a European Central Bank survey showed on Monday.

The COVID-19 outbreak has caused the largest economic contraction in centuries, but it might turn out to have a silver lining for firms in the long run by forcing them to modernise their business and become more adaptive.

The ECB asked 72 industrial and services firms about the long-term impact of the pandemic on the way they operate and the environment around them.

It found firms expected home

office, virtual meetings and greater digitalisation to remain part of their daily life even after the pandemic, along with reduced demand.

"To a large extent, this seems to reflect a view that some changes in living and working habits brought about by the pandemic, especially the increased conduct of business and consumption online and a consequent reduction in travel, will become embedded," the ECB wrote in an article accompanying the survey's results.

These changes were seen helping boost productivity and reduce headcount.

"This would seem to reflect how businesses have learned to maintain production in spite of restrictions on

labour inputs due to social distancing and the identification of related efficiency gains," the ECB said.

Germany was one of several euro zone countries set to extend a national lockdown this month to curb coronavirus infection rates that are still running high.

More than three-quarters of respondents in the ECB's survey said that their business would be more efficient and more resilient after the pandemic.

By contrast, some ideas that emerged in the early part of the outbreak, such as expectations that companies will internalise or localise part of their supply chain, had fallen out of favour.

Selim RF Hussain, Mashrur Arefin ABB vice chairman, secretary general

STAR BUSINESS DESK

Selim RF Hussain, managing director of Brac Bank, and Mashrur Arefin, managing director of City Bank, have recently been elected vice chairman and secretary general respectively of The Association of Bankers, Bangladesh (ABB).



Selim RF Hussain Mashrur Arefin

The election took place at the 23rd annual general meeting of the forum of private banks' managing directors, according to a statement.

The meeting was presided over by ABB Chairman Ali Rezaq Iftekhar, also managing director of Eastern Bank.

Both positions fell vacant recently after the respective persons resigned from banks.

Sri Lanka tightens forex controls after worst GDP decline

AFP, Colombo

Sri Lanka on Monday ordered tight foreign exchange controls after announcing a 3.9 percent contraction in the economy that accentuated concerns over its ability to repay foreign debt.

Central Bank of Sri Lanka Governor W.D. Lakshman said the coronavirus pandemic caused a record fall in the tourism and trade-dependent economy last year as he announced the figure.

He said the central bank will keep lending rates below 10 percent to help revive the battered economy but there will be tighter controls on imports.

A ban on non-essential imports, including all types of vehicles, imposed in March has already been extended through 2021 and Lakshman suggested there could be more controls.

"For the sustainability of the low interest

rate structure, it is essential that foreign exchange leakages for non-essential imports and outward investment are minimised," he said without giving details.

The central bank chief insisted however that Colombo will honour its foreign debt obligations amounting to about \$4.0 billion a year.

International rating agencies have slashed Sri Lanka's credit worthiness after raising fears over the island's ability to repay its debt.

Sri Lanka's economy has steadily grown in recent decades with the exception of 2001 when there was a 1.4 per cent GDP contraction after Tamil separatists bombed the country's main airport and crippled tourism. The record decline in 2020 follows a setback after the 2019 Easter Sunday jihadist bombings which killed 279 people at three hotels and three churches.

Insurer Centene to buy Magellan Health in \$2.2b deal

REUTERS

Health insurer Centene Corp said on Monday it would buy Magellan Health Inc in a deal valued at \$2.2 billion, including debt, to strengthen its business that provides mental health services.

Centene has offered \$95 per share in cash, a 14.7 per cent premium to Magellan's

Thursday close, the companies said in a joint statement.

Magellan Health is a pharmacy benefits manager and provides mental health-related services.

Centene said it intended to fund the cash portion of the deal through debt financing and that J.P. Morgan has provided a \$2.38 billion bridge financing commitment.

Onion farmers stare at losses

FROM PAGE B1

Hashem Sheikh, an onion grower in Adampur village under Faridpur sadar upazila, said they would lose interest in producing bulbs unless they got a fair price.

Farmers have been expanding the cultivation of onions for two years encouraged by the higher prices after India banned exports. Last year, onion acreage grew 18 per cent to 237,000 hectares.

The prices of onion skyrocketed when India banned exports in September last year, pushing the retail price in Bangladesh to as high as Tk 110 a kg on September 16, according to the Department of Agricultural Marketing.

The prices had jumped to a record Tk 250 a kg in 2019 after a similar Indian ban. The Department of Agricultural Extension (DAE) has targeted to bring 249,000 hectares under onion cultivation in the current fiscal year.

Farmers planted early onions on 65,000 hectares, up 8 per cent from a year ago, according to the DAE data.

"We want to bring 184,000 hectares under onion seedling cultivation this year," said DAE Director General Md Asadullah.

Farmers and agriculturists say the cost of planting onions rose this year because of the higher cost of seeds. And the decline in prices would increase the risk of losses of

farmers.

Abdur Rashid, a wholesaler in Sujanagar, said the prices of the key cooking ingredient dropped in recent periods owing to the increased supply resulting from the arrival of newly harvested bulbs and the resumption of imports from India.

New Delhi lifted restrictions on onion exports last month and imports began earlier this week.

Growers have to spend nearly Tk 800 to produce one maund of onion, according to Shaileendra Nath Mozumder, principal scientific officer of the Spice Research Centre under the Bangladesh Agricultural Research Institute.

He said the government should take measures to protect farmers. "Some import duty may be imposed so that prices do not fall because of an increase in imports."

Imports should be barred from March to May, the harvesting period, he added. The commerce ministry has requested the National Board of Revenue (NBR) to impose import duty on onions.

Contacted, a senior official of the NBR said the revenue board was yet to take any decision to this effect.

Currently, there is no duty on onion imports.

Our correspondents in Pabna and Faridpur contributed to the report.

JMI launches KN95 masks

FROM PAGE B1

standards practised in China as there are no such parameters or policies in Bangladesh. JMI launched the product after a yearlong effort.

"There was a lack of preparation for fighting the coronavirus at the early stage of the pandemic in absence of experience," said Iqbal Arslan, president of Swadhinata Chikitsak Parishad, a platform of physicians.

"At that moment, JMI Group was beside the government in tackling the crisis providing necessary medical equipment instantly," he told the launching programme at Pan Pacific Sonargaon, Dhaka yesterday.

"We've been 100 per cent dependent on imported KN95 masks. But from now on, JMI will give this lifesaving item to the people at an affordable cost," he said.

"After so many days past learning about KN95 masks, now we have a world-class mask of this kind," said Home Minister Asaduzzaman Khan Kamal.

JMI made history by making these KN95 masks available in the local market, he said.

He thanked JMI Group for supplying safety gears to Wuhan city of Hubei province in China after Covid-19 first broke out there.

Md Abdur Razzak, managing director of JMI Group, said, "We are helping the

government by manufacturing the KN95 masks by following all proper guidelines."

The KN95 mask consists of five layers, with a three-tier filter paper in it.

"After trial production, the mask was tested at separate labs both at home and abroad to ensure the best quality," he said.

Chinese KN95 masks are currently priced at around Tk 300 in the Bangladeshi market but JMI would charge just Tk 100 (including VAT and tax) for masks of the same quality, said Razzak.

"We helped the Bangladesh government by supplying international-standard face masks and other necessary medical equipment soon after the country's first three Covid-19 cases were detected last year and also when the coronavirus fatality rate started to increase," he said.

Md Javed Iqbal Pathhan, chairman of JMI Group, and Hisao Shigetomi, deputy managing director of Nipro JMI Group, addressed the programme.

JMI Hospital Requisite Manufacturing's Munshiganj facility can churn out 40,000 KN95 masks every 12 hours.

The KN95 mask is approved by China National Accreditation Service for Conformity Assessment, and Bangladesh's Directorate General of Drug Administration.

China's December factory activity growth slows, higher costs hit firms

REUTERS, Beijing

Activity in China's factory sector rose in December as the world's second-largest economy sustained its recovery to pre-pandemic levels, a business survey showed on Monday, however, increasing cost pressures slowed the pace of expansion.

The Caixin/Markit Manufacturing Purchasing Managers' Index (PMI) fell to 53.0 from November's 54.9, with the gauge staying well above the 50-level that separates growth from contraction but missing expectations and easing to the softest pace in three months.

Analysts polled by Reuters had forecast the headline reading would slip to 54.8.

China's vast industrial sector has staged an impressive recovery from the coronavirus shock thanks to surprisingly strong exports. The economy is expected to expand around 2 per cent for the whole of 2020 - the weakest pace in over three decades but much stronger than other major economies still struggling to contain infections.

However, tougher coronavirus



REUTERS/FILE

An employee works on a production line manufacturing steel structures at a factory in Huzhou, Zhejiang province, China.

control measures in many of its key trading partners in the west could dent industrial demand, weighing on the recovery.

The Caixin PMI reading comes after an official gauge of factory activity, focusing more on larger and state-owned firms, also moderated but remained strong.

"The negative impact of the pandemic on the domestic economy further subsided and the manufacturing industry continued to recover. Both the supply and demand sides continued to improve. Overseas demand also steadily increased," Wang Zhe, senior economist at Caixin

Insight Group, wrote in a note accompanying the survey release.

The private sector survey also showed input prices rose sharply, at the fastest pace since 2017, with pricier raw materials, especially metals, blamed for the increase. Chinese factories also laid off more workers than they hired for the first time in four months, although the decline was modest.

"We need to pay attention to the mounting pressure on costs brought by the increase in raw material prices and its adverse impact on employment, which is particularly important for the design of the exit from stimulus policies implemented during the epidemic," said Wang.

Gauges of both total new orders and factory output slipped from November's but remained strong. Growth in new export orders also slowed.

"We expect the economic recovery in the post-epidemic era to continue for several months, and macroeconomic indicators will be stronger in the next six months, taking into account the low bases in the first half of 2020," said Wang.

Record Tk 10,220cr black money legalised in Jul-Dec

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Some 205 taxpayers invested their undisclosed money in the securities approved by the Bangladesh Securities and Exchange Commission after paying a combined tax of Tk 22.84 crore during the July to December period.

Another 7,445 taxpayers legalised assets by paying a total tax of Tk 939.76 crore.

The previous highest was recorded in fiscal years 2007-08 and 2008-09 during the regime of the Army-backed caretaker government. At that time Tk 9,682.99 crore was legalised, the NBR data showed.

In the current fiscal year, the government has allowed the wholesale opportunity to legalise black money to accelerate the economy's growth, increase investment, and develop the stock market as previous attempts did not pay off.

"The taxpayers gave an unprecedented response," the NBR said.

The opportunity to legalise black money will continue until June 30 this year.

The government wants to generate an increased amount of revenue from the legalisation of untaxed money as it needs funds to kickstart the pandemic-ravaged economy.

The government has introduced the provision that no authority, including the NBR and the Anti-Corruption Commission, can raise any question on such declarations.

Now, individual taxpayers will be allowed to disclose any undisclosed home property, including land, building and flat, by paying tax at a particular rate per square metre.

Individual taxpayers can disclose

undisclosed cash, bank deposits, savings certificates, shares, bonds or any other securities on paying taxes at a rate of 10 per cent.

They can also invest in the capital market and show it in their tax returns. They have to maintain a lock-in period for a year.

Black money is largely attributed to tax evasion, and its direct impact is the loss of government revenue.

Undisclosed, unreported, untaxed economic activities, wealth and money are the major components of the underground economy in Bangladesh, according to a government analysis in 2011.

Undisclosed money and wealth are kept in different forms and shapes in Bangladesh. Some of the forms are bank accounts, real estates, stocks and shares, savings instruments, investment in a foreign country; cash, golds, jewellery and under-valued assets.

The larger chunk of black money is transferred abroad, and only a little goes into the fixed deposits, while the black money owners spend the rest on maintaining a posh lifestyle, the analysis said.

The government has set an income tax collection target of Tk 105,475 crore in the current fiscal year.

About 2409,357 income taxpayers submitted income tax returns by the deadline of December 31, up 9 per cent compared to that a year ago.

Income tax receipts stood at Tk 34,238 crore, which was Tk 1,545.09 crore higher than in the same period last fiscal year, the press release said.

McDonald's to tackle chicken chains with crispy sandwich trio

REUTERS, New York

McDonald's Corp is hoping 2021 is the year it cracks the crispy chicken sandwich by rolling out three different versions in the United States, the company told Reuters.

The world's biggest burger chain will add the new sandwiches - including a spicy version - on Feb. 24 as it takes on major chicken chains such as Restaurant Brands International Inc's Popeyes, in a play for a share of a growing market.

But to do so, it must overcome operational and structural hurdles, including a lack of pressure fryers, and fend off skeptics who doubt its new sandwich will be on par with those offered by poultry purveyors.

"I would bet big time that McDonald's never competes in the chicken business," restaurant marketing consultant Chas Hermann said of the menu additions.

McDonald's said its crispy chicken sandwich will also come in "classic" and "deluxe" versions. All will contain a new white meat chicken fillet served on a toasted, buttered potato roll.

"They'll definitely improve their chicken sandwich. It won't win awards. They will have some of the very best marketing around it," Hermann added.

A social-media-fueled war between privately-owned Chick-fil-A and Popeyes raised the game for the fast-food industry after Popeyes launched its first-ever chicken sandwich in August 2019 and quickly sold out.

That drove sustained spikes in Popeyes' comparable sales growth beginning that third quarter of 2019, and prompted other companies to try to follow its lead.

Economic recovery: hopes and trepidations



RIZWANUL ISLAM

Although the budget for fiscal year 2020-21 projected a GDP growth of 8.2 per cent for the year, the Planning Commission has recently revised the projection down to 7.4 per cent.

From this, it seems that the Planning Commission is taking into account the difficult environment that the economy is having to chart. And yet, even this may be rather optimistic, especially given the current situation of the global economy.

Apart from the rise in stock values and the prospect of growth resumption in China, there is not much good news about the global economy as we end the year of the Covid pandemic. The disjunct between Wall Street and the main street seems to be persisting.

With the pandemic continuing to rage and the fear of the third wave gripping many parts of the world, the prospect of economic recovery starting from the first quarter of 2021 looks rather dim.

Even though anti-Covid vaccines are being rolled out in various countries, completion of the process is going to take time – thus delaying the resumption of growth.

If the global economy boat does not have much wind in its sail, it will not be sufficiently powerful to tow the smaller boats like Bangladesh. So, the start of real recovery of the country's economy is likely to be delayed too.

It is in the above context, that even the revised growth projection of the Planning Commission appears optimistic. Of course, one has to hope for good days to come, because it is hope that keeps one alive and going. But it is important to remain alert about lurking dangers and take appropriate steps to overcome them.

Also, in order to transform hopes and aspirations into reality, it would be necessary to identify areas where one can pin one's hopes.

Let's first talk about why there is trepidation about the timing, speed and type of recovery that can be expected for the economy of Bangladesh.

As a significant part of the country's economy is now linked to export, GDP growth of the order mentioned above may be difficult to attain unless



STAR/FILE

The second wave of the pandemic in several countries of the developed world has already created new uncertainties about the prospects of apparel, which accounts for 84 per cent of Bangladesh's total exports.

the export market recovers fully.

And that is where the first reason for trepidation lies. The second wave of the pandemic in several countries of the developed world has already created new uncertainties about the prospects of turnaround of exports of the country's major export item, ready-made garments.

Given the fluctuations already experienced and the new uncertainties, what the overall growth of the sector will be in 2020-21 and when (if at all) it will be able to return to its pre-pandemic growth path is anybody's guess.

What about other export items? In the current situation, there is so much focus on RMG industry that hardly any attention is given to other items and to the issue of

export diversification which has been talked about for some years now. I do realize that the time of an economic crisis may not be the perfect timing for adopting measures for structural changes in the economy.

But if one were to convert challenges into opportunities, it would be necessary to simultaneously look at strategies for promoting other export items. In that context, what is happening to existing export items like jute goods, frozen food, etc. and potential of other items have to be looked at.

There are other reasons for being concerned about the speed and type of economic recovery. And that relates to what is happening to non-RMG manufacturing industries and domestic market-oriented sectors.

It is by now well-known that larger enterprises have been able to make good use of the government's economic recovery support programme and the others, especially the very small ones have remained way behind.

Whatever the reasons are for such lopsided performance of the support programme, its implications for recovery are obvious. The current recovery seems to be taking the shape of the letter K - with one segment recovering and another segment continuing to decline.

But if the economy has to recover more on the basis of the domestic market, it is the smaller enterprises – especially those in the informal segment of the economy that have to grow.

Another cause for trepidation is that the delay in the global economic recovery would also imply a delay in the resumption of overseas employment for workers seeking such jobs. Loss of a major source of jobs means further pressure on the labour market in the country which is likely to continue in 2021 – at least during the early part of the year.

That can also have implications for the flow of remittances which, of course, has remained strong despite apprehensions to the contrary. But it would be important to closely monitor the flow in the coming year.

An issue of serious concern is the rise in the incidence of poverty.

This is the first time in several decades that such a reversal has occurred. Inequality in income was

already rising and must be rising further in the pandemic-affected economy.

This seems inevitable in view of two developments. One has already been mentioned above: smaller and micro enterprises lagging behind in recovery. And the second is the adverse effect on the labour market – both in terms of job loss and fall in real wages of workers. While millions of jobs were lost during the height of the pandemic, it is not clear how many of them have been restored.

In addition, real wages have been falling in recent months, and the trend is likely to continue. Recently, owners of the RMG industry enterprises have requested for permission to skip annual wage increments for their workers. If that comes on top of the existing pressure on the labour market, the consequence can be dire for workers.

Thus, the experience of the pandemic year shows that neither economic growth nor achievements in social development were sustainable.

Hence, the focus of the debate on recovery has to move from a single-minded pursuit of growth to broad-based and inclusive recovery. Effort needs to be made to reverse the north-east move of the incidence of poverty and the decline in real wages.

Where can one pin hopes for attaining a healthy economic growth? One obvious answer is good old agriculture. That sector is now much more diversified than before; and it is possible to talk about not only grain crops, but also vegetables, fruits, poultry, livestock, etc. While it would be crucial to have a good boro crop next year, the other sub-sectors can also provide some boost to the economy.

Outside agriculture, there is good potential in non-farm activities in rural and semi-urban areas. But their health and potential are linked to the health of the other segments of the economy. So, if agriculture performs well and if the flow of remittances holds, the environment would be conducive to the growth of those segments.

However, whether all of that can add up to the kind of growth that has been projected remains an open question.

The author, an economist, is a former special adviser for employment sector at the International Labour Office.

GLOBAL BUSINESS

Factories bounce back from Covid-19 hit, tighter controls cloud outlook



REUTERS/FILE

An employee transports an engine at a factory of Maserati, a car maker, in Turin, Italy.

REUTERS, London/Tokyo

Manufacturers across Europe ended 2020 on a high while Asian factory activity expanded moderately thanks to robust demand in regional giant China, surveys showed, but the prospect of tougher coronavirus curbs clouded the outlook for the recovery.

Despite hopes that vaccination programmes being rolled out will eventually quell the virus, a

resurgence of infections is forcing many countries to reimpose strict controls on economic activity, possibly hurting large exporters such as China and Germany.

"Global manufacturing was still on a roll until the middle of December which is a very good basis for an economic rebound once the current wave of the pandemic subsides," said Holger Schmieding at Berenberg.

"We may have a modest setback in January

as renewed lockdowns affect manufacturing but with China remaining fairly strong and the US not showing significant signs of a consumer slowdown the outlook for manufacturing is still good."

Activity in euro zone manufacturing increased at its fastest pace since mid-2018 last month, suggesting the bloc's economy was less hard hit by the pandemic than earlier in the year.

IHS Markit's final euro zone Manufacturing Purchasing Managers' Index (PMI) rose to 55.2 in December from November's 53.8, although that was below the initial 55.5 "flash" estimate.

Anything above 50 indicates growth, and December was the highest reading since May 2018. An index measuring output, which feeds into a composite PMI due on Wednesday that is seen as a good guide to economic health, rose to 56.3 from 55.3.

Germany was again the bloc's driving force and in contrast to the dominant service industry - which has been particularly badly impacted by lockdown measures to tackle the coronavirus - factories in the region have mostly remained open.

Britain's PMI bounced to a three-year high of 57.5, but that surge was likely in large part due to factories rushing to complete orders before the UK's transition period on its way to leaving the European Union ended.

Prime Minister Boris Johnson reached an eleven-hour deal with the EU on Dec. 24, averting tariffs on goods trade with the EU. However, trade between the two economic areas will still face significant extra paperwork.

India's manufacturing sector ends 2020 on brighter note



REUTERS/FILE

Workers stitch garments at a factory of an apparel shop in Jaipur, India.

REUTERS, Bengaluru

India's factory sector ended a rough 2020 on a stronger note as manufacturers boosted production to meet rising demand, a private survey showed on Monday, although the employment situation worsened as firms continued to reduce headcounts.

Manufacturing has been one of the main engines driving a recovery in Asia's third-largest economy after a coronavirus-induced slump early in the year. Business activity is slowly improving after contracting at an annual pace of 23.9 per cent and 7.5 per cent respectively in the April-June and July-September quarters.

The Nikkei Manufacturing Purchasing Managers' Index, compiled by IHS Markit, rose slightly to 56.4 in December from November's 56.3, above the 50-level separating growth from contraction for a fifth month.

"The latest PMI results for the Indian manufacturing sector continued to point to an economy on the mend, as a supportive demand environment and firms' efforts to rebuild safety stocks underpinned another sharp rise in production," noted Pollyanna De Lima, economics associate director at IHS Markit.

Both new orders and output continued to grow strongly, albeit at a slower pace. New export orders rose at the slowest pace in four months as a recent surge in coronavirus cases dampened overseas demand.

Rising demand, however, failed to improve conditions in the labour market, with manufacturers continuing to cut jobs. "Once again, the survey brought the bad news of falling employment."

However, the trend for jobs is at least moving in the right direction as the rate of contraction softened to the weakest in the current nine-month period of reduction," added De Lima.

Input prices surged at the fastest pace in over two years, threatening to squeeze profit margins as manufacturers were not able to fully pass rising costs on to customers.

That might keep overall inflation above the Reserve Bank of India's medium-term target range of 2-6 per cent over the coming months, curtailing the chances of policy easing by the central bank.

Optimism about the next 12 months declined to a four-month low in December amid growing concerns over rising price pressures and the economic impact of the pandemic.

Tesla shares set to start 2021 at record high

REUTERS

Tesla Inc shares were set to open at a record high on Monday after the electric-car maker reported better-than-expected vehicle deliveries in 2020, extending a rally from last year that saw the stock surge more than eight times.

It delivered 499,550 vehicles, above Wall Street estimates of 481,261 vehicles, according to Refinitiv data, but 450 units short of Chief Executive Officer Elon Musk's target for 2020.

Tesla's dizzying stock rise made it the world's biggest automaker by market value as the

electric-car maker showed it could sustain its profitability with five straight quarters of gains. That helped it ride out the coronavirus slowdown, defying last year's wider auto industry trends of slumping sales, quarterly losses and global supply chain disruptions.

"We are raising our forecasts to reflect higher 4Q deliveries and reports of strong demand for the Model Y in China, which is also suggestive of higher future deliveries," J.P. Morgan analysts said in a client note.

The company, however, faces an uphill task of ramping up production.

Its delivery push so far has been supported by the new Shanghai factory, the only plant currently producing vehicles outside California.

"The bad news is to keep up with this demand, the company needs to quickly build new factories in Austin, Texas, and Brandenburg, Germany," said Gene Munster, managing partner at Loup Ventures.

"... Ramping production is difficult and will be one of the most important Tesla topics in 2021, along with the status of FSD (Full Self-Driving)".