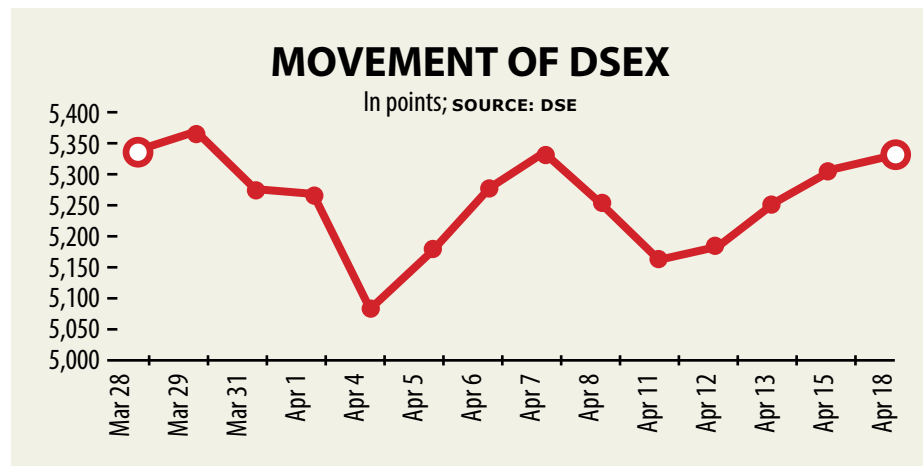


Stocks extend rising streak



STAR BUSINESS REPORT

The stock market continued to rise for a fourth day yesterday following the two-day weekend thanks to a curious increase in share prices of non-bank financial institutions (NBFIs).

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 21 points, or 0.39 per cent, to 5,331.42.

There is apparently no reason for the rise of the stocks and index, said a merchant banker preferring anonymity.

However, one recent development is of a group of people taking up stakes of the NBF sector, he added.

While most stocks at the Dhaka bourse dropped, 20 out of 23 NBFIs made gains, shows the DSE data.

"This is crazy. How can all the shares of listed NBFIs behave like this," said the banker.

The NBF shares rallied last Thursday too, he said.

This year NBFIs will have to keep provisioning against loans as an associated waiver came to an end last year, he added.

Banks and the NBFIs recorded higher incomes last year as Bangladesh Bank eased rules on loan classification taking the pandemic into consideration.

The banking regulator asked lenders not to consider businesspeople as defaulters if they failed to repay instalments until June 30 last year.

With the prolonging of the crisis, the deadline was extended initially

to September 30 and then to last December.

Another stock broker also cited that there was no significant reason behind the rise of the NBFIs.

BD Finance's recent move to attract investment from the US gave a boost to investors' confidence in the sector, he said.

The Bangladesh Finance and Investment Company (BD Finance) signed a deal with US-based Sovereign Infrastructure Group to attract \$2 billion worth of investment in infrastructure projects in the next two years.

Yesterday Prime Insurance Company topped the gainers' list rising 10 per cent followed by Provati Insurance Company, MIDAS Financing, HeidelbergCement Bangladesh and Rangpur Dairy & Food Products.

Singer Bangladesh gained 1.79 per cent to Tk 170.8 a share after it posted an increase in its quarterly earnings.

The electronics and home appliance maker said its earnings per share rose 52 per cent year-on-year to Tk 1.81 in the January-March period of 2021.

Overall, 103 stocks advanced, 165 declined and 80 remained unchanged.

An upward trend is also prevailing at Chittagong Stock Exchange. The CASPI, the general index of the port city bourse, rose 34 points, or 0.22 per cent, to stand at 15,413.

Among 209 stocks to witness trade, 78 rose, 95 fell and 36 remained unchanged, shows the CSE data.

Consistent policy support needed to nurture automobile industry

Experts say at DCCI webinar

STAR BUSINESS REPORT

Policy support, tax benefits, and incentives are needed to help develop the country's automobile industry, according to experts and entrepreneurs.

"Bangladesh has strong potential to establish its own automobile industry but to do so, it needs policy support, tax benefits and incentives to grow," said Ito Naoki, Japan's ambassador to Bangladesh.

"When we talk about export diversification, the automobile, light engineering and agriculture-based sectors could play a vital role," he added.

Naoki made these comments while addressing a webinar styled, "Automobile Industry Development: Present Situation & Future Prospects", organised by the Dhaka Chamber of Commerce and Industry (DCCI).

The ambassador also informed that Japan's Mitsubishi Motors has shown interest to invest in Bangladesh in the form of a completely knock-down (CKD) plant.

Having reached an agreement in this regard last month, Mitsubishi and Bangladesh's Ministry



Bangladesh's automobile industry is dominated by reconditioned and new car imports mostly from Japan, China, India, the EU, and the US.

PHOTO: STAR/FILE

of Industries will now sign a memorandum of understanding to conduct a joint feasibility study on the investment.

If approved, the investment will

lead to technology transfer and employment opportunities for Bangladesh, he added.

Industries Minister Nurul Majid Mahmud Humayun urged investors

from both home and abroad to set up automobile spare parts and tool manufacturing plants in the country's economic zones.

READ MORE ON B3

ADP spending slows in Jul-Mar

REJAUUL KARIM BYRON and DWAIPIYAN BARUA

The first nine months of the current fiscal year of 2020-21 saw slow implementation of the Annual Development Programme (ADP) with only 41.92 per cent of the total outlay spent till March while development spending declined 3.27 per cent year-on-year.

But surprisingly, some ministries and divisions have made much progress in implementing their development programmes, in some cases much higher than the overall level of 41.92 per cent.

However, the implementation rates of sectors mainly related to fighting the pandemic are very low.

The latest data from the Implementation Monitoring and Evaluation Department (IMED) shows that Tk 87,734.57 crore was spent from

July to March against the total yearly ADP allocation of Tk 209,272 crore.

The expenditure in these nine months declined 3.27 per cent year-on-year from Tk 90,704.23 crore spent in the same period last fiscal year.

The environment, forest and climate change ministry implemented the highest 63.56 per cent of its development programmes till March.

Other ministries and divisions that had highest implementation rates in this period include the Information and Communication Technology (ICT) Division (60.47 per cent), Energy and Mineral Resources Division (55.51 per cent), science and technology ministry (54.03 per cent), Power Division (51.62 per cent) and Bridge Division (51.13 per cent).

On the contrary, health service division

implemented the lowest 20.99 per cent.

Other sectors that showed lower implementation rates include the social welfare ministry (30.66 per cent), food ministry (31.55 per cent), women and children affairs ministry (40.48 per cent).

Zahid Hussain, a former lead economist of World Bank's Dhaka office, said it was easy to blame the pandemic for everything that has gone awry with ADP implementation this year.

There certainly is truth in it, but it cannot be the whole truth, he said.

He said this was evident from a comparison of ministries whose implementation rates were higher than the overall 41.9 per cent rate during the nine months till March and the ones whose implementation rates were lower.

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GLOBAL BUSINESS

Power companies urge Biden to implement policies to cut emissions 80pc by 2030

REUTERS

A group of US electricity companies wrote to President Joe Biden this week saying it will work with his administration and Congress to design a broad set of policies to reach a near-term goal of slashing the sector's carbon emissions by 2030.

Washington should implement policies, including a clean energy standard, or CES, to ensure the electricity industry cuts carbon emissions 80 per cent below 2005 levels by 2030, the group of 13 power interests, including generators Exelon Corp, PSEG and Talen Energy Corp, said in a letter to Biden.

The letter, a copy of which was seen by Reuters, did not mention Biden's goal to fully decarbonize the power sector by 2035 as part of his strategy to fight climate change. But it said the 2030 timeline is consistent with Biden's wider goal of decarbonizing the entire economy by 2050.

"A federal policy framework can be designed to support the power sector's deployment of



US President Joe Biden

strategies that are technically feasible, ensure reliability, and maintain affordability for customers," said the letter, sent to Biden on Friday.

The White House did not immediately respond to a request for comment.

The 2030 goal was consistent with Evergreen

Action, an advocacy group that proposed a CES in February. Sam Ricketts, a co-founder, said utilities should worry less about the 2035 goal, and focus on early wins as the last portion of emissions cuts is the hardest to achieve. read more

Several lawmakers, including Democrats U.S. Representative Frank Pallone and Senator Tina Smith, have introduced legislation that includes a CES.

The standard would set gradually rising targets for the power industry to cut emissions until they hit net-zero, with a range of methods from adopting wind and solar power, using existing and advanced nuclear energy, or sucking up carbon from coal and natural gas plants before they reach the atmosphere.

The White House this month included a CES in its \$2.3 trillion infrastructure package, without detailing how it would work.

Some plans for a CES include flexibilities such as allowing utilities to earn bankable credits for over-achieving in early years that could be used for compliance in later years when progress on cutting emissions becomes more difficult.

China's Ant explores ways for Jack Ma to exit as Beijing piles pressure

REUTERS, Hong Kong

Ant Group is exploring options for founder Jack Ma to divest his stake in the financial technology giant and give up control, as meetings with Chinese regulators signaled to the company that the move could help draw a line under Beijing's scrutiny of its business, according to a source familiar with regulators' thinking and two people with close ties to the company.

Reuters is for the first time reporting details of the latest round of meetings and the discussions about the future of Ma's control of Ant, exercised through a complicated structure of investment vehicles. The Wall Street Journal previously reported that Ma had offered in a November meeting with regulators to hand over parts of Ant to the Chinese government.

Officials from the central bank, People's Bank of China (PBOC), and financial regulator China Banking and Insurance Regulatory Commission (CBIRC) held talks between January and March with Ma and Ant separately, where the possibility of the tycoon's exit from the company was discussed, according to accounts provided by the source familiar with the regulators' thinking and one of the sources with close ties to the company. Ant denied that a divestment of Ma's stake was ever under consideration. "Divestment of Mr. Ma's stake in Ant Group has never been the subject of discussions with anyone," an Ant spokesman said in a statement.

Reuters could not determine whether Ant and Ma would proceed with a divestment option, and if so, which one. The company hoped Ma's stake, which is worth billions of dollars, could be sold to existing investors in Ant or its e-commerce affiliate Alibaba Group Holding Ltd without involving any external entity, one of the sources with company ties said.

But the second source also with company connections said that during discussions with regulators, Ma was told that he would not be allowed to sell his stake to

any entity or individual close to him, and would instead have to exit completely. Another option would be to transfer his stake to a Chinese investor affiliated with the state, the source said. Any move would need Beijing's approval, both sources with knowledge of the company's thinking said.

The accounts provided by all the three sources are consistent in terms of the timeline for how discussions have evolved over the past few months. On the company side, one source said Ma met regulators more than once before the Chinese New



REUTERS/FILE

Jack Ma, billionaire founder of Alibaba Group, arrives at the "Tech for Good" Summit in Paris, France.

Year, which was in early February. And the second source said Ant started working on options for Ma's possible exit about a couple of months ago. The source familiar with the regulators' thinking said Ant had told officials during a meeting sometime before mid-March that it was working on options.

The source familiar with the regulators' thinking has direct knowledge of conversations between Ant and officials, while one of the sources with company ties has been briefed on Ma's interactions with regulators and Ant's plans. The other one has direct knowledge of Ant's discussions about options. They requested anonymity because of the sensitivity of the situation.

The Ant spokesman did not provide any comments from Ma. Alibaba referred questions to Ant. Jack Ma's office did not respond to Reuters' request for comment made via Ant. The State Council Information Office, PBOC, and CBIRC, also did not respond to requests for comment.

'NASA rules,' Musk says as SpaceX wins \$2.9b moon lander contract

REUTERS

NASA awarded billionaire entrepreneur Elon Musk's space company SpaceX a \$2.9 billion contract to build a spacecraft to bring astronauts to the moon as early as 2024, the agency said on Friday, picking it over Jeff Bezos' Blue Origin and defense contractor Dynetics Inc.

Bezos and Musk - the world's first and third richest people respectively, according to Forbes - were competing to lead humankind's return to the moon for the first time since 1972.

Musk's SpaceX bid alone while Amazon.com founder Bezos's Blue Origin partnered with Lockheed Martin Corp, Northrop Grumman Corp and Draper. Dynetics is a unit of Leidos Holdings Inc. "NASA Rules!!" Musk wrote on Twitter after the announcement.

The US space agency awarded the contract for the first commercial human lander, part of its Artemis program. NASA said the lander will carry two American astronauts to the lunar surface.

"We should accomplish the next landing as



Elon Musk

soon as possible," Steve Jurczyk, NASA's acting administrator, said during the video conference announcement.

"If they hit their milestones, we have a shot at 2024," Jurczyk added.

NASA said SpaceX's Starship includes a spacious cabin and two airlocks for astronaut moon walks and that its architecture is intended

to evolve to a fully reusable launch and landing system designed for travel to the Moon, Mars and other destinations in space.

SpaceX also responded on Twitter, writing, "We are humbled to help @NASAArtemis usher in a new era of human space exploration."

Unlike the Apollo landings from 1969 to 1972 - the only human visits to the moon's surface - NASA is gearing up for a longer-term lunar presence that it envisions as a steppingstone to an even more ambitious plan to send astronauts to Mars. NASA is leaning heavily on private companies built around shared visions for space exploration.

SpaceX will be required to make a test flight of the lander to the moon before humans make the journey, NASA official Lisa Watson-Morgan told reporters.

NASA had been expected to winnow the lunar lander contest to two companies by the end of April, but instead it picked only SpaceX, a move that deepens their cooperation. On Thursday, NASA said it would send its crew to the International Space Station aboard a SpaceX rocket on April 22.