

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 0.91%	▲ 0.36%	\$1,810.89	\$73.59	▼ 0.04%	▼ 0.98%	▲ 0.39%	▼ 0.71%	83.95	98.03	114.72	12.73
6,365.11	11,030.45	(per ounce)	(per barrel)	53,140.06	28,003.08	3,152.30	3,539.30	BUY TK	101.83	118.52	13.39
								SELL TK			

2nd Edition

Star BUSINESS

DHAKA MONDAY JULY 19, 2021, SRABAN 4, 1428 BS • starbusiness@thedailystar.net

A fleeting respite for shop owners

SUKANTA HALDER

Malls and markets have been registering large gatherings of Eid shoppers since reopening on July 15, providing a much-needed respite to stores to make some sales in a season marked by a depressed business.

Retailers said the reopening and scope to do business for six days before Eid-ul-Azha would at least give them a scope to bear rents, wages and bonuses for employees to celebrate one of the two biggest religious festivals for Muslims.

However, sales figures will in no way be equal to that logged by businesses during the same time last year, they said.

Overall sales may be 40 per cent of the previous year's total sales, said Mohammad Helal Uddin, president of the Bangladesh Shop Owners Association.

"The scope to keep shops open has saved us from collapse," he said.

Although the sales of sacrificial animals dominate the mood, and several million animals are traded during this festival, businesses say Eid-ul-Azha is the third-biggest sales season for fashion and clothing retailers.

For electronics sellers, the festival accounts for the highest sales as consumers buy refrigerators, freezers, televisions and air conditioners. The demand for mobile handsets, motorcycles and furniture also goes up. Usually, sales begin nearly three weeks prior to Eid-ul-Azha. However, the Covid-19-related movement restrictions since June 28 took away the scope for traders to do business.

"The resumption gave a relief. We are getting a good response from the customers after the restrictions were lifted. We are trying to recover as much of the business as we can," said Saikat Azad, marketing manager of Transcom Electronics, one of the leading electronics retailers in Bangladesh.

The official expected to recover up to 80 per cent of the business this Eid.

"In the Covid-19 situation, we are focusing more on the online sales," he added.

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AMRAN HOSSAIN

The withdrawal of strict lockdown is giving a respite to shopkeepers but questions remain over whether everyone is abiding by health safety protocols. The photo was taken at New Super Market in the capital yesterday.

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BINs made mandatory for online businesses

STAR BUSINESS REPORT

Digital commerce firms will have to obtain Business Identification Numbers (BINs) from the National Board of Revenue to continue operations, said Commerce Secretary Tapan Kanti Ghosh yesterday.

"The e-commerce companies that are currently doing business and the new ones must register with the Ministry of Commerce," he said.

"Each organisation will have a BIN, which must be presented to the BTRC (Bangladesh Telecommunication Regulatory Commission) so that the BTRC can shut down their websites if necessary," said Ghosh.

The decision was taken at an emergency meeting held at the ministry to discuss controversies over some e-commerce platforms.

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June inflation highest in 8 months

Govt misses FY'21 target

REJAUL KARIM BYRON and JAGARAN CHAKMA

Inflation spurted to 5.64 per cent in June, the highest in eight months, reflecting the disruptions faced by the supply chain and the rise in the cost of living, official figures showed yesterday.

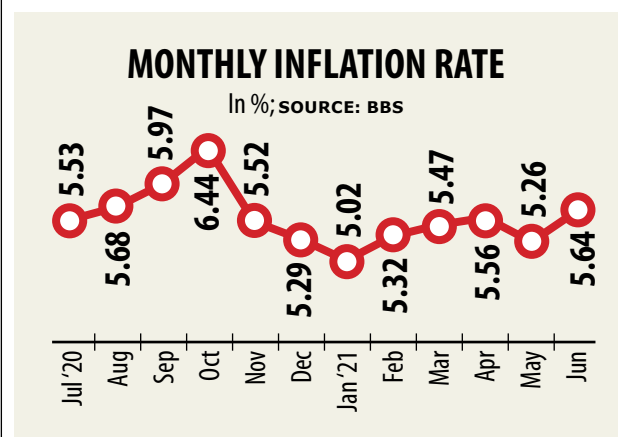
In the last month of the fiscal year, the overall inflation rose by 38 basis points compared to May's figure of 5.26 per cent, according to the Bangladesh Bureau of Statistics (BBS).

Food inflation surged 58 basis points to 5.45 per cent as the price of staple rice, and other essentials showed an upward trend. Non-food inflation was up eight basis points at 5.94 per cent.

"The impact of economic disruptions in supply sides was clearly noticeable in these inflationary trends," said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

The average inflation in the just-concluded fiscal year was 5.56 per cent, overshooting the government's target of 5.4 per cent.

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Stock index hits all-time high

AHSAN HABIB

The benchmark index of Dhaka Stock Exchange (DSE) rose to its record high yesterday despite technical glitches halting trade at the premier bourse for around one and a half hours.

The DSEX rose 57 points, or 0.91 per cent to 6,365.11 which is its highest since inception in 2013, according to the DSE data.

Meanwhile, market capitalisation came to stand at Tk 532,311 crore, which is also the highest for the DSE. Earlier, the bourse's main index was DGEN which reached the highest 8,918 points on December 5, 2010.

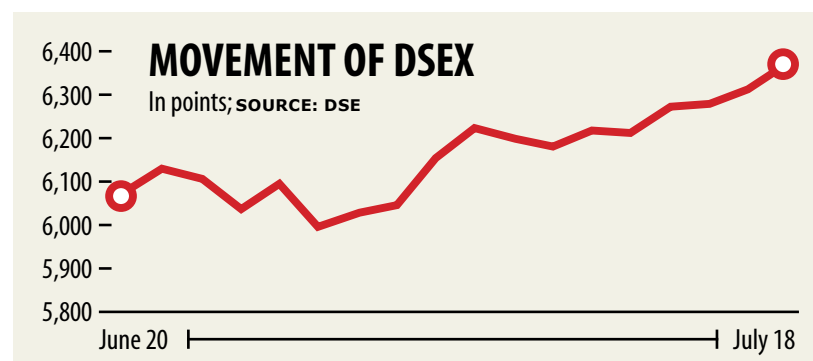
But upon the discovery of some problems and misrepresentations of the market, the index was closed and a new one named the DSEX was launched.

Despite the deterioration of the pandemic, institutional investors' funds have continued to flow to the stock market so the index was rising, said Khairul Bashar Abu Taher Mohammed, CEO of MTB Capital.

Many institutional investors took up a central bank incentive package and actively made investments, he said.

On February 10, Bangladesh Bank rolled out the package that allows banks to set up a Tk 200 crore fund by availing it from the regulator through a repurchase agreement against treasury bills and bonds they own.

The banks will have to pay 5 per cent interest for the fund and the credit tenure is of up to February 2025.



As the market bounced back soon after its corrections or drops, investors are availing their profits and are optimistic about the market, said the CEO of the investment bank, adding that people now have confidence on the new commission of the stock market regulator.

But risks remain because some junk and newly listed companies' stocks have jumped abnormally. So investors need to be cautious in their choice of stocks, he added.

"The market is now in a good shape, so we want to trade more but the DSE's technical problems makes the task difficult," said Motahar Hossain Masum, a stock investor who has been involved in the market for more than one decade.

"Most of the days I face problems in trading stocks," he said, adding that sometimes it was difficult to trade stocks on time.

On the other hand, the DSE's technical problem centring its trading software is also causing problems

sometimes which was not expected, he added.

Yesterday, the DSE's trade came to a halt at 11:10 am for around one and a half hours. So, the DSE authority decided to extend the trading hours to 3:30pm instead of stopping it at 2:30 pm.

The market is rising for mainly two reasons -- liquidity and earnings growth of listed companies, said Sheikh Mohammad Rashedul Hasan, CEO of UCB Asset Management.

As money is cheap in the money market, there is a huge amount of liquidity and the influx of liquidity gave a boost to the confidence of investors, he said, adding that now the interest rate of the banking sector was at a very low level.

Corporate earnings growth of many sectors has also been higher in the recent quarters, be it banking, pharmaceuticals or cement. "This is the fundamental reason for a higher index," he said.

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Mango exports still too low: experts

STAR BUSINESS REPORT

Mango exports nearly tripled in fiscal 2020-21 compared to a paper by the Department of Agricultural Marketing (DAM).

The study was unveiled at a workshop on mango exports organised by the Ministry of Agriculture yesterday.

The total quantity of mango exports currently stands at 0.06 per cent of the 12.22 lakh tonnes produced in fiscal 2019-20, data from the Bangladesh Bureau of Statistics (BBS) shows.

At the event, various stakeholders said Bangladesh now ranks seventh among the world's top mango producing countries as cultivation increases rapidly each year.

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MOSTAFA SHABUI

Aus, which is harvested during monsoon, contributed 9 per cent to the total annual rice output of 3.85 crore tonnes in FY2021. The photo was taken from Nandigram upazila of Bogura on Friday.

Aus acreage shrinks for dry weather

MOSTAFA SHABUI, Bogura

Farmers cultivated Aus paddy on a reduced area in Bangladesh this year because of dry weather during the main transplantation season, said farmers and officials.

The risk of pest attacks, lower yield and higher production cost also discouraged growers from cultivating the crop.

So, the acreage of Aus fell 10 per cent year-on-year to 11.65 lakh hectares in the fiscal year of 2021-22 from 13 lakh hectares the previous year, data from the Department of Agricultural Extension (DAE) showed.

Because of the shrinking of the cultivation area, the total yield of the rice is likely to be 3.5 lakh tonnes lower than the previous year, said DAE Director General Md Asadullah.

Farmers produced 32.9 lakh tonnes of rice from Aus harvest in FY21, up 19 per cent a year ago, according to data of the Bangladesh Bureau of Statistics (BBS).

Harvested during monsoon, Aus contributed 9 per cent to the total annual rice output of 3.85 crore tonnes in FY21, BBS and DAE data showed.

The concern about the reduced yield of the crop came when the price of rice was increasing owing to a slow release of

the staple from the saleable holdings by farmers and increased stocking by seasonal stockists, traders and millers.

Prices of coarse rice edged up 4 per cent to Tk 46-Tk 50 a kilogramme in the markets in Dhaka yesterday, up from Tk 44-Tk 48 a month ago, according to the state-run Trading Corporation of Bangladesh.

In order to increase the supply in the market, the food ministry earlier this month decided to allow private traders to import 10 lakh tonnes of rice at a 25 per cent tariff in place of 62.5 per cent.

"The rainfall in the April-May period had been very low, and it affected the timely transplantation of seedlings. Seedlings are required to transplant in a month," Asadullah said.

Belal Hossain, a farmer at Haatlalpur of Bogura's Nandigram, said he cultivated Aus on eight bighas of land this year, which was 11 bighas the previous season.

"We have to invest Tk 9,000-Tk 10,000 per bigha, but we get only 14-16 maunds of paddy per bigha. So, the profit is very marginal."

"Also, there is a risk of crop losses for many reasons, including pest attacks."

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