Falling prices of onion irk Pabna farmers

The increased supply of onions has led to a decline in its prices for the last few weeks. The photos were taken on Sunday from Sujanagar upazila of Pabna. PHOTO: AHMED HUMAYUN KABIR TOPU

DISTRICTS IN FOCUS

AHMED HUMAYUN KABIR TOPU, *Pabna*

Farmers in Pabna have been left disappointed by the current price of onions as they spent excessively to cultivate the bulbs with hopes of making bumper profits this year.

"On Sunday, each maund (37 kg) of onion was sold for around Tk 1,000 in Sujanagar Haat, one of the biggest onion hubs of the district," said Md Kamruzzaman, a farmer of Durgapur village in Sujanagar upazila.

"The price per maund was between Tk 1,200-1,300 a couple of weeks ago."

Farmers endured increased production costs to cultivate more onions after prices of the popular cooking ingredient went through the roof in the last two years following an export ban by India.

Onions were cultivated on around 2.53 lakh hectares of land this year, up 7 per cent year-on-year, data from the Department of Agricultural Extension (DAE) showed.

However, the increased supply of onions has led to a decline in its prices for the last few weeks.

During the corresponding period last year, each maund was sold for Tk 1,600-1,800, Kamruzzaman said. Production costs have increased 25 to 30 per cent this year but the falling prices have become a headache for the farmers.

Each maund of seed was sold for around Tk 7,000-8,000 this year while labour and irrigation costs were about Tk 20,000-25,000 for cultivating onion on one bigha of land.

Last year though, the total production cost for cultivating onion on one bigha of land was just Tk 15,000-16,000, according to Milon Sardar, another farmer from the same upazila.

"I cultivated three bighas of onion this year. One bigha produced 30 maunds but I got a profit of just Tk 3,000," Sardar said, adding that if the price fall continues, he will not be able to recover the production cost.

Farmers mainly bring their harvest to the haats for sale due to the huge availability of onions in retail markets, Saidur Rahman, an onion trader of Sujanagar, told The Daily Star.

Besides, the availability of imported onions is also causing prices to fall, he added.

This year, onion was cultivated on 53,335 hectares of land in Pabna, where 9,305 hectares were used for Kondo onion cultivation, said Md Abdul Kader, deputy director of the DAE office in Pabna.

"We expect to produce 6.5 lakh tonnes of onion in the region while another 25 lakh tonnes will likely be produced across the country this year."

The district will account for around 25 per cent of the country's total onion production this year.

"We have already harvested 1.2 lakh tonnes of onion by March 15," Kader said, adding that farmers should not worry about prices.

"If farmers can preserve their stocks for a few months then they can get handsome prices as no onion will be imported for now."

Still though, farmers have urged the government to set onion prices for their sake.

"If the market price per maund is Tk 1,400 to 1,500, then farmers and traders would profit while consumers would get onions at reasonable prices." said Md Ainul Islam, another farmer of Sujanagar upazila.

Utilise demographic dividend in time

Experts say at AmCham event

STAR BUSINESS REPORT

Bangladesh needs to properly utilise its youth population now as the country's demographic dividend is fast waning, said a human resources expert yesterday.

By 2040, the demographic dividend will cease to exist as the number of aged people will increase, said Md Musharrof Hossain, president of the Federation of Bangladesh Human Resource Organizations.

So the country's young people need to be trained properly with the latest technologies so that they can be utilised for the country, he said.

The government allocated Tk 200crore for making young people skilled but a big gap exists between the education system and job market expectations for which most educated youth cannot be turned into human capital, he said.

For instance, Covid-19 was identified at Wuhan but China's business was not that affected and recovered faster compared to that in other countries for the presence of special kinds of human resources who could manage the fallouts, he said.

China was able to create a corporate culture with special human resources, he said while giving a virtual keynote presentation on "Human Capital - A Source of Competitive Advantage" organised by the American Chamber of Commerce in Bangladesh (AmCham).

Bangladesh's universities churn out 22,000 computer science and engineering graduates every year, said Syed Almas Kabir, president of the Bangladesh Association of Software and Information Services.

But not all are skilled, he said, adding that for that they need three to six months' training.

This needs to be incorporated in the academic curriculum to save time, he said.

Bangladesh's human resources can not still be termed human capital because the education system is still traditional, he added.

READ MORE ON B3

Young people need to be trained properly with the latest technologies so that they can be utilised for the country. PHOTO: STAR/FILE

NEWS *In Brief*

Futures drop ahead of Powell, Yellen testimonies

REUTERS

US stock index futures slid on Tuesday as energy stocks dropped while investors awaited remarks from Fed Chair Jerome Powell and Treasury Secretary Janet Yellen for clues on the pace of economic rebound.

Chevron Corp, Occidental Petroleum Corp and Exxon Mobil Corp shed between 1.5 per cent and 3.5 per cent premarket as oil prices slumped 3 per cent on fears that new pandemic curbs and slow vaccine rollouts in Europe will slow a recovery in demand.

Travel-related stocks including United Airlines Holdings, American Airlines, Royal Caribbean Cruises Ltd and Carnival Corp slipped between 1.6 per cent and 3.9 per cent.

Wall Street's main indexes rallied on Monday as tech-focused stocks caught a bid after coming under pressure since last month as their valuations looked stretched amid a spike in bond yields.

Apple Inc, Facebook Inc and Microsoft Corp eased between 0.2 per cent and 0.7 per cent from the previous session's jump.

Powell is expected to reiterate his confidence in the economy's growth while cautioning the recovery is far from complete. Yellen is likely to paint an optimistic picture of the economy before the US lawmakers later in the day. Their congressional hearings begin at 12 p.m. ET (1600 GMT).

REUTERS/FILE

People are seen on Wall Street outside the New York Stock Exchange in New York City.

Microsoft in talks to acquire Discord for more than $10b

REUTERS

Microsoft Corp is in talks to buy messaging platform Discord Inc for more than $10 billion, Bloomberg News reported, citing people familiar with the matter.

Discord has reached out to potential buyers and Microsoft is one of them, the report said, citing people familiar with the matter. One person said it was more likely to go public than sell itself.

Earlier in the day, VentureBeat reported that Discord was exploring a sale and it was in final talks with a party.

Microsoft declined to comment, while Discord did not immediately respond to Reuters request.

Discord, which is valued at around $7 billion as of last December, is a platform on which users coordinate group activities such as games, discussions and even virtual parties.

The Xbox maker has been seeking to strengthen its video game offerings with $7.5 billion acquisition of ZeniMax Media last year, its biggest gaming acquisition ever.

GLOBAL BUSINESS

Soy, sugar traders fight for space in Latam's largest port; costs jump

REUTERS, *Sao Paulo/New York*

Soy and sugar traders are fighting for room in Latin America's largest port, rushing to secure loading slots as the slowest Brazilian soy harvest in 10 years pushes the grains export window into the sugar season.

Congestion was hitting Brazil's Santos port just as consumers worldwide have been turning to top exporter Brazil for sugar and soybean supplies. The glut of shipments waiting to leave is boosting transport costs and will likely delay arrivals at destinations.

Sugar prices hit a four-year high late last month, boosted by supply tightness. Soybean prices, already near seven-year highs, could rise further at a time when Brazil is effectively the world's main supplier.

"It is a perfect storm, a combination of factors that are leading to soy and sugar to compete for logistics," said Tiago Medeiros, Brazil head and executive director for Czarnikow Group, a food trader and supply chain services provider.

Brazil usually starts soybean exports in January, with volumes increasing in later months. This season, planting was delayed, as was the harvest, pushing that window further out.

Shipments from the new sugar crop usually start around April, but companies are still shipping stocks from a bumper crop in 2020. Brazil's Agriculture Ministry saw sugar stocks at 7.3 million tonnes in mid-February, the highest for the last three years.

Market players expect growing delays in coming months, with ships likely waiting several weeks before being able to dock in Santos.

Medeiros noted that spot prices for both sugar and soybean futures are higher than deferred ones. This inverted chart position signals near-term supply tightness, he said, which could mean financial losses for sellers if they fail to deliver on time. "So everyone wants to get products out as soon as possible," he said.

Bulk carriers line up as they wait to dock and be loaded with cargo, amid the coronavirus disease outbreak, near Santos Port in Santos, Brazil. REUTERS/FILE

Most crops in Brazil are moved by truck, so truck freight costs spiked due to the rush of goods.

Traders said shipowners sharply raised demurrage, the daily fee charged for port delays, from around $18,000 per day to $30,000 per day on trips to Brazil.

Because of long vessel waiting times, French trader Sucden said India might be an alternate sugar supplier, but traders said its supply is constrained for several reasons. "Brazil mainly exports raws, while India has surplus of whites. So direct substitution is limited," said a source at a large sugar trader in India.

Chinese soy buyers would normally turn to the United States to avoid Brazilian congestion, but US farmers have little to offer. Due to strong demand, the United States will only have about 10 days worth of soybean supplies before the US harvest starts in September.

The US Department of Agriculture forecast soybean stocks at the Aug. 31 end of the 2020/21 marketing year at 120 million bushels, down sharply from 525 million a year earlier. It would be the smallest ending stocks since 2013/14.

Oil prices slump on renewed lockdowns

AFP, *London*

Oil prices slumped Tuesday on lower demand prospects for crude as Europe's biggest economy Germany said it would reimpose strict containment measures and struggles along with other EU nations to roll out vaccines.

European stocks markets fell only slightly after sharp losses in Asia. On currency markets, the Turkish lira stabilised a day after plunging in reaction to news that President Recep Tayyip Erdogan sacked the country's market-friendly central bank chief, raising concerns about another round of financial turbulence.

Germany will meanwhile enter a strict shutdown for five days over Easter amid surging virus rates, Chancellor Angela Merkel and regional leaders agreed Tuesday.

Neighbouring France should be vaccinating "morning, noon and evening", President Emmanuel Macron said as he tackles criticism that the Covid-19 immunisation drive has been too slow.

France is facing a third wave of infections but is lagging behind many Western countries in terms of the number of people vaccinated. Events in Europe are "hurting demand projections for crude oil", noted ThinkMarkets analyst Fawad Razaqzada. "Everything else being equal it means that growth will be slower to pick up and inflationary pressures are likely to be weaker than previously thought. "Across the Atlantic, focus is on the first joint congressional testimony by Federal Reserve boss Jerome Powell and Treasury Secretary Janet Yellen, who were due Tuesday to answer questions on their policy response to the pandemic.

It comes as markets are rattled by a sharp rise in US Treasury yields in recent weeks that have been fuelled by bets that the forecast strong bounce in economic activity this year will fan inflation and force the bank to lift interest rates before 2024, as it has indicated. The pair have repeatedly said they do not see the spike in inflation lasting and will maintain ultra-loose monetary policies -- including record-low rates -- until they have a grip on unemployment, and price rises are above two percent for an extended period.

General view of the Imperial Oil refinery, located near Enbridge's Line 5 pipeline, in Sarnia, Ontario, Canada. REUTERS/FILE