

# Stocks maintain gaining streak

Banks lead the charge this time

STAR BUSINESS REPORT

Bank stocks contributed the most as the market index continued to rise for a fourth consecutive day yesterday.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 38 points, or 0.56 per cent, to 6,787.16.

"Investors are much more confident now so they are investing even though the index has reached its highest level since inception in 2013," a stock broker said.

The banking sector has become the main attraction for investors since it has the lowest price-earnings ratio in the market, making bank stocks comparatively lucrative.

"This is why the value of bank stocks rose but investors need to analyse their respective asset

quality and non-performing loans because not all banks are in the same position," he added.

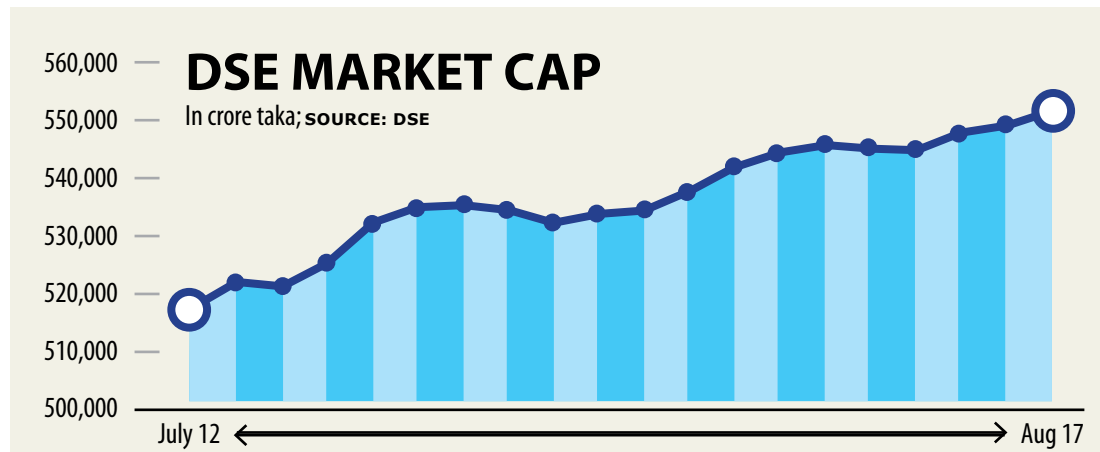
Turnover, another important market indicator, fell 9.48 per cent compared to the previous day to hit Tk 2,673 crore.

First Security Islami Bank topped the gainers list, rising 10 per cent, followed by Desh General Insurance, GBB Power, Stylecraft, and South Bangla Agriculture & Commerce Bank.

Dutch-Bangla Bank, Brac Bank, Pubali Bank, and Islami Bank contributed the most to the index with 13 points collectively.

Turnover in the banking sector was Tk 452 crore, which was 17.6 per cent of the total trade.

Tallu Spinning shed the most, falling 8.73 per cent, followed by Mithun Knitting, Nurani Dyeing, Appollo Ispat and Generation Next.



Stocks of Beximco Ltd traded the most, worth Tk 107 crore followed by IFIC Bank, LankaBangla Finance, and National Housing Finance and Investments.

At the DSE, 192 stocks advanced, 174 fell and eight remained unchanged.

The Chattogram Stock Exchange also rose yesterday. The CASPI, the general index of

the port city bourse, increased 118 points, or 0.60 per cent, to 19,786.

Among 324 traded stocks, 162 advanced, 147 fell and 15 remained unchanged.

# BGMEA calls for releasing imports directly from port

STAR BUSINESS REPORT

The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday requested the Chittagong Port Authority (CPA) to allow the release of imported goods directly from the port instead of private inland container depots (ICDs) to save time and cost.

BGMEA President Faruque Hassan made the plea during a meeting with M Shahjahan, chairman of the CPA, in Chattogram, according to a statement from the BGMEA. Currently it takes around six to seven days to take delivery of imported consignments from the private ICDs compared to only two days from the port, which increases the cost of releasing goods, Hassan said.

"Moreover, the private ICD operators are charging higher fees and taking more time than the port for releasing goods," he said, adding that additional delays and charges are impacting the apparel industry at a time when the sector is struggling to recover from the shocks created by the pandemic.

The BGMEA president is hopeful that garment exports would increase in the coming months and urged the port authority to plan ahead and take steps accordingly to enhance the capacity and efficiency of the port so that they can handle the increased pressure of export-import smoothly.

# Kuakata reopens to tourists tomorrow

OUR CORRESPONDENT, Patuakhali

After 139 days of closure, tourist attractions in Kuakata will reopen their doors tomorrow.

Following the announcement, businesses at the 18-kilometre long Kuakata sea beach are gearing up for reopening.

Hotels, motels and restaurants are being cleaned. Dry fish traders, shopkeepers, photographers, drivers, tea and snack vendors, and tour operators operating at the tourist sites have started to reorganise, reports our Patuakhali correspondent.

After Patuakhali district administration closed Kuakata to tourists on April 1, around 150 residential hotels and motels were vacant and all tourism-oriented businesses were closed.

Nazrul Islam, a restaurant owner, said his establishment used to sell food worth Tk 20,000 to Tk 25,000 daily.

"Since the restaurant was closed, employees were sent on leave. But they got engaged in other activities during this period. Now, we are



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facing staff crisis," he added.

Ruman Imtiaz Tushar, president of Tour Operators Association of Kuakata (TOAK), said tourism business had come to a standstill due to the pandemic. Many had to close their businesses due to lack of visitors.

Motaleb Sharif, general secretary of the Hotel-Motel Owners Association, said in the last one and a half years, the hotel business sector incurred at least Tk 200 crore loss.

"In total, Kuakata's tourism-related businesses, including hotels, suffered losses worth Tk 2,000 crore," Motaleb said.

"I am hopeful that Kuakata will return to normalcy when tourism opens," he said.

Kalapara Upazila Nirbahi Officer Abu Hasnat Mohammad Shahidul Haque said tourist centres, resorts and recreation venues will be allowed to run at half capacity, maintaining hygiene.

Legal action will be taken against those who violate the health guidelines, he added.



At the meeting, BGMEA First Vice President Syed Nazrul Islam urged the CPA to make export-import activities quicker and timely to retain the competitiveness of Bangladesh's apparel industry in the global market during this difficult time. Shahjahan in his speech said the apparel industry has been making an enormous contribution to the economic development of Bangladesh.

He said the CPA is carrying out export-import activities quickly and efficiently despite having different limitations.

He also presented the CPA's plans and initiatives for infrastructural development and increasing efficiency of the port. Yesterday's meeting with the CPA was a part of BGMEA's continuous efforts to ensure smooth flow of export-import shipment.

Earlier, BGMEA held several meetings with stakeholders, including main-line operator and buyers' representatives in this regard. After the meeting, Hassan along with the CPA chairman, the BGMEA leaders and other high officials took a tour of the port to see port operations.

## GLOBAL BUSINESS

# Fast fashion spurs bleach-like pollution of Africa's rivers

REUTERS, Johannesburg

Global fast fashion brands are helping drive pollution that has dyed African rivers blue or turned their waters as alkaline as bleach, according to a report published on Tuesday.

Water Witness International's (WWI) report featured the polluted rivers in Lesotho in southern Africa and Tanzania to highlight the risks posed as global brands increasingly source garments from contractors in Africa, attracted by cheap labour and tax incentives.

Global brands could force better practices, but so far their presence in Africa has done little to stem rife pollution, water hoarding by contracting factories or even ensure adequate water and sanitation for factory staff, Nick Hepworth, director of WWI and author of the report, said.

"The flipside is that (fast fashion) could be a force for change," he continued, but brands and investors needed to take the lead.



A general picture shows the skyline of Tanzania's port city of Dar es Salaam.

In Lesotho, researchers found a river visibly polluted with blue dye for denim jeans. Samples taken from Tanzania's Msimbazi river in Dar es Salaam meanwhile tested a pH of 12 - the same as bleach - near a textiles factory, the report said, adding local communities use the Msimbazi for washing, irrigation and more.

It identified some 50 international brands that source or have sourced their clothes from African nations, including Inditex's Zara, ASOS and H&M, but didn't tie the pollution to any company's supply chain.

Zara did not provide a comment. ASOS and H&M confirmed they source from Africa but pointed to initiatives to ensure sustainability or address water risks.

Brands can and do make environmentally sustainable clothing, and consumer pressure was key to encouraging more, said Katrina Charles, an expert on water security and quality at the University of Oxford who has worked with governments in Africa and Asia.

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# EV startups hunt for low-cost roads to mass production

REUTERS, Bicester, England

Electric car and van startups racing to become the next Tesla Inc all want to avoid Elon Musk's journey through "manufacturing hell."

But electric vehicle firms such as UK van company Arrival SA and Fisker Inc are taking very different roads to overcome the challenges of profitable mass production that almost broke Tesla.

A few have found investors willing to hand over billions to fund their journey. Rivian has raised around \$10.5 billion from Amazon.com Inc, Ford Motor Co and others as it ramps up production to build electric vans, pickups and SUVs.

Startups lacking Rivian's wads of cash need cheaper paths to mass production or risk failing in the EV arms race - a danger Musk highlighted repeatedly on Tesla's July 26 earnings call.

"The thing that's remarkable is that Tesla didn't go bankrupt in reaching volume production," Musk said.

During 2017 and 2018, Tesla struggled to ramp up volume production of the Model 3 sedan, with the then loss-making automaker burning through cash as it contended with an over-reliance on automation, battery issues and other bottlenecks.

It even built a new line in just two weeks in a huge tent outside its Fremont, California, factory to meet its production targets.

The traditional approach taken by many automakers over the years has been to spend above \$2 billion on a factory big enough to build 240,000 vehicles or more annually.

Arrival has opted instead to build electric



An engineer at UK electric van and bus maker Arrival runs tests on production line robots at the startup's low-cost "microfactory" in Bicester, Britain on August 3.

van and bus "microfactories" - small plants costing \$50 million that are light on expensive equipment. Arrival does not need paint shops - which can cost hundreds of millions of dollars - because its vans are made of lightweight coloured plastic composite.

Arrival plans microfactories close to major customers around the world, cutting shipping costs and hiring local workers.

"You have to raise so much money to do this

the traditional way that it keeps startups from coming forward with new ideas," said North American head Mike Abelson - a former General Motors Co executive.

Arrival raised about \$660 million from its March public offering and is building two US plants: one in North Carolina making vans for United Parcel Service Inc, its largest customer to date, plus another in South Carolina that will make buses.

# UK unemployment dips as economy reopens

AFP, London

Britain's unemployment rate dipped in the second quarter on reopening of the economy that has resulted in record-high vacancies, official data showed Tuesday.

While the number of payroll employees has surged, it remains below the pre-pandemic total, the Office for National Statistics added.

The unemployment rate eased to 4.7 per cent in the second quarter from 4.8 per cent in

the three months to the end of May, the ONS said in a statement.

"The world of work continues to rebound robustly from the effects of the pandemic," said ONS statistician Jonathan Athow.

But he added that "early survey figures show the number of job vacancies passed one million for the first time ever in July."

The data comes ahead of the UK government next month ending its furlough scheme that has paid the bulk of wages for millions of Britons during the outbreak.

"I know there could still be bumps in the road but the (latest unemployment) data is promising," finance minister Rishi Sunak said in a separate statement.

Athow added that the number of people on payroll remains around 200,000 below pre-pandemic levels.

Official data last week showed Britain's economy rebounded 4.8 per cent in the second quarter as the government began relaxing lockdown restrictions amid its fast-paced vaccination programme.

# Afghan central bank chief flees Kabul

REUTERS, Singapore

The head of Afghanistan's central bank has fled Kabul, questioned the loyalty of Afghan security forces and blamed President Ashraf Ghani and his inexperienced advisors for the country's swift and chaotic fall to the Taliban.

In a Twitter thread on Monday detailing how he worked at the bank until militants were at the gates of the city, Acting Governor Ajmal Ahmady also said that US dollar supplies were dwindling and described escaping the capital on a military flight.

"On Sunday I began work. Reports throughout morning were increasingly worrisome. I left the bank and left deputies in charge. Felt terrible about leaving staff," he said.

"It did not have to end this way. I am disgusted by the lack of any planning by Afghan leadership. Saw at airport them leave without informing others."

Ghani fled Afghanistan on Sunday as Taliban militants entered Kabul virtually unopposed.

Their arrival, barely a week after they captured faraway provincial capital Zaranj, was disorienting, said Ahmady, 43.

He was appointed acting governor of Afghanistan's central bank just over a year ago, having previously worked at the US Treasury, the World Bank and in private equity, according to a short biography posted on a government website.

"Seems difficult to believe, but there remains a suspicion as to why (Afghan National Security Forces) left posts so quickly," Ahmady said.