

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▼ 0.22%	▼ 0.24%	\$1,779.16	\$65.03	▲ 1.06%	▲ 0.36%	▲ 0.34%	▼ 0.95%	BUY TK 83.95	100.63	116.78	12.71
5,485.86	9,549.66	(per ounce)	(per barrel)	48,386.51	29,126.23	3,204.90	3,441.17	SELL TK 84.95	104.43	120.58	13.36



# Star BUSINESS

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## Handset sales down 40pc since January

MAHMUDUL HASAN and SUKANTA HALDER

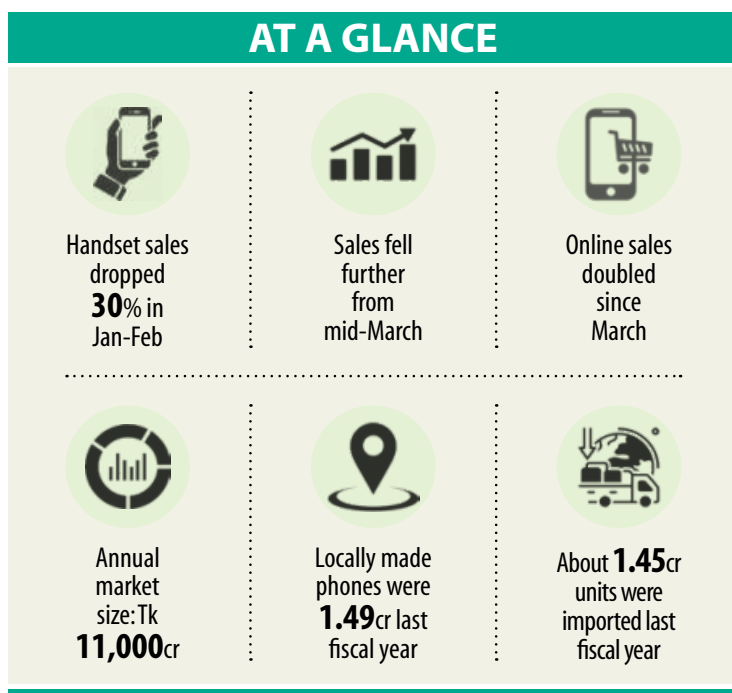
Sales of mobile handsets have dropped more than 40 per cent in April compared to the January level after consumers tightened their belt as they see no immediate end to the coronavirus pandemic.

And amidst the second wave of Covid-19 infections, sales have fallen further as the government introduced movement restrictions and lockdowns.

The sales were great during the first six months of the current fiscal as the pandemic led to soaring digitalisation. Many people had to purchase digital devices to cope with the new normal, including remote offices and virtual meetings.

The country's top mobile phone manufacturers and assemblers said that they had started trying to sell the devices online after the new surge of the virus.

However, it was not enough as people were more inclined towards purchasing gadget items



Samsung-branded smartphones and tabs are manufactured locally, said Uddin.

According to him, despite the pandemic, the mobile phone industry grew by 15 per cent last year.

"Smartphone sales dropped to 20 per cent in March, April and May last year because of a strict lockdown and fear of the virus. From June, it rebounded strongly, and sales skyrocketed and post-lockdown two months covered that three-month's business," he said.

He is not optimistic about sales being strong like last year, even after the opening of physical stores.

According to Bangladesh

Telecommunication Regulatory Commission (BTRC) data, local manufacturers and assemblers got permission to market around 1.86 crore handsets in the first six months of the current fiscal.

The total market size of handsets stands at around Tk 11,000 crore, and the annual demand for mobile phone stands at 3.20 crore. Of it, smartphones account for only 28 per cent, or 90 lakh, industry people said.

Zakaria Shahid, managing director of Edison Group, the parent company of Symphony, said the growth of the mobile phone market had stalled this year.

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## FBCCI's plan for a bank is an absurd idea: experts

Apex trade body wants to give collateral-free loans to SMEs

REFAYET ULLAH MIRDHA and AKM ZAMIR UDDIN

The country's apex trade body plans to set up a commercial bank and an insurance company to serve better cottage, micro, small and medium enterprises (CMSMEs), which struggle to secure loans despite being the backbone of the economy.

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) also wants to establish a university to develop the workforce in line with the requirements of industries.

The outgoing board of the federation approved the proposals in a virtual meeting on Saturday.

Experts criticised the proposal to set up a separate bank. "The idea is absurd as the apex trade body has done little for the CMSME sector," said Ahsan H Mansur, executive director of Policy Research Institute of Bangladesh.

Currently, there are 61 banks and 34 non-banking financial institutions in Bangladesh.

Mansur said the FBCCI, as the apex trade body, had a lot of responsibilities, such as negotiating with the government to protect the interests of the business community.

"It can't demand to run a bank separately. There is no such precedence of bank operations by any trade body in the world."

The former economist of the International Monetary Fund said it would be a wrong policy to allow government agencies and departments to run banks, and almost none of them could prove their worthiness.

Fahmida Khatun, executive director of the Centre for Policy Dialogue, said there was no need for any new bank as the number of lenders was already too high given the country's business volume.

"Allowing a new bank will not bring any good for the economy. Rather, we should focus on how to improve the financial health of the existing banks as only 10 to 15 of them are doing well."

Salehuddin Ahmed, a former governor of the central bank, said there was no genuine logic to seek a licence for a bank from the end of the FBCCI.

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## FBCCI polls unlikely as directors elected uncontested

Four withdraw candidacy

REFAYET ULLAH MIRDHA

The biennial election of the country's apex trade body might not take place on May 5 as candidates have been elected uncontested after four hopefuls withdrew their candidacy.

As per the election schedule, yesterday was the last day to withdraw names from the polls of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) for 2021-23.

On the final day, two candidates from the chamber group and two from the association group withdrew their candidature, said a member of the election board.

"We have scrutinised the validity of the candidature and found that four have proposed to withdraw their candidacy," he said, asking not to be named.

Md Ali Zaman, president of the SME Owners Association of Bangladesh and one of the four hopefuls, however, said he did not take any decision to withdraw his



candidature until now.

"We will have to wait until May 5," he said, without elaborating.

However, the member of the election board said it verified the signature of the candidates who applied to pull out their candidature from the polls.

Ali Ashraf, chairman of the election board, declined to comment on the issue.

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## Edible oil prices rise again

Remove tax on import stage to control costs, market players say

ARANDA MUHAMMAD JAHID

Edible oil prices have risen for a third time in two months, making it even more difficult for low-income groups to afford the essential cooking ingredient amidst the ongoing coronavirus pandemic.

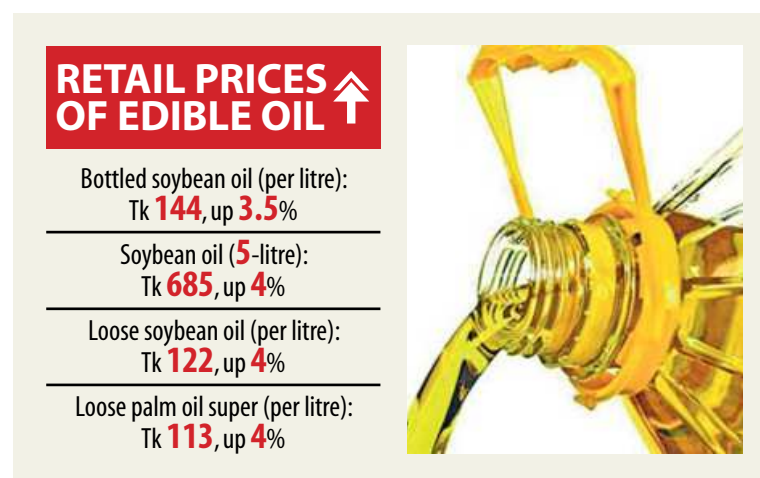
"The retail price of edible oil has been raised by Tk 5 per litre," said Md Shafiqul Ather Taslim, director for finance and operations at TK Group, a leading importer and processor of essential goods.

As such, local importers and processors hiked the retail price of branded soybean oil to Tk 144 from Tk 139 per litre while the cost of a five-litre bottle was set at Tk 685, up from Tk 660 not long ago.

Similarly, the price of loose soybean oil rose to Tk 122 per litre from Tk 117 while loose palm oil prices have been fixed at Tk 113 per litre, up from Tk 109 last month.

The new prices came into effect on April 25.

On April 19, the Vanaspati



to the commerce ministry for its decision on the proposal.

However, he declined to speak further on the matter.

With the new prices, the cost of edible oil has soared for a third time in about two months, putting pressure on consumers who are already suffering from a loss of income amid the Covid-19 crisis.

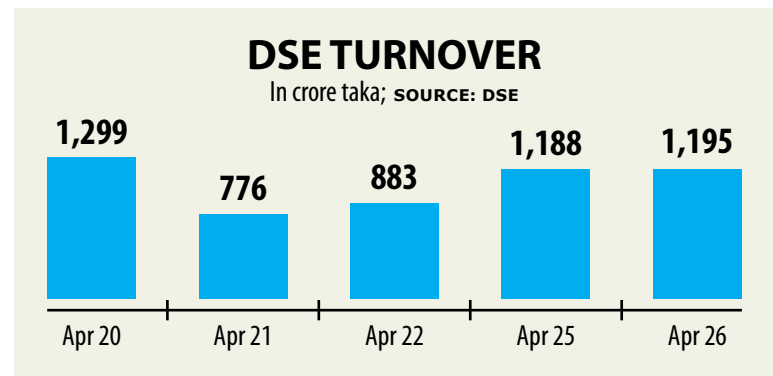
The last time the government had raised edible oil prices was on March 15, before which the retail price of unpacked palm oil was Tk 104 per litre, unpacked soybean oil Tk 115 per litre, and canned soybean oil Tk 135 per litre while a five-litre bottle Tk 630. A private jobholder seeking anonymity said this increase in price would put him under more pressure.

"It has become difficult to make ends meet due to the skyrocketing prices of daily essentials during the lockdown and Ramadan," he said, adding that in such situations, a further price hike is just another blow.

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## Stocks fall on profit booking

Break eight-day gaining streak



STAR BUSINESS REPORT

The stock market witnessed a profit booking session yesterday, breaking a graining streak of eight consecutive days.

DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), fell 12 points, or 0.22 per cent, to stand at 5,485.86.

The prices of many stocks rose in the last few days, so investors went for some profit yesterday, said Ali Xahangir, CEO of Amarstock.com, a stock market analysis-based website which also trains investors.

"So far, the movement of the stock market looks good because investors are active here and they are taking profit. So, all are going good."

Despite the deterioration of the pandemic, stocks rose in the last few days as many businesses invested in the stock market taking benefit of the system to invest online from home during the lockdown, he said.

A stock broker echoed the same, saying some investors booked profits as most stocks rose 10 to 15 per cent in the last few days.

This is a good sign, because whenever an

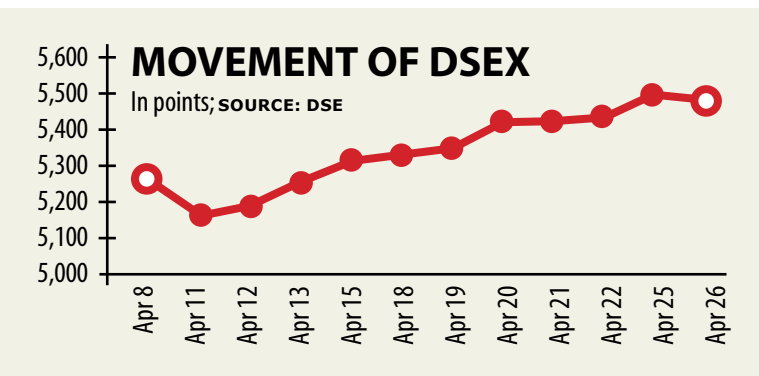
investor books profit, they get confidence to invest more, he said.

Moreover, turnover of the market increased at the same time thanks to the higher participation of investors.

However, the DSE's turnover, an important indicator of the market, surged around 1 per cent to Tk 1,195 crore.

AFC Agro Biotech topped the gainers' list, rising 10 per cent, followed by Anwar Galvanizing, National Feed Mills, Olympic Accessories and Esquire Knit Composite.

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Banks will have to allocate around Tk 116 crore to carry out corporate social responsibility (CSR) programmes in the form of providing essential goods and medical equipment to the underprivileged affected by the coronavirus pandemic.

They have to set aside one per cent of net profits earned this year to cater supports to people in the categories of jeopardised, unemployed poor, rootless and despaired persons, according to a central bank notice issued yesterday.

The one per cent net profit of banks stands at Tk 116 crore, given the overall net earnings by them this year, said a Bangladesh Bank (BB) official.

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## Unilever Consumer Care's profit drops despite higher sales

STAR BUSINESS REPORT

Unilever Consumer Care's sales rose 14 per cent year-on-year to Tk 114 crore in the first quarter of the current year but it could not prevent a 31.8 per cent drop in profits due to an increase in prices of raw materials and duty.

The cost of the goods it sold surged 28 per cent to Tk 63 crore.

Earnings per share of the multinational company, formerly known as GlaxoSmithKline, stood at Tk 10.20 in the January-March quarter of 2021 which was Tk 14.97 in the same period of the previous year.

Its net asset value per share also reduced to Tk 133.24 in the quarter from Tk 147.12, according to the company's quarterly report.

"This reduction in EPS was mainly due to lower gross margin (caused by material inflation and duty increase) and lower finance income," said the company.

It partly recovered from the profit drop through cost saving initiatives and lower operating expenses, it said.

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