

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
Week-on-week		As of Friday		Friday Closings				As on Thursday			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 1.05%	▲ 0.95%	\$1,776.31 (per ounce)	\$66.77 (per barrel)	▲ 0.06%	▲ 0.14%	▲ 0.53%	▲ 0.81%	BUY TK 83.95	99.45	114.71	12.60
5,310.19	9,277.81			48,832.03	29,683.37	3,201.76	3,426.62	SELL TK 84.95	103.25	118.51	13.25

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Lockdown deals fresh blow to poultry farmers



MAHBUBUR RAHMAN KHAN

Small and medium poultry farmers, who have been struggling to recover from last year's Covid-induced economic shock, are facing fresh troubles due to the ongoing lockdown.

Amid steep losses, many poultry businessmen had to wind up their farms or curtail operations in the wake of the first wave of coronavirus.

The situation had begun to improve since December last year when social events returned, and the tourism and hospitality sector boomed after a lull, driving up the demand for poultry meat and eggs. The farmers cashed in on the rebound in the business, selling the chicken at higher prices.

At the farm level, the price of chicken (Sonalika) shot up to Tk 300 per kg from Tk 180 per kg. The broiler sold for up to Tk 130 per kg from Tk 100 per kg.

The seven-day lockdown-like restriction from April 5 pushed the prices down at the retail markets, impacting the production.

Yesterday, the broiler was sold at Tk 120 per kg and Sonalika Tk 200 per kg. The red egg was priced at Tk 5.4 apiece, and the white egg Tk 4.4 each.

The enforcement of the strict lockdown from April 14, which coincides with the beginning of Ramadan, has widened the loss.

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AMRAN HOSSAIN

The viaduct of the country's first metro rail has taken shape near Farmgate. Work has continued on the fast-track project amidst the ongoing lockdown. Around 61.49 per cent of the Tk 22,000 crore project has been completed as of March this year. The photo was taken recently.

BSEC'S MARKET INTERVENTION

Saving index from fall does little good

AHSAN HABIB

The Bangladesh Securities and Exchange Commission (BSEC) has taken many steps in the past decade to safeguard the index from falls, albeit without considering the long-term impacts.

These measures ultimately left a dent on the market and investors' confidence.

The main moves were stopping forced sales against margin loans in 2011, extending tenures of closed-end mutual funds in 2018, setting floor price last year and making phone calls to brokers and merchant bankers regularly to stop sales of big volume.

Index-saving intervention is an unfortunate necessity in the country, said AB Mirza Azizul Islam, a former caretaker government finance adviser.

Presence of retail investors is comparatively high in the market and they have a tendency to sell

shares, even if it means incurring a loss, when the index goes down and criticise the regulator, he said.

So the BSEC tried to preserve the index though this is not expected in a free market system, said Islam, who is also a former BSEC chairman.

The regulator should keep to a middle-of-the-road policy, where it will try its best to refrain from its endeavours of impacting the nature of the free market but will try to protect small investors, he said.

The economist advised investors to be aware that the BSEC would not be able to do more to safeguard the index and so to invest realising the risks of the market.

Many training programmes are now available at market-related organisations but investors are not paying any heed to those, Islam added.

One stock broker dealing with a huge amount of foreign portfolio investment expressed annoyance at the fact that whenever he attempted to sell a big volume of shares, the



MAJOR INTERVENTIONS BY BSEC

- ▶ Stopping forced sale of shares bought by margin loans in 2011
- ▶ Tenure extension of closed-end mutual funds in 2018
- ▶ Setting floor price in 2020
- ▶ Making phone calls to brokers and merchant bankers regularly to stop selling shares in big volumes

high authority of the stock market regulator rang him up to tell him to hold on to shares.

They are insistent, citing that the market situation has to be realised and so sales should not be opted for, said the broker preferring anonymity.

"If I cannot sell shares, why will I buy them?...I'm here to do business, not to save the index from a fall," he said.

"Is it the BSEC's duty to save the index?" he asked.

The market regulator needs to change its mindset, he said, adding that if foreign investors face any hurdle in selling shares, they would be reluctant to come over.

Prof Abu Ahmed, a stock market analyst, also said the BSEC should not bother itself with the movement of the index, be it a plunge or surge, rather it should work for ensuring good governance and strong fundamentals.

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Another hike in edible oil prices

A result of supply shortages, increased import costs, traders say

MOHAMMAD SUMAN, from Chattogram

Edible oil prices witnessed a fresh spike over the last few days in line with rising international prices, supply rationing by processors and wholesalers, and decreasing spending power of the country's fixed and low-income earners.

Consumers at wet markets in Chattogram had to pay about Tk 142 for one litre of soybean oil yesterday, up 3 per cent from Tk 138 a week ago.

To buy loose soybean oil, consumers had to pay up to Tk 126 per litre, up 7 per cent from Tk 118 a week ago, retailers said.

Prices saw a similar increase in Dhaka. For example, consumers had to pay between Tk 640-600 for a 5-litre of oil on Friday, which is nearly 2 per cent higher than previous prices, shows data compiled by the Trading Corporation of Bangladesh.

The latest prices of soybean are higher than the prices previously set by the commerce ministry in March.

Md Hasem, a retailer of Fultaz Shop at Hamzarbag Market in the port city, said they were charging higher prices as the



refiners had raised the wholesale cost.

"All refiners have increased oil prices as well as reduced supplies owing to the import crisis and rising prices in international markets," he added.

Wholesalers at the Khatunganj-Chaktai market in Chattogram and Moulvibazar in Dhaka, two of the country's biggest trading hubs for edible oil, said prices went up by Tk 300 per maund (37 kilogrammes) in the last three days due to a supply shortage amid the nationwide lockdown.

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Automation could have boosted tax receipts: NBR

STAR BUSINESS REPORT

Automating the tax administration could have accelerated revenue collection while enabling work from home amidst the pandemic, averting many losses, including of opportunities, admitted a top official of the National Board of Revenue (NBR) yesterday.

At least eight NBR officials and staff, including a commissioner, have so far succumbed to Covid-19 while discharging duties and many taxpayers have suffered too, informed NBR Member (Tax Policy) Alamgir Hossain.

The NBR needs to have an IT-based organisational infrastructure, he told a virtual members' conference titled "Policy Paper on Direct and Indirect Tax" organised by the Institute of Chartered Accountants of Bangladesh (ICAB).

Stressing on the automation's need, the ICAB recommended enabling electronic filing of tax returns, online document submission and assessments, having IT specialists in the NBR organogram, developing its own mail server and allocating budgets for continuous upgradation.

"We could have saved lives by ensuring work-at-home practices during pandemic," said an ICAB member presenting a keynote paper.

Snehasish Barua, partner at Snehasish Mahmud and Co, and Mohammad Al Maruf Khan, partner at Howlader Yunus and Co, jointly presented keynote papers.

Barua recommended that the NBR fix 25 per cent as the minimum individual tax rate, encourage the creation of one person companies and offer activity incentives for Bangladeshi product manufacturers.

He stressed concentrating on thrust sectors like leather, jute and garment fashion design to create a country brand in global market.

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3 lakh paddy growers in distress

Nor'wester, heatwave damage crops in 36 districts

AKANDA MUHAMMAD JAHID

More than three lakh farmers in 36 districts, mostly Boro growers in haor areas, were affected in the recent nor'wester and the heatwave that swept over the country on April 4.

Boro paddy produced by 303,620 farmers faced damage and over 3 lakh of them live in Kishoreganj, Netrokona, Mymensingh, Sunamganj, Moulvibazar, and Barishal districts, according to an estimate of the Department of Agricultural Extension (DAE).

The heatwave took a severe toll on the farmers who grew Boro paddy in Kishoreganj and Netrokona.

Some 21,548 hectares of crops, including Boro paddy, corn, sunflower and peanuts, were affected in the natural disasters, said Md Mizanur Rahman, additional director of the field services wing of the DAE.

"Boro paddy cultivated on an area of 21,292 hectares were partially or fully damaged," he said, adding that 95,934 tonnes of rice could have been produced from the affected paddy.



MINTU DESHWARA

A farmer shows paddy damaged by a recent nor'wester accompanied by a heatwave in Moulvibazar.

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