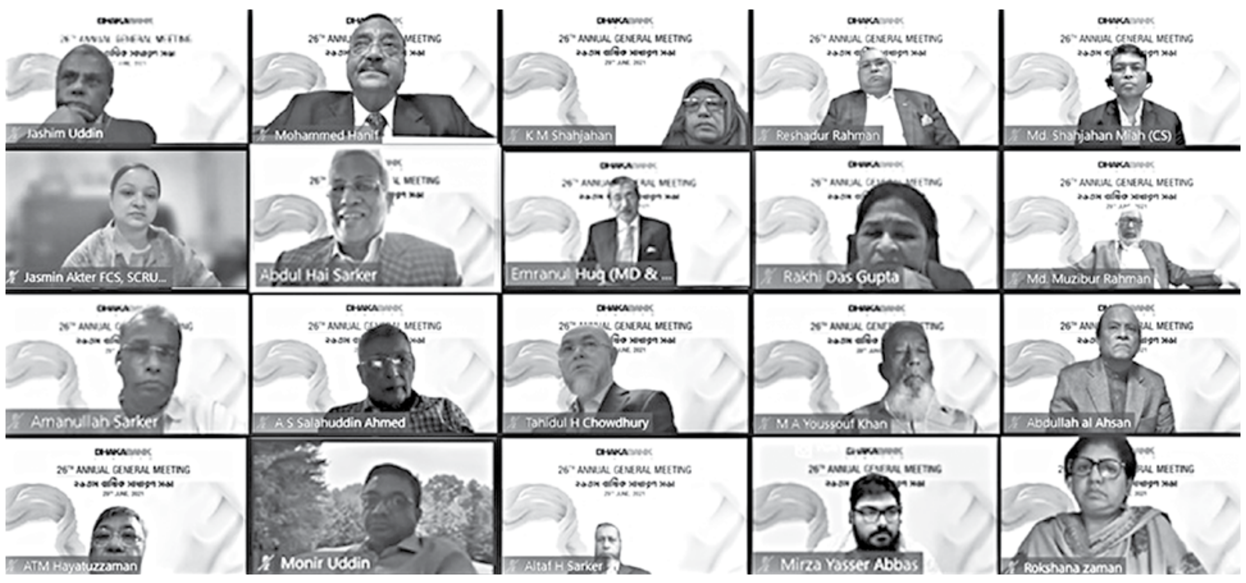

Dhaka Bank Chairman Abdul Hai Sarker virtually presided over its 26th annual general meeting in Dhaka recently. The bank declared 6 per cent cash and 6 per cent stock dividends for 2020. Vice Chairman Abdullah Al Ahsan, Founder Mirza Abbas Uddin Ahmed, ex-chairman ATM Hayatuzzaman Khan and Managing Director and CEO Emranul Huq were also present.

DHAKA BANK

SOUTHEAST BANK

Southeast Bank Chairman Alamgir Kabir virtually presided over its 26th annual general meeting yesterday. The bank approved 10 per cent cash dividend for 2020. Directors Md Akikur Rahman, Raiyan Kabir and M Maniruz Zaman Khan, independent directors Syed Sajedul Karim, Quazi Mesbahuddin Ahmed and Mohammad Delwar Husain, Adviser Zakir Ahmed Khan and Managing Director M Kamal Hossain joined the meeting.

Deal inked for $6.69m rice bran oil plant in Ishwardi EPZ

STAR BUSINESS DESK

Bangladesh Export Processing Zones Authority (Bepza) recently signed an agreement with SPS Agrotech for the establishment of a rice bran oil manufacturing industry at Ishwardi Export Processing Zone (IEPZ).

Bepza Member (Finance & Investment Promotion-Additional Charge) Nafisa Banu and SPS Agrotech Managing Director Chitta Majumder signed the agreement at Bepza Complex, Dhaka, said a press release.

The company will invest $6.69 million and create employment opportunities for 337 Bangladeshi nationals to annually produce 150,000 metric tonnes of rice bran oil.

The deal is in tune with Prime Minister Sheikh Hasina's recent call to enrich the country's export basket by establishing food and agro processing industries.

Officials of Bangladesh Export Processing Zones Authority and SPS Agrotech are seen during an agreement signing ceremony at Bepza Complex, Dhaka recently.

Electric car sales surge as Europe's climate targets bite

REUTERS , *Brussels*

One in every nine new cars sold in Europe last year was an electric or plug-in hybrid vehicle, with low-emission car sales surging even as the COVID-19 pandemic knocked overall vehicle sales, the European Environment Agency said on Tuesday.

The uptick in electric car sales caused a 12% drop in average CO2 emissions of new cars sold in Europe last year, compared with in 2019, reversing a trend that had seen such emissions increase for three consecutive years.

It was the biggest annual drop in such emissions since the EU introduced its car CO2 standards in 2010.

Of the 11.6 million new cars registered in the EU, Iceland, Norway and Britain last year, 11% were fully electric or plug-in hybrid electric vehicles, according to the provisional data. Those vehicles tripled their share of new car sales, from 3.5% in 2019.

Tougher CO2 targets for carmakers came into force last year, pushing carmakers to curb their fleet-wide emissions by selling more low-emission vehicles, buy credits from other carmakers that overachieved their targets, or face fines.

US mortgage applications decrease by most in nearly five months

REUTERS

US applications for home mortgages decreased by the most in almost five months driven by sharp declines in refinancing activity and purchase applications.

The Mortgage Bankers Association (MBA) said on Wednesday its seasonally adjusted market index fell 6.9 per cent in the week ending June 25 from a week earlier, the largest drop since early February.

This reflected an 8.2 per cent decrease in applications for refinancing existing loans and a 4.8 per cent drop in applications to purchase a home. The average contract interest rate for traditional 30-year mortgages increased to 3.20 per cent last week from 3.18 per cent the prior week.

"Purchase applications for conventional loans declined last week to the lowest level since last May," Mike Fratantoni, MBA's Senior Vice President and Chief Economist, said in a statement.

"The average loan size for total purchase applications increased, indicating that first-time homebuyers, who typically get smaller loans, are likely getting squeezed out of the market due to the lack of entry-level homes for sale."

Both new and existing home sales have fallen sharply this year due to a shortage of houses on the market.

REUTERS/FILE

A "For Sale" sign is posted outside a residential home in the Queen Anne neighborhood of Seattle, Washington, US on May 14.

United Airlines unveils huge jet order in push for growth

REUTERS

United Airlines unveiled its largest-ever order for Boeing and Airbus jets on Tuesday, lining up 270 planes in a push for post-pandemic growth with bigger jets for domestic flying.

The Boeing-dominated order for 200 Boeing 737 MAX and 70 Airbus A321neo jets, worth over $30 billion at list prices, will boost United's domestic capacity by almost 30 per cent, allowing it to better compete for both premium and low-cost travel.

It builds momentum for planemakers seeking to turn the page on the Covid-19 travel slump, at least in the United States, and signals a strong bet on a recovery in business travel.

Chief Executive Scott Kirby said it would "accelerate our business to meet a resurgence in air travel." America's third-largest airline by revenue will replace most of its regional jets and undertake a sweeping cabin overhaul with more premium seats.

"With a number of startups commencing operations or with plans to, United is putting the US travel industry on notice," said Peter McNally, analyst at research firm Third Bridge.

The order, confirming a detailed breakdown reported by Reuters on Monday, includes 50 Boeing 737 MAX 8 and 150 MAX 10, accelerating a recovery in the wake of a two-year MAX safety crisis in what market sources called a partial coup for Boeing.

It especially marks a breakthrough for the 230-seat MAX 10, the largest variant which has begun flight tests but until now has struggled to contain runaway sales of the competing A321neo. But Boeing's victory over Airbus in the number of units sold was tempered by Europe's continued grip on a strategically vital segment for single-aisle missions that need the most range.

That allowed Airbus to secure a quarter of the deal in a high-margin niche where Boeing faces a gap in its portfolio, forcing it to ponder a new jet to replace the longer-range 757.

Boeing appears to be calculating that the United deal will demonstrate that the MAX 10 fits the bill for some three-quarters of missions while it weighs options for a larger new model, analysts said, amid thin post-pandemic demand.

Airbus, meanwhile, continues to pitch the A321neo as a "premium" product.

"This is a great time to acquire capacity cheaply - the aircraft market remains depressed - and this will offer lasting structural cost improvement," said Carlos Ozores, vice-president at aviation consultancy ICF.

After initial gains, Boeing shares ended down 1.8 per cent, resuming losses triggered by delays in certifying the larger 777X. United and Airbus both eased 0.6 per cent.

REUTERS/FILE

A United Airlines passenger jet takes off with New York City as a backdrop, at Newark Liberty International Airport, New Jersey, US.

Thailand's booming auto exports help plug tourism hole

REUTERS

As tourism-reliant Thailand struggles with a collapse in foreign visitors, the country's auto sector is picking up some of the slack with the value of car exports tipped to surge to a record this year as the global economy reopens.

As tourism-reliant Thailand struggles with a collapse in foreign visitors, the country's auto sector is picking up some of the slack with the value of car exports tipped to surge to a record this year as the global economy reopens.

The Southeast Asian nation is Asia's second-most popular tourist destination but its famous beaches, street markets and pagodas have been starved of business over the past year due to pandemic restrictions that have crippled global travel.

While the Bank of Thailand has downgraded its projections for this year's economic growth due to the hit to consumption and tourism, it last week raised its 2021 export growth forecast to an 11-year high of 17.1 per cent, up from the 10.0 per cent rise forecast in March.

Much of that is thanks to exports of cars, parts and accessories, Thailand's biggest shipment, which surged 170 per cent year-on-year in May, the fastest pace in more than eight years, customs data showed.

"Exports are now a main engine driving the economy," Commerce Minister Jurin Laksanawisit told reporters this month. "We have to admit that our tourism still can't get going."

Thailand is Asia's fourth-largest autos assembly and export hub for some of the world's largest carmakers such as Toyota and Honda. The industry accounts for about 10 per cent of Thailand's GDP and manufacturing jobs.

The sector has been able to shake off the disruptive impact of Covid-19 much faster than the tourism industry.

Auto parts maker AAPICO Hitech, which has 4,500 workers, is running at full capacity 24 hours a day, company president Yeap Swee Chuan told Reuters, a stark contrast to last year's factory slump when the pandemic hit.

"Last year was not good at all, but this year should be sunshine," he said, targeting sales growth of 20 per cent and much higher profits this year.

"So far we haven't seen much impact from whatever situation in Thailand as the export market is still strong, and the local market, the demand seems to be still there up to this moment."

Thailand's latest and biggest coronavirus outbreak so far, which started in April, has slowed domestic activity, dealing a deeper blow to the country's already fragile economic recovery.

But the fallout on auto car sales has been limited, while the auto sector boom has been driven by overseas demand.

The Federation of Thai Industries (FTI) said the country's exports of completely built cars could reach 800,000 to 850,000 units this year, beating its target of 750,000 and versus about 736,000 in 2020.

Surapong Paisitpattanapong, a spokesperson for FTI's automotive industry division, expects overall car shipments to reach a record 1 trillion baht ($31.4 billion) this year versus 786 billion baht in 2019 before the pandemic hit.

Thailand's auto exports hit $12.4 billion in January-May, more than half the $21.4 billion shipped for all of 2020, according to the Commerce Ministry.

In contrast, only half a million foreign tourists are expected this year, the National Economic and Social Development Council forecast, compared with a record of nearly 40 million in 2019.

Market leader Toyota Motor Thailand forecast an 18 per cent rise in the company's completely built car exports to 254,000 units this year due to increased demand in Asia and Oceania.

So far, issues around the global supply of microchips have not yet disrupted Thai auto production significantly, although FTI warns it remains a risk.

REUTERS/FILE

Employees work at an assembly line in the Toyota manufacturing plant located in Chachoengsao province, east of Bangkok.