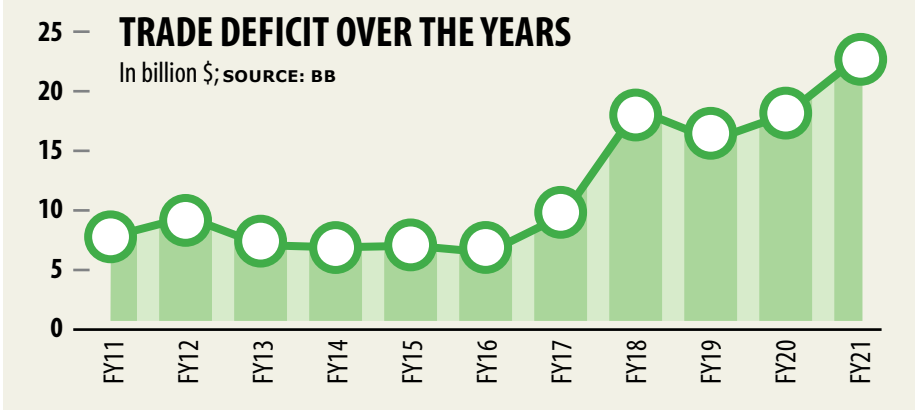


STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY	
0.15%	0.06%	\$1,721.66	\$70.90	0.28%	0.24%	0.95%	1.01%	83.95	97.46	115.34	12.72	
6,617.83	11,566.34	(per ounce)	(per barrel)	54,554.66	27,888.15	3,207.36	3,529.93	BUY TK	84.95	101.26	119.14	13.37
								SELL TK	84.95	101.26	119.14	13.37

Star BUSINESS

DHAKA WEDNESDAY AUGUST 11, 2021, SRABAN 27, 1428 BS • starbusiness@thedailystar.net

Trade deficit hits all-time high



AKM ZAMIR UDDIN

Bangladesh's trade deficit hit an all-time high of \$22.27 billion last fiscal year due to a rise in commodity prices in the global market.

In fiscal 2019-20, this trade gap, which occurs when imports outweigh exports, swelled 27.66 per cent year-on-year to stand at \$17.85 billion, showed data from Bangladesh Bank.

Economists however assured that the record deficit would not have any adverse impact on the economy as the country's foreign exchange reserve was now in a good condition.

In addition, exports went up in fiscal 2020-21, which pushed up imports as well.

Last fiscal year, imports increased 12.55 per cent year-on-year to \$60.68 billion while exports 15.38 per cent to \$37.88

billion.

The increase in exports is one of the factors for the record deficit last fiscal year, said Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue.

Import of raw materials for the manufacture of garments, the country's prime export item, increased substantially during the period, he said.

For instance, import of intermediate goods, which includes raw cotton, yarn, textile and dyeing and tanning materials, stood at \$13.02 billion, up 9.14 per cent year-on-year.

Export earnings from the garment sector increased 12.55 per cent year-on-year to \$31.45 billion last fiscal year.

The country's economy tried to make a turnaround last year before the pandemic's second wave came about, Rahman said.

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Dispute over yarn price to be settled amicably

Garment exporters, spinners in talks

REFAJET ULLAH MIRDHA

The dispute between garment and spinners over the prices of yarn could be resolved amicably after both sides softened their stances, in relief for Bangladesh's apparel industry rebounding from the pandemic-induced shipment collapse.

Garment and terry towel manufacturers and exporters have demanded the spinners reduce the prices of yarn and keep the supply stable at a time when export orders are growing fast.

The leaders of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) made the demand at a meeting with the Bangladesh Textile Mills Association (BTMA), the platform of



AT A GLANCE

Garment makers call for cutting yarn prices

Demand for yarn rises for increased work orders

Price of 20-carded local yarn is 33% higher than that in global markets

Bangladesh imported 8.2m bales of cotton in FY21

Cotton import cost was \$3b in FY21

spinners and weavers.

Both parties have softened their stances. The BGMEA postponed its press conferences scheduled yesterday, while the BTMA also cancelled its informal discussion with a group of journalists scheduled on Monday. Now they are negotiating the price of yarn.

"Yarn prices are too high in Bangladesh compared to other

countries," said Faruque Hassan, president of the BGMEA.

The prices have been increasing in the domestic markets since September last year, he said.

"We also need a stable supply as many spinners are not supplying the yarn on time to garment manufacturers despite making the payment."

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Govt plans 5G for Dhaka this year

REJAUL KARIM BYRON and MAHMUDUL HASAN

The government is undertaking a project involving about Tk 200 crore to roll out fifth-generation or 5G mobile network on a limited scale in Dhaka by the end of this year.

"5G equipment will be set up in 200 points across Dhaka under the project," Md Mamun-A-Rashid, a member (secretary) of the Planning Commission, told The Daily Star.

The proposal for the project, which will be implemented by state-owned telecom network operator Teletalk, has already been sent to the planning ministry for review.

"For now, 5G is not for general people as it has no implications for them. So we want to bring about industrial applications," said Mustafa Jabbar, the posts and telecommunications minister.

Primarily, 5G services, which are able to deliver data speeds up to 50 times faster than 4G networks and serve as critical infrastructure for a range of industries, will be set up in the capital.

"Then, the 5G network will be expanded to divisional cities and district levels. The expansion will depend on the demand because if we roll out 5G and see it has no users, it will not be a good thing," he added.

Jabbar went on to say that this was



KEY POINTS

Limited-scale 5G in Dhaka this year

Project will involve about Tk 200cr

5G equipment to be set up in 200 points across Dhaka

Will initially be used for industrial purposes

Network to be expanded depending on project's results

in a way, a pilot project which would determine how far the country can go with this technology.

Asked who will be the beneficiaries of the 5G technology, he said it would be used to augment artificial intelligence and internet of things (IoT).

Many have no idea about it since use of the service was not common, he said.

"If anyone wants to use a robot in his house, he might need 5G. The farmers who use IoT devices to determine the need of irrigation or fertilisers in their cropland need 5G.

Many fisheries can use 5G for their IoT devices as well as to curb costs," Jabbar said.

Another main use of 5G services will be in factories which need high internet speeds for running the latest machinery.

"So, we are planning to introduce 5G networks in the big industrial and economic zones," he added.

According to the posts and telecommunications minister, there would be no need to set up new towers or base transceiver stations (BTS) for the 5G network thanks to a new project approved by the Executive Committee of the National Economic Council (Ecne) yesterday.

The around Tk 2,200 crore project aims to take Teletalk's 4G network to rural areas and upgrade the existing core and transmission networks to make it ready for the launch of 5G technology.

The main activities of the project are to set up 500 private BTS and 2,500 shared towers, enhance the capacity of the existing 2,000 BTS, install 200 mobile BTS, and upgrade existing 1,000 2G and 3G BTS to 4G.

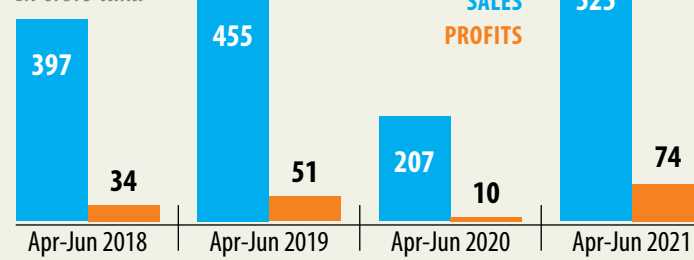
"We will install 5G equipment on these BTS," said Jabbar, adding that once the just approved project was implemented, user capacity of Teletalk would double.

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Berger profit jumps seven times

SALES AND PROFITS

In crore taka



Source: Financial reports

AHSAN HABIB

Berger Paints Bangladesh's profit jumped seven times as its business returned to normalcy in the April to June quarter, recouping the losses incurred a year ago owing to the coronavirus pandemic.

The multinational paint-maker's sales rose 153 per cent to Tk 525.5 crore in the quarter, which was Tk 207.9 crore in the same period a year ago, according to a regulatory filing on the website of the Dhaka Stock Exchange yesterday.

"Last year's sales were abnormally low due to the pandemic. However, the sales have returned to normalcy this year," said Khandker Abu Jafar Sadique, company secretary of Berger Paints Bangladesh.

The sales had dropped 49 per cent year-on-year from April to June of 2020 after the government enforced a two-month lockdown to limit the spread of the deadly virus before curbs were relaxed.

"Due to the strict lockdown and fear among the people, our sales were almost zero during the two months. As a result, the overall sales dropped in the year," Sadique said.

Though the country has been under a lockdown since April this year, as the second wave has turned deadly, the sales have not crashed.

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NEWS in brief

GDP figure to be published quarterly

The government has decided to publish the data for the gross domestic product (GDP) on a quarterly basis, a senior official said yesterday.

Mohammad Yamin Chowdhury, secretary of the Statistics and Informatics Division, said the provisional GDP data would be disclosed every quarter, and the annual figure would be unveiled at the end of the fiscal year. However, he could not give the exact time frame for the shift to the disclosure of the economic growth figure quarterly.

Shops, malls reopen today

All shops, shopping malls and markets are being allowed to reopen from today from 10:00am to 8:00pm maintaining health guidelines.

Helal Uddin, president of Bangladesh Shop Owners Association, said he has urged traders to inform the association about their lockdown-induced financial losses.

"We will send it to the government office concerned," he said. The opening decision was announced on August 3 by Liberation War Affairs Minister AKM Mozammel Haque.

BSEC to probe unusual price hike of 9 stocks

STAR BUSINESS REPORT

The Bangladesh Securities and Exchange Commission (BSEC) yesterday formed a four-member committee to probe the recent unusual price hike of nine listed companies.

The committee will look into reasons behind the price surge and whether any insider trading, manipulation or breach of law occurred.

BSEC Director Sheikh Mahbubur Rahman will head the committee and submit their report within 60 days.

The companies now under the BSEC's scanner are: Emerald Oil, Anwar Galvanizing, GBB Power, Bangladesh National Insurance, National Feed

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Prices of various vegetables dropped in July compared to those in the previous month, according to data from the Bangladesh Bureau of Statistics. The photo was taken from Karwan Bazar kitchen market in Dhaka yesterday.

PALASH KHAN

Inflation drops in July

STAR BUSINESS REPORT

Inflation in Bangladesh dropped 28 basis points to 5.36 per cent in July on the back of associated decreases in both food and non-food items, easing pressure on the wallets of consumers.

It stood at 5.64 per cent in June, according to data from the Bangladesh Bureau of Statistics (BBS).

Food and non-food inflation helped bring down the Consumer Price Index, a measure of the average change in prices of a range of goods and services purchased by consumers.

In July, food inflation fell to 5.08 per cent, down 37 basis points from that of the previous month in spite of the fact that prices of coarse rice had crept up, according to data from the Department of Agricultural Marketing.

The BBS said non-food inflation declined 14 basis points to 5.80 per cent in July from that a month ago.

It said prices of egg, broiler chicken meat and various vegetables such as brinjal, sweet, pointed and spotted gourd; green cucumber, green papaya, lady's finger, carrot and lemon had dropped.

On the other hand, consumers had to spend more behind onion, ginger, garlic, cinnamon, cardamom and cumin.

Meanwhile, prices of flour, sugar, salt and noodles and non-food products such as clothes and medicine were stable, it added.

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