# Summit, Commonwealth sign MoU for LNG offtake

STAR BUSINESS DESK

Summit Oil and Shipping Company has signed memorandum of understanding (MoU) with Commonwealth LNG to collaborate in the supply of LNG to Asia, including Bangladesh.

The signing ceremony took place at the Bangladesh embassy in Washington, DC in presence of Tawfiq-e-Elahi Chowdhury, adviser to the prime minister on power, energy and mineral resources, said a press release yesterday.

The scope of the MoU includes the Summit potentially contracting for 1 million tonnes per year (MTPA) of LNG offtake, for a term of up to 20 years, from Commonwealth's 8.4 MTPA facility currently under development in Cameron, Louisiana.

Summit's associated The companies within Summit Group have approximately 3 GW of gas-to-power electricity in operation or development within the Indian subcontinent, and operate a 500 mmcf/d floating storage and regasification unit (FSRU) and LNG terminal under Summit LNG Terminal Co (Pvt) in Moheshkhali, Cox's Bazar, Bangladesh.

Chowdhury welcomed the MOU as an important step towards further expanding the energy cooperation between Bangladesh and the United States.



Summit and Commonwealth signed a memorandum of understanding to collaborate in the supply of LNG, in the presence of Tawfiq-e-Elahi Chowdhury, an adviser to the prime minister, at the Bangladesh embassy in Washington, DC recently.

importance of ensuring access to energy sources to support the economic development related activities in Bangladesh.

"We're proud of what this step means towards securing this major source of clean energy for the growing economy of The advisor underscored the Bangladesh," said Farid Khan, vice

chairman of Summit Group.

"We look forward to having Commonwealth LNG as a partner that can deliver US-sourced LNG, providing diversification of supply for Bangladesh and the pricing stability associated with Henry Hub.

Commonwealth

President and CEO Paul Varello said the MoU was evidence of just how aligned the parties were in achieving their shared objectives.

"Commonwealth's on producing the lowest-cost liquefaction in the US remains important in a highly competitive global market," said Varello

"This becomes even more critical for a rapidly emerging economy such as Bangladesh where the need for additional energy is critical for sustaining its economic growth. Summit has recognised that need and Commonwealth LNG looks forward to partnering in these

## SSE makes \$1.7b Scotia Gas exit in low-carbon push

Britain's SSE on Monday agreed to sell its entire 33.3 per cent stake in Scotia Gas Networks (SGN) for 1.225 billion pounds (\$1.70 billion) as the power producer sharpens its focus on renewables and low-carbon electricity.

A Canadian consortium of Ontario Teachers' Pension Plan Board and Brookfield Super-Core Infrastructure Partners will buy SSE's stake in SGN, which supplies gas in England, Wales, Scotland and the west of Northern Ireland.

SSE has set out plans to invest in low-carbon energy infrastructure over the next five years and treble its renewable electricity output by 2030 as it transitions to net zero. It said in May it was on track to invest 7.5 billion pounds in low-carbon projects up to 2025.

The SGN deal concludes SSE's more than 2 billion pound disposal programme and the sale is expected to complete within the current financial year, the company

"The capital we are releasing through our disposals programme will help enable us to maximise the delivery of our low-carbon electricity orientated strategy," said SSE Finance Director Gregor Alexander.

Proceeds from the SGN sale will be used to cut net debt in the short term and support investment plans, the London-listed utility said, adding that it would provide an update with its interim results in November.

SSE shares rose 1.8 per cent in morning trade.

SSE acquired a 50 per cent share in SGN in 2005 for 505 million pounds (\$702.30 million), before selling a 16.7 per cent stake to a unit of the Abu Dhabi Investment Authority (ADIA) in 2016.

SSE said on Monday the Canadian consortium has also agreed to acquire the ADIA stake for an undisclosed amount. Morgan Stanley and Credit Suisse acted as financial advisers to SSE and Nomura acted as financial adviser to ADIA. Evercore acted as financial adviser to

# M&A rush, earnings power European stocks to new highs

REUTERS

European stocks scaled fresh peaks on Monday, driven by dealmaking activity and strong results from Europe's biggest bank HSBC, with a rebound in Asian stocks also helping set a bright start to August.

The pan-European STOXX 600 index rose 0.6 per cent to hit an all-time high of 464.5 points, with retailers, automakers and miners among the top performers.

British aero-engineer Meggitt soared 58.2 per cent to hit a life high after US industrial firm Parker-Hannifin said it would buy the UK rival in a deal valued at \$8.76 billion.

Among other deals, British asset management services provider Sanne Group jumped 7.9 per cent after it said it could get a takeover bid from fund servicer

UK's midcap index gained 0.6 per cent,

In earnings, Asia-focussed lender HSBC inched up 0.5 per cent after it beat forecasts for first-half pretax profit and reinstated dividend payments.

French insurer Axa gained 2.5 per cent after it posted a 180 per cent surge in firsthalf net income, while German rival Allianz

ADP spending rebounds

tumbled 6.4 per cent after US regulators started a probe relating to Allianz Global Investors' Structured Alpha Funds.

Of the more than half of the STOXX 600 companies that have reported secondquarter results so far, 67 per cent have topped profit estimates, as per Refinitiv "Having reached all-time highs post 1Q

results, the breadth of positive EPS revisions in Europe remains very strong both in absolute terms and versus peers," European equity strategists at Morgan Stanley said in a note. "Europe now sees the best earnings revisions of all global regions."

Meanwhile, survev showed manufacturing activity across the euro zone continued to expand at a blistering pace in July, but supply bottlenecks sent input costs soaring.

Optimism around European earnings and economic reopening helped the while the blue-chip FTSE 100 index added benchmark STOXX 600 end July with a sixth straight month of gains despite concerns about inflation, soaring virus cases in Asia and a major regulatory crackdown in

> British jet and auto parts supplier Senior Plc jumped 4.3 per cent after it reported a first-half profit compared with a loss a year

director of the Centre for Policy Dialogue,

said the lower implementation reflected the

face difficulty in their implementation.

the impacts of the pandemic.

Moazzem said.

implementation.

In a welcoming move, the government

"The move was right. But I don't

The implementation of the aid-backed

large projects slowed as many foreign

consultants, experts and workers delayed to return to Bangladesh because of the

pandemic. Moazzem called for holding

project directors accountable for the lower

directors has to be ensured as projects

often face time and cost overruns. Project

directors have to be held responsible for

The government has set aside Tk 225,324

Moving forward, the authorities

need to focus rigorously on holding the

implementation agencies accountable for

delivering what they promise to deliver

in their annual performance agreements,

independent monitoring and evaluation

of projects is a technical solution that will

yield results only if it is backed by the

political will to make sure we get the value

dispassionate

the corruption and wastage as well."

crore for the ADP in FY22.

according to Hussain.

of money spent on the ADP.

"Intensive,

The accountability of the project

has prioritised projects to free up funds for

those that would help the country tackle

think the plan had worked as expected,"

## Panel to decide on Evaly's plea for more time

FROM PAGE B1 In its reply to the notice of the ministry, Evaly said it wanted to have its financial statements audited by a third party and set a valuation of the company.

"We have to work on a lot of data and analytics that requires a significant amount of time and effort," Mahbi Chowdhury, senior vice-president of Evaly, told The Daily Star yesterday.

"Hence, we have replied to some of the queries and sought six months to come up with the replies to the rest of the queries in details.

ministry's notice also asked Evaly to clarify the whereabouts of around Tk 338 crore that the platform owed to customers and merchants.

According report of investigation Bangladesh Bank, Evaly has a liability of Tk 213.94 crore to customers and Tk 189.85 crore to merchants.

It has assets worth Tk 91.69 crore. Of the sum, the current asset amounts to Tk 65.17 crore.

The commerce ministry said it had noticed that Evaly was not delivering products on time despite receiving advance payments from customers.

"The merchants from whom it gets products are also not being paid. As a result, a large number of buyers and sellers are likely to suffer financially," the notice said.

It also wanted to know how much money Evaly received from customers since its inception to July 15 and the amount paid to merchants.

# IPDC profit jumps 30pc

FROM PAGE B1

The IPDC's classified loans stood at 1.12 per cent, which is one of the lowest classified loan ratios in the industry.

In the second quarter (April-June) its earnings per share (EPS) stood at Tk 0.55 while it was Tk 0.45 the previous year.

In the half (January-June) period its EPS stood at Tk 1.11 while it was Tk 0.85 in the same period in 2020.

Yesterday, its shares closed 3.81 per cent higher at Tk 30.

# India's factory growth rebounded in July

REUTERS, Bengaluru

Factory activity in India bounced back in July as demand surged both at home and abroad, prompting companies to create new jobs for the first time since the onset of the pandemic, a private sector survey showed on Monday.

The Manufacturing Purchasing Managers' Index, compiled by IHS Markit, jumped to 55.3 last month from 48.1 in June, well above 50-level separating growth from contraction.

"Output rose at a robust pace, with over one-third of companies noting a monthly expansion in production, amid a rebound in new business and the easing of some local Covid-19 restrictions," said Pollyanna De Lima, economics associate director at IHS Markit.

India grappled with a devastating second wave of coronavirus infections in April and May but falling case have allowed restrictions to be eased.

The country is still reporting more than 40,000 cases per day, taking the total number of infections to around 31.6 million, but the economic reopening induced higher demand and sales, leading to a sharp expansion in output.

New export orders grew at the fastest rate since April.

Employment rose for the first time since March 2020, breaking a 15-month chain of job shedding. However, the pace of hiring was mild, indicating a job crisis is still evident.

economy could lose momentum, with new coronavirus variants posing the biggest risk to already weakened forecasts, while inflation was expected to rise, a recent Reuters poll showed. A lack of raw material availability

and higher freight fees drove input costs higher, though the pace was at a seven-month low.

Despite higher input costs, output charges rose only slightly, suggesting companies absorbed the extra cost

burden to boost sales and stay competitive. "With firms' cost burdens

continuing to rise, however, and signs of spare capacity still evident, it's too early to say that such a trend will be sustained in coming months," added

The Reserve Bank of India is not expected to raise interest rates until next fiscal year on predictions inflation remains within its target band of 2 per cent-6 per cent this year.



A labourer welds an iron pillar at a building material factory in an industrial Growth in Asia's third-largest area in Dasna, in the central Indian state of Uttar Pradesh, India.

#### weakness of the allocation structure of the budget as it was assumed that the projects that received the higher allocation would

The science and technology ministry came second riding on the faster implementation of the Rooppur Nuclear Power Plant, with an execution rate of 101.29 per cent. Despite being one of the priority sectors

of the government owing to the ongoing pandemic, the health services division emerged as one of the worst performers. It spent 57.91 per cent of the budget for FY21. Similarly, the food ministry's expenses

were 55.71 per cent. The social welfare ministry spent 70.16 per cent of the allocation. Hussain said it was unfortunate that

health emergency suffered from the same business as usual problems as any other speed and quality implementation do not reflect any sense of

projects undertaken to address the public

urgency and dedication to addressing the health distress caused by the pandemic." agriculture ministry's ADP The implementation rate stood at 97.52 per cent, the disaster management and relief ministry 89.04 per cent, the fisheries and

the road transport and highways division 87.98 per cent. The local government division, which received the highest allocation from the development budget, attained 81.44 per

livestock ministry 88.77 per cent, and

cent of the spending goal. The ADP implementation rate of the railways ministry stood at 84.97 per cent as it moved fast to complete the Padma Rail

Khondaker Golam Moazzem, research

### Remittance slips to 5-month low from time to time to contain the spread of

FROM PAGE B1

The global hundi cartel, which operates an illegal cross-boundary financial system, has been facing a major disruption since the first quarter of 2020 as international travel came to a halt because of the pandemic,

fueling the growth of remittances. Many nations, including the countries where most expatriate Bangladeshis work, have enforced restrictions on the movement

This has dealt a blow to the hundi system and encouraged the expatriates to send money through the formal channel.

In addition, both the government and local banks have taken some measures, including the introduction of cash incentives, making remitting money through the banking channel attractive.

for Purchase of 22,000 Metric Tons of U.S. No. 2 Yellow Soybeans

**CANTERA PARTNERS - Invitation to Bid** 

Cantera Partners LLC, Omaha, Nebraska, USA, requests bids for the purchase of 22,000 metric tons (+/- 10%) of whole U.S. Soybeans, of US-origin, with usual USDA No. 2 specifications.

The expected shipment period from U.S. export port is estimated in October/November 2021.

For full tender with specifications and a standard Purchase Agreement that the winning bidder(s) will be expected to sign as Buyer(s), please consult Cantera Partners website at

## www.canterapartners.com/soybeans/Bangladesh/

Cantera will consider/accept bids for a minimum bidding tonnage of 4,000 metric tons and/or for any tonnage (and combinations) between 4,000 metric tons and 25,000 metric tons.

Questions about the bidding process, terms or purchase may be referred to Mr. Michael Jung, CEO & President, by email to bid@canterapartners.com

Interested parties need to submit their bids by Tuesday, 10th August 2021, by the close of business, Bangladesh time.