

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	BUY TK	USD	EUR	GBP	CNY
▲ 0.16%	▲ 0.52%	\$1,841.40	\$55.67	▼ 1.13%	▼ 1.53%	▼ 1.03%	▼ 1.91%	83.95	100.44	113.83	12.72	
5,724.35	10,065.96	(per ounce)	(per barrel)	46,874.36	28,197.42	2,920.30	3,505.18	84.95	104.24	117.63	13.38	



Star BUSINESS

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Small firms to get stimulus funds at 4pc interest

REJAUUL KARIM BYRON and JAGARAN CHAKMA

Small traders, entrepreneurs and farmers who had no access to

finance from banking channels will now be able to avail loans at 4 per cent interest from a fresh Tk 1,500 crore stimulus package.

The government approved a few new packages involving Tk 2,700 crore on January 17 with an aim to improve the living standards of

marginalised people living in rural areas.

The finance ministry has already prepared a policy regarding the fund for small traders and businesses, which has been forwarded to the cabinet for approval.

Earlier, the Palli Karma-Sahayak Foundation (PKSF) had received Tk 500 crore under a stimulus package at 18 per cent interest.

Ministry officials said that the fund will be disbursed to small traders, entrepreneurs and farmers who also lack financing from banks.

The lenders can only take 4 per cent interest from the borrowers under the package, they added.

The lenders will take this interest as a cost of transaction and it cannot be more than 4 per cent, Finance Minister AHM Mustafa Kamal told The Daily Star yesterday.

Only government organisations will get funds from the package free of additional costs.

Micro businesses that cannot take loans from banks since they fail to provide the necessary documents will get funds under this package.

For example, a number of entrepreneurs who run their businesses under the Bangladesh

Bangladesh to outperform Asian peers in economic recovery

Finds StanChart study presented in BGCCI discussion

STAR BUSINESS REPORT

Bangladesh is likely to recover faster than its Asian peers from the Covid-19 fallout thanks to improving exports, growth in domestic consumption and remittance inflow, according to a study of Standard Chartered bank.

In fiscal 2020-21, the economy will bounce back led by growing exports and remittance, which will also give a boost to consumption, it said.

Anubhuti Sahay, head of South Asia economics research of Standard Chartered Singapore, presented the findings of the study titled "2021 Outlook: The Road to Redemption" at a virtual discussion organised by the Bangladesh-German Chamber of Commerce and Industry

(BGCCI).

The bank expects global growth to rebound to 4.8 per cent in 2021, she said.

Global trade has bounced back but exports are yet to reach pre-pandemic levels, Sahay said.

Bangladesh is likely to be an outperformer in the Asian region, according to her.

A good number of companies are shifting their manufacturing facilities from China to Bangladesh, she said.

Bangladesh will face some long-term challenges after its graduation from the least developed country (LDC) category by 2027, if the developed and developing countries do not continue extending the LDC facilities to it, Sahay said.

For instance, the LDCs enjoy 136 different kinds of international support measures, but once the country is graduated, all those measures would be eliminated.

Bangladesh is likely to lose between 5.5 per cent and 7.5 per cent of its exports because of the economic graduation, she said in the presentation.

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STATE AGENCIES THAT WILL DISBURSE FUNDS

- ▶ Palli Daridro Bimochon Foundation: Tk 300cr
- ▶ Social Development Foundation: Tk 300cr
- ▶ Bangladesh Rural Development Board: Tk 300cr
- ▶ SME Foundation: Tk 300cr
- ▶ BSCIC: Tk 100cr
- ▶ Small Farmer Development Foundation: Tk 100cr
- ▶ Joyeeta Foundation: Tk 50cr
- ▶ NGO Foundation: 50cr

Total package: Tk 1,500cr

Interest rate: 4 per cent

Funds to go to micro businesses, cottage industries, small farmers

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Fuel, power companies lose profitability



AHSAN HABIB

Most fuel and power stocks registered lower profitability in the first half of the current financial year (FY) due to the pandemic-induced economic slowdown.

Firms expect that it will take at least six more months for fuel and power consumption to fully recover from the Covid-19 fallout, enabling them to post higher earnings for their investors.

Among the eight fuel and power companies listed with the Dhaka Stock Exchange (DSE), three recorded lower profits in the first half of FY20-21 compared to the same period a year ago.

Another company saw higher losses while the remaining four booked higher profits.

"Our profit declined because of falling sales," said Engr Md Atiqur Rahman, company secretary of the Dhaka Electric Supply Company (Desco).

Desco's earnings per share (EPS) dropped 85 per cent year-on-year to Tk 0.31 in the first half of FY21, DSE data shows.

According to the company secretary, power consumption did not improve much as many factories had been shut.

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Launch owners not worried over Padma bridge opening

Aim to introduce new services to remain competitive

SUSHANTA GHOSH

Launch operators in the country's waterway-dependent southern region think the completion of Padma bridge will have little impact on their business.

When passengers will start using the bridge, the number of water transport users may see a 20 per cent drop, but, at the same time, goods transportation through waterways will increase, they believe.

Besides, the number of VIP passengers could increase as well, allowing launch operators to raise the cabin fare for the new services they will introduce to remain competitive.

That is why, the operators are not that much worried about the opening of the multipurpose bridge.

"Around 25,000-30,000 people use the Barishal route every day to go to Dhaka by launch from Barishal, Bhola, Charfashion, Patuakhali, Bauphal, Hularhat and Barguna," said Mostafijur Rahman, an officer of Barishal River Port.

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TITU DAS

Launches wait for passengers at Barishal river port. Inset, the interior of a VIP cabin of a launch on the Dhaka-Barishal route.

Garment makers turning to artificial fibres

Exporters aim to grab a bigger share of high-end apparel business as demand rises worldwide

REFAJET ULLAH MIRDHA

Import of man-made fibre (MMF) as well as investment in its business is increasing in Bangladesh because of higher demand for polyester and viscose-made garment items worldwide.

Local spinners imported 99,345 tonnes of polyester staple fibre (PSF) in 2020, up 3.4 per cent from 96,077 tonnes a year ago even during the coronavirus pandemic, according to data from the Bangladesh Textile Mills Association (BTMA).

Currently, 40 spinning mills import PSF fibre to make yarns to produce high-end garments, such as sportswear.

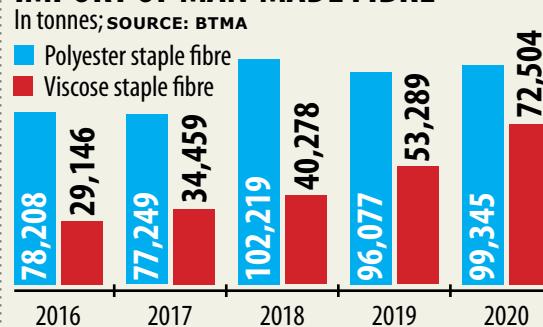
The import of viscose staple fibre (VSF) rose last year as well as spinners brought in 72,504 tonnes of VSF, an increase of 36 per cent year-on-year.

The import of MMF has been on the rise over the last few years because of the surge in demand of fabrics made from the fibre as an alternative to cotton.

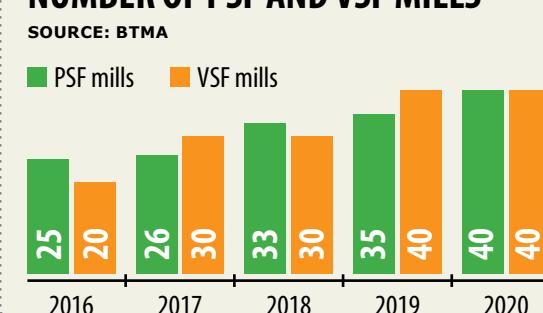
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IMPORT OF MAN-MADE FIBRE



NUMBER OF PSF AND VSF MILLS



Stocks see marginal rise

Grameenphone, Beximco Pharma post higher earnings

STAR BUSINESS REPORT

Dhaka stocks ended marginally higher yesterday after various companies, including market heavyweights Grameenphone and Beximco Pharmaceuticals, posted their earnings.

DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 72 points at one point before midday after opening at 5,714 amid a buying spree by a section of investors. The key index finally closed 9.60 points, or 0.16 per cent, higher at 5,724.35 yesterday.

Initial gains pared down in the later part of the day owing to profit booking from scripts such as Beximco Pharma, which posted 29 per cent higher profits year-on-year for the first half of the current financial year compared to a year ago.

Beximco Pharma, which saw a steady increase in prices for nine months, dropped 2.34 per cent to Tk 183 yesterday from the previous day. The drug maker's earnings per share (EPS) rose to Tk 4.95 in the first half while it was Tk 3.83 for the same period of the previous year.

Grameenphone, a leading company in terms of market capitalisation, also witnessed higher profits in the first half.

Its EPS rose 7.74 per cent year-on-year to Tk 27.54 in the July-December period compared



to the same period the previous year. The telecom operator's stocks rose 0.94 per cent to Tk 377. The market usually responds when the earnings of big companies fluctuate, a stock broker said. Turnover, an important indicator of the market, rose 3 per cent to Tk 941 crore yesterday.

Miracle Industries topped the gainers list, rising 9.94 per cent followed by Aman Feed, Beximco, Saif Powertec and Bengal Windsor Thermoplastics. Beximco topped the turnover list with Tk 154 crore followed by Robi Axiata, Beximco Pharmaceuticals, BATBC, and LankaBangla Finance.

Energypac Power Generation shed the most, falling 6.15 per cent followed by Asia Pacific Insurance, SS Steel, Paramount Insurance, and Asian Insurance. At the DSE, 134 securities gained value, 131 declined, and 94 remained unchanged.

The port city bourse also rose yesterday. CASPI, the general index of the Chattogram Stock Exchange, rose 86 points, or 0.56 per cent, to 16,675. Among the 254 traded companies, 107 advanced, 87 fell and 60 remained the same.