

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY	
▲ 0.21%	▲ 0.21%	\$1,838.20	\$55.99	▲ 1.43%	▲ 2.36%	▲ 2.97%	▼ 0.17%	83.95	101.55	112.97	12.79	
5,634.04	9,881.41	(per ounce)	(per barrel)	48,782.51	28,139.03	2,993.19	3,570.11	BUY TK	84.95	105.35	116.77	13.45



Star BUSINESS

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LPG prices rise as global markets heat up in winter

Each cylinder now costlier by Tk 100

JAGARAN CHAKMA

The retail price of liquefied petroleum gas (LPG) went up 10 per cent in the domestic market in January after demand rose in Western countries because of winter, pushing up the rate in the international markets.

The price of the fuel in the global markets reached \$550 per tonne in December, an increase of 17 per cent from \$470 in November. The hike caused the price to go up in Bangladesh from January 1.

Now, a 12kg LPG cylinder is being sold in the retail market at Tk 980 to Tk 1,050, depending on companies, up Tk 100 from ten days ago.

In December, a 12kg cylinder of Bashundhara LPG was sold at Tk 950, Beximco LPG at Tk 920, Jamuna LPG at Tk 940, Total LPG at Tk 950, and Petromax LPG Tk 930.

The increase came at a time when the Bangladesh Energy Regulatory Commission (BERC) is scheduled to hold a public hearing on the price of private LPG on January 14.

Shamsul Haque Ahmed, chief executive officer of Omera Petroleum, said the LPG price rose as the demand went up in Western countries due to the use of the fuel for heating purposes during winter.

"The effect of the price increase in international markets fell on local market as it is imported as a finished product."

"Private operators can't increase the price as per their wish," said Md Abu Bakr Siddique, chairman of the Bangladesh Petroleum Corporation.

"It is tough to rein in private operators to control the price of LPG," he added.

The price of a 12.5kg cylinder sold by state-run LP Gas has



remained unchanged at Tk 600. The company brought down the rate to the current level in three phases during the coronavirus pandemic, considering the interest of consumers, Siddique said.

"We can't increase and decrease the price without any circular from the government. So, we have

kept the price stable whether we make profit or not," said Fazlur Rahman, managing director of LP Gas.

LP Gas meets only 2 per cent of the 12 lakh tonne LPG consumption in Bangladesh every year.

The demand is increasing by 15 per cent annually and is expected

to touch 30 lakh tonnes in 2030, according to industry insiders.

At the beginning of the pandemic, the price of LPG fell significantly in the international market. In April last year, it dipped to \$250 per tonne.

Subsequently, importers had slashed the price.

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LafargeHolcim enters aggregate business

Stocks surge 9.8pc on the news

STAR BUSINESS REPORT

Stocks of LafargeHolcim Bangladesh, a multinational cement maker listed with the Dhaka Stock Exchange (DSE), rose 9.80 per cent yesterday on news that it made a foray into the aggregate business.

Aggregate is a broad category of coarse particulate material used in construction, including sand, gravel, crushed stone, slag, recycled concrete and geo-synthetic aggregates.

LafargeHolcim Bangladesh commenced commercial production of clear-size graded aggregate last Saturday, the company said in a filing on the DSE.



The aggregate is graded limestone chips having uniform size and shape conforming to international standards, it said.

The company has set up the crushing unit with ancillary equipment on the premises of its existing clinker and cement manufacturing plant in Chhatak, Sunamganj.

It has the capacity to produce 12 lakh tonnes of clear-size graded aggregate per annum. It invested Tk 40.1 crore, which came from the company's own fund, the disclosure added.

The annual demand for clear-size aggregate is around 1.5 crore tonnes and Bangladesh relies on imports from the countries such as India, Bhutan, Vietnam, Oman and the UAE for supply.

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Private firms get nod to import another 3.45 lakh tonnes of rice

STAR BUSINESS REPORT

The government has given its nod to private firms to import another 3.45 lakh tonnes of rice to boost the supply of the staple in the domestic market and contain price spike.

With the move, the food ministry gave permissions to the private sector to import a total of 6.75 lakh tonnes of rice.

If the government's purchase plan is taken into account, the total amount of rice in import pipeline will stand at 10.25 lakh tonnes.

Earlier, the food ministry permitted 29 firms to buy 3.30 lakh tonnes of rice from international markets.

The latest approval came less than a week after the National Board of Revenue slashed the import duty on rice to 25 per cent from 62.5 per cent in line with the recommendation of the food ministry.

Last week, the government's purchase committee gave consent to a proposal of the Directorate of Food to import 2.50 lakh tonnes of rice. Some 1.50 lakh tonnes of grains will be bought from India under a state-to-state contract.

Importers will have to open the letters of credit within seven days after getting the allotment.

The importers permitted to import 1,000 tonnes to 5,000 tonnes of rice must supply half the allotted amount in 10 days after opening the LCs, and the rest within 20 days.

The firms that received permission to bring in 5,000-10,000 tonnes and more rice will require to import half the approved amount within 15 days after opening of the LCs.

All the agreed amount will have to be released into the market within 30 days, said the food ministry.

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High prices tempt farmers to cultivate more Boro

STAR BUSINESS REPORT

Farmers are showing an inclination towards cultivating more Boro paddy this season, tempted by higher prices prevailing in the market.

However, costs of labour, land lease, seed and fertiliser have also increased compared to that of last year, dampening their desires.

Take the instance of Khaja Mia of Milkipur village under Shibganj upazila of the northwest Bogura district.

The 48-year-old farmer doubled his cultivation area to 10 bighas of land after the Aman paddy he recently harvested fetched high prices compared to what he got the last time around.

Mia said he cut back on potato cultivation this year as seed prices had gone up and instead planted more Boro.

"I hope to get a good price on Boro paddy like Aman paddy this year," he said.

The Department of Agricultural Extension (DAE) aims to have 48



A farmer tends to Boro seedbeds in Sherpur upazila of Bogura.

MOSTAFA SHABUJ

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Exporters seek extension of loan moratorium, repayment periods

REFAVET ULLAH MIRDHA

Exporters are seeking extensions on both moratorium and repayment period for loans accrued from a government sponsored stimulus package aimed at helping them cope with the pandemic's fallout.

So far, the government has provided Tk 10,500 crore through banking channels to the export-oriented sectors at only 2 per cent service charge for the payment of workers' wages between April and August last year.

While disbursing the fund, Bangladesh Bank incorporated a moratorium of six months, meaning repayments need not start for the first half year's period. The government said the loans needed to be repaid in 18 monthly instalments.

The moratorium expired last month and exporters said some banks have already started putting pressure seeking the repayments.

The Daily Star talked to trade body leaders and an expert to know



STAR/FILE

The garment sector has been going through tough times for the pandemic's second wave, a BGMEA leader said.

about the demands which exporters are trying to realise lobbying with the central bank and ministries concerned, including that of finance.

"We just want the moratorium for

another six months. So, by July we can start repaying the loan," said Rubana Huq, president of the Bangladesh Garment Manufacturers and Exporters Association.

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Bourses await funds from new insurers

STAR BUSINESS REPORT

Insurance companies intending to raise funds from the stock market will have to invest at least 20 per cent of their equity in securities listed in Bangladesh.

The requirement was made public through a notification published by the Bangladesh Securities and Exchange Commission (BSEC) on January 5.

This will bring in some fresh funds, said a stock market analyst.

It is normal for insurers to invest their funds in the market but this minimum condition will enhance their participation, he said.

The notification exempted insurers from a clause of the public

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NBFI stocks, mutual funds rise amid optimism

STAR BUSINESS REPORT

The stock price of non-bank financial institutions (NBFI) and mutual funds rose yesterday as investors hope to see good profit in their books amid a bullish market.

DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 12.28 points, or 0.21 per cent, to 5,634 yesterday.

As the market gained in the last few months, it is normal that mutual funds made higher profits in 2020, according to a merchant banker.

The fund managers make higher profit compared to the index return so investment in their funds is expected, he said.

DSEX rose more than 21 per cent or 1,000 points in the last year, DSE data shows.

Many mutual funds have been trading under their net asset value. So, investors are choosing these units, the merchant banker said.

However, investors should remain cautious since the unit prices for certain funds are already overvalued, he added.

Among 37 mutual funds, two fell and one remained the same while the 34 units advanced on the DSE.



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However, turnover, another important indicator of the stock market, dropped 11 per cent to Tk 1,505 crore.

The stocks of NBFIs were also highly demanded yesterday, a stock broker said.

As the companies' financial year ends in December, they will announce their profits and dividends in the coming days.

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