

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES				
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY	
▲ 0.32%	▲ 0.33%	\$1,808.23	\$69.82	▲ 0.73%	▲ 0.87%	▲ 0.65%	▲ 1.07%	BUY TK	84.25	97.78	114.59	12.71
6,884.67	12,029.43	(per ounce)	(per barrel)	55,958.98	27,732.10	3,107.62	3,514.47	SELL TK	85.25	101.58	118.39	13.37

# Star BUSINESS

DHAKA WEDNESDAY AUGUST 25, 2021, BHADRA 10, 1428 BS • starbusiness@thedailystar.net



Demand for flats has gone up in Dhaka amid limited investment opportunities, a drastic fall in bank deposit rates, cheap loans, and the scope to legalise untaxed money without facing any question. The photo was taken recently.

## Flat prices on the rise

JAGARAN CHAKMA

The prices of flats have started to rise in Dhaka ending a three-year stagnation as demand for new homes increased and construction costs surged.

Flats in Dhaka are as much as 6 per cent more expensive now, depending on their location and amenities. Prices could go up further in the

coming months, according to realtors.

Before the latest turnaround, the price of flats had remained almost unchanged since 2018 owing to sluggish sales.

"On average, property prices increased by 3 per cent over the past year, mainly due to the higher cost of construction materials," said Faizur Rahman Khan, managing director of building technology and ideas (bti), one of the leading real estate companies in Bangladesh.

"However, in some areas, particularly Gulshan and Banani, prices have soared abnormally." bti sells flats for Tk 7,000 to Tk 18,000 per square foot (sqft).

Since cement and steel are major components of the construction sector, property prices follow suit when the price of the materials rises. Cement and steel prices increased

10 per cent and 34 per cent respectively over the past year in the wake of the spiralling cost of scraps in the global market.

Kamal Mahmud, vice-president of the Real Estate and Housing Association of Bangladesh, said the prices increased by at least 8 to 10 per cent in the last one year.

"The price should go up by at least 12 per cent to keep pace with the hike in the cost for raw materials."

The price increase in the steel and cement sectors fell on the housing sector, which will create pressure for flat buyers, according to Mahmud, also the managing director of Skiros Builders.

A recent assessment of bproperty.com, an online portal that facilitates property transfers and rentals, said the price of new flats in Badda was about 18.4 per cent higher this year compared to those added in 2020, going from Tk 4,901 per sqft to Tk 5,801 per sqft.

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## Low incomes shrink further

REJAUJ KARIM BYRON and AKANDA MUHAMMAD JAHID

The already low incomes of skilled and unskilled workers have been squeezed further for last month's countrywide lockdown, making it more difficult for them to stay afloat amid the Covid-19 fallout.

Their general wage growth dropped by 25 basis points to 5.72 per cent in July compared to that in June, according to the Wage Rate Index (WRI) of the Bangladesh Bureau of Statistics (BBS).

In June, it was 5.97 per cent, which was 44 basis points down from May's 6.41 per cent. July's rate was the lowest since 2014, according to the BBS.

The WRI is intended to measure the movement of nominal wages of low-paid skilled and unskilled labour from 44 occupations -- 11 from agriculture, 22 from industrial and 11 from the service sectors.

It is also an indicator for measuring trends and changes in aggregate wages of a country's wage earners.

As for the rate's sector-wise drops in July, it was by 30 basis points to 5.81 per cent in agriculture, 20 basis points to 5.39 per cent in industrial and 10 basis points to 5.96 per

cent in service sectors.

The downturn came on the back of workers being unable to go to work for a majority of last month for the restrictions.

The situation had turned dire, for living expenses of families had to be met amid a continuous price hike of daily essentials. Declining earnings significantly affected food intake and nutrition.

"I could not earn half of my monthly average income. I had to struggle to meet the living expenses of my five-member family," said Idris Ali, a CNG-run auto-rickshaw driver plying on the Mohammadpur-Dohar route.

He said at times they cut back food intake to the minimum.

Though general inflation fell by 28 basis points to 5.36 per cent in July from 5.46 per cent in June, it was still higher than May's 5.26 per cent and that of previous months.

Its reflections came about through disruptions faced by the supply chain and the rise in the cost of living.

Division-wise, the wage rate dropped by 20 basis points to 5.75 per cent in July from the previous month's 5.95 per cent in Dhaka and by 17 basis points to 5.77 per cent in Chattogram.

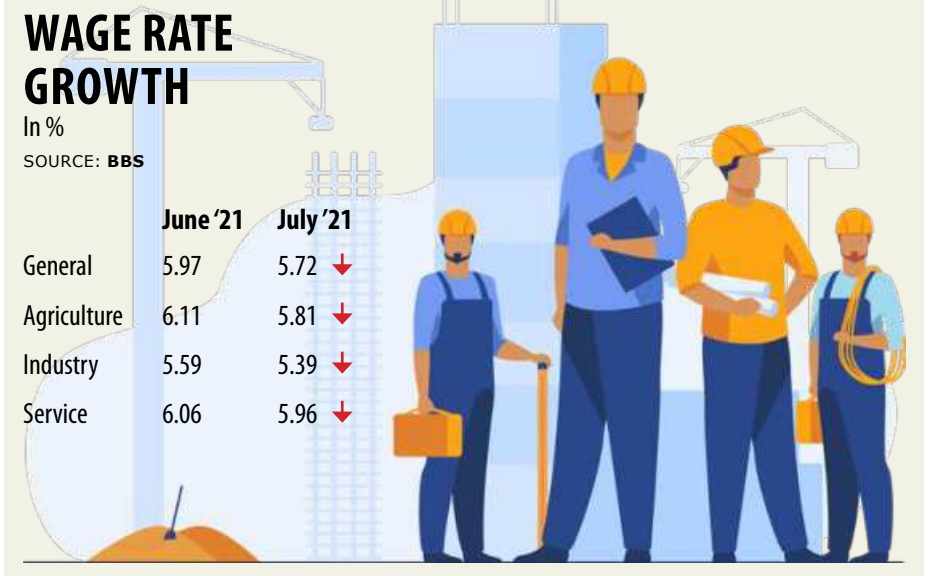
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### WAGE RATE GROWTH

In %

SOURCE: BBS

	June '21	July '21
General	5.97	5.72 ↓
Agriculture	6.11	5.81 ↓
Industry	5.59	5.39 ↓
Service	6.06	5.96 ↓



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### NEWS in brief

#### Tk 210cr project for biogas plants

The government has approved a nearly Tk 210 crore project to establish 64,000 biogas plants to generate renewable energy in rural areas.

The energy will be used for cooking and electricity generation, according to the project, which received the nod from the Executive Committee of the National Economic Council yesterday.

The project will be implemented in all districts by December 2023.

#### BTRC moves to audit Banglalink

The Bangladesh Telecommunication Regulatory Commission (BTRC) has selected a firm to audit Banglalink, the country's third-largest mobile network operator in terms of subscriber base.

Masih Muhith Haque & Co has been selected to conduct the audit at a cost of Tk 8.75 crore.

An agreement to this effect was signed yesterday.

#### Desh General Ins profit rises

Desh General Insurance Company posted 11 per cent higher profit in 2020 compared to a year ago.

In a regulatory filing on the website of the Dhaka Stock Exchange yesterday, the company said it reported earnings per share of Tk 1.51 last year, against Tk 1.36 a year ago.

## ADP spending slows amid Covid restrictions

REJAUJ KARIM BYRON

Implementation of the Annual Development Programme (ADP) in July was 17.22 per cent lower compared to the corresponding month of last fiscal year due to the economic impact of a recent countrywide lockdown.

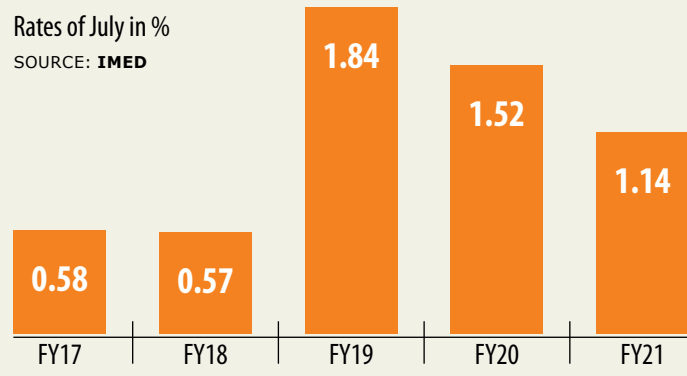
Similarly, the overall ADP implementation was only 1.14 per cent in July of the current fiscal while it was 1.52 per cent during the corresponding month in fiscal 2020-21.

The implementing ministries and divisions managed to spend just Tk 2,693 crore in the first month of the ongoing fiscal while

### ADP IMPLEMENTATION

Rates of July in %

SOURCE: IMED



it was Tk 3,254 crore last year.

Of the total spending, Tk 2,369 crore came from government funds while the remaining Tk 459 crore came from project assistance. According to the monthly implementation progress report of the Implementation Monitoring and Evaluation Division (IMED), the implementation of government funds increased 40 per cent compared to last fiscal year while project assistance declined 68 per cent.

In July last fiscal year, the implementing entities could spend Tk 1,584 crore from government funds and Tk 1,445 crore from project assistance.

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## Garment makers seek Spanish investment in non-cotton textile

STAR BUSINESS REPORT

Local garment makers yesterday sought Spanish investment in non-cotton textile items as the demand for apparel items manufactured from man-made fibre (MMF) is on the rise.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), put forward the request to Francisco de Asis Benitez Salas, Spanish ambassador, when the envoy came to the BGMEA office in Dhaka.

Hassan highlighted the issues related to the garment industry in Bangladesh, including its progress in the areas of workplace safety, social and environmental sustainability, the BGMEA said in a statement.

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### ONE HUNDRED CONTAINER PORTS 2021

## Drop in global trade lowers Ctg port rank

DWAIPAYAN BARUA, Ctg

An overall decline in the country's foreign trade last year for the pandemic brought the Chattogram port down nine places in the latest ranking of Lloyd's List "One Hundred Container Ports 2021" analysing annual container transport of 2020.

Though the port stayed open throughout the pandemic like its many international counterparts, the deterioration was inevitable as overall global container throughput declined in 2020.

Stakeholders and officials opined that this does not reflect the port's inefficiency or incapacity, rather it was only a tally of container traffic which was related to the badly-hit global economy.

The port ranked 67th among the world's 100 busiest ports.

This was contrary to the advances it made every year since 2014: 87th, 76th, 71th, 70th, 64th and 58th.

The journal termed 2020 "arguably the most challenging year the industry has ever experienced".

"...2020 witnessed the first fall in combined throughput figures for the world's largest container ports since the impact of the 2008-2009 global

financial crisis," it stated.

"First came the harsh reality of the pandemic-led recession and the subsequent volume crash, followed by congestion carnage as cargo traffic rebounded in the second half of the year, squeezing port capacity to its limit, with supply chains clogged the world over," it said.

Against the odds, some ports did report success stories over the 12 months but for the overwhelming majority, volumes flattered to deceive, it stated.

Chinese port Shanghai, with a throughput of 43.50 TEUs (twenty-foot equivalent units) in 2020 and having a 0.5 per cent year-on-year growth, maintained the top rank.

Four of the country's neighbouring ports are on the chart.

Among those, India's Jawaharlal Nehru Port slipped down six steps to secure 39th position.

But another Indian port, Mundra, made a significant advancement of 11 steps to 26th position.

The Sri Lankan port of Colombo maintained its 24th position for the third consecutive year while Pakistan's port of Karachi slipped down one step to 86th position.



CPA Chairman Rear Admiral M Shahjahan said different large ports had remained closed for certain periods last year while vessels' waiting time also increased there due to lockdowns, decreasing inbound cargo to the country.

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