

Coca-Cola Bangladesh gets new MD



Ta Duy Tung

STAR BUSINESS REPORT

Coca-Cola Bangladesh Limited has recently announced Ta Duy Tung as its new managing director.

Tung has been with Coca-Cola for 15 years, first joining as regional trade marketing manager for North Vietnam. Before that, Tung was at Procter & Gamble.

Before moving to Dhaka, he was executive director for market operations for Coca-Cola Beverages Vietnam Ltd, the beverage manufacturer said in a statement yesterday.

Tung is a surgeon, earning his first Bachelor of Surgeon degree from Hanoi Medical University, Vietnam.

He later went on to pursue a Bachelor of Business Management from Hanoi Polytechnic University and went to India to attain an MBA degree from Bangalore University.

He is married to a lawyer and has two daughters.

"I'm excited to partner with our bottling partners, International Beverages Private Limited and Abdul Monem Limited," he said.

Coca-Cola has been operating in Bangladesh for over five decades.

BOJ to keep stimulus as deflation risks cloud outlook

REUTERS, Tokyo

The Bank of Japan was expected to keep monetary policy steady on Wednesday as weak growth and deflation risks remain primary concerns, in contrast to major counterparts eyeing a withdrawal of crisis-mode support for their economies.

The rate review comes ahead of a ruling party leadership race on September 29 that may shift the administration's focus away from the current stance based on former premier Shinzo Abe's "Abenomics" reflationist policies, analysts say.

While the candidates agree on the need to maintain massive monetary support for now, they vary on the preferred long-term policy path, an area Governor Haruhiko Kuroda may be grilled on at his post-meeting briefing.

MTB, Alliance Sandhani Life Unit Funds declare 14pc, 9.5pc dividends

STAR BUSINESS DESK

MTB Unit Fund declared 14 per cent and Alliance Sandhani Life Unit Fund declared 9.5 per cent cash dividends for the fiscal year 2020-21.

The unit holders, who had the units of these funds till June 30, 2021, will get the declared dividend, a press release said. The decision was taken at a recent meeting of the trustees of the two funds.

Alliance Capital Asset Management Limited is in charge of asset management of these two funds.

Bangladesh General Insurance Company is acting as the trustee and Brac Bank Limited is acting as the custodian.

Chinese toymaker to invest \$6.5m for Dhaka EPZ factory

STAR BUSINESS REPORT

Chinese toymaker Meigo (Bangladesh) Ltd is going to invest \$6.55 million to establish a factory in Dhaka Export Processing Zone. The company will annually produce 9 lakh die-cast, plastic, plush and collectible toys.

This will create employment for 1,616 Bangladeshi nationals, Bangladesh Export Processing Zones Authority (Bepza) said in a press release yesterday.

BEPZA Member for Investment Promotion Ali Reza Mazid and Senior Operation Manager of Meigo (Bangladesh) Chen Shu Qiang inked an agreement in this regard at Bepza headquarters in Dhaka.



Imam Hasan Akan, field corporate affairs manager of Chevron Bangladesh, recently handed over the oxygen concentrators to Ishrat Jahan, deputy commissioner of Habiganj, at the Bibiyana Gas Plant. Mustafizur Rahman, civil surgeon of Habiganj, and Aminul Haque, superintendent of 250-bed District Hospital in Habiganj, were present.

CHEVRON BANGLADESH

Foreign funds in stocks drop

FROM PAGE B1

"Attracting investors and holding roadshows is not the job of the commission. Its job is to regulate the market and ensure fair play," said Faruq Ahmed Siddiqi, a former chairman of the Bangladesh Securities and Exchange Commission (BSEC). "The roadshows can be arranged by bourses or other intermediaries," he said.

The commission held its first roadshow in Dubai last February. It organised a roadshow in the US in July and is currently having one in Switzerland. A number of roadshows are scheduled in the coming months.

"Even if the roadshows attract investors, it will not happen immediately. Moreover, they will analyse the potential of our companies before investing," said Siddiqi.

"Bangladesh has a very limited number of good stocks, so the BSEC should work on it. If it can bring any

multinational company to the market, it will be a big contribution."

Forty-four companies had less than 5 per cent foreign stake at the end of their financial year. The share held by external investors rose at only four companies at the end of August. It dropped for 37 firms and remained unchanged for three.

"As the market has gained at a handsome rate in the last few months, foreign investors booked profit," said Mohammad Rezaul Karim, a spokesperson of the BSEC.

Sometimes, they rearranged portfolios, which is normal, he said, adding that the regulator was now receiving information from intermediaries that foreign investors were increasing their stake again.

A senior official of a brokerage firm said: "My experience is that they always take profit if the market gains at a higher rate and if they see any policy disruption."

The DSEX, the benchmark index of the DSE, stood at 3,989 points on June 30, the last day of the last financial year. It has surged 72 per cent to 6,869 points as of August 31, DSE data showed.

The closure of the market for around two months and the imposition of floor prices at the beginning of the coronavirus pandemic spooked the confidence of the foreign investors. So, they began massive sell-offs.

Trading was closed from March 25 to May 31 last year after the government enforced a countrywide lockdown to tame the virus.

On March 19 of 2020, the regulator imposed the floor price to protect stocks from any free fall, much to the dismay of overseas investors.

"Foreign investors don't like interruptions in the market mechanism," the broker said. In June, the BSEC lifted the floor price for all listed companies.

EPB to hold virtual fair to promote exports

FROM PAGE B1

That is why we are going to organise this fair," said Commerce Minister Tipu Munshi at a press conference at the EPB office.

This is the first time that the EPB will hold a virtual fair amid the ongoing coronavirus pandemic.

The EPB usually takes part in various fairs abroad with exporters to increase and diversify the country's export earnings, which stood at \$38.75 billion in fiscal 2020-21.

Bangladesh's export basket is dominated by garments, which account for more than 80 per cent of all outgoing shipments.

The EPB said product exhibitions and international trade fairs of different countries remained closed due to the Covid-19 pandemic. In such a situation, online fairs are being organised to display Bangladeshi products for foreign buyers.

Bangladeshi exporters will display 10 products, including garments, leather and jute goods, at the fair.

It was informed at the press conference that participating companies will be given a virtual booth, through which they will display 3D images of their products as well as audio-visual content.

In addition, there will be a buyer-seller database on the exhibition website. Everybody will be able to communicate with potential foreign buyers via live chat, audio and video conferencing.

The organisers think that 150-200 organisations from Bangladesh can participate in this fair.

"This fair is going to be organised for the first time in Bangladesh. Well-known exporters in the country will participate in the fair," said AHM Ahsan, vice-chairman and CEO of the EPB.

Tapan Kanti Ghosh, secretary of the commerce ministry, was present at the press conference. Bangladesh's export basket includes: bicycles, ceramics, various food products, garments, leather, ICT products, handicrafts, pottery, and jute.

Foreign JV to build 50MW solar power plant

FROM PAGE B1

After their conversation, Kamal told journalists that Hamid will inform him about the company after knowing about it himself. The Panama Papers leaks had put some well-known political and corporate leaders under the spotlight after their names popped up in connection with offshore entities bearing roots in Bangladesh.

The first leak of the International Consortium of Investigative Journalists (ICIJ), published in 2013, contained the names of 32 Bangladeshis.

In 2016, the ICIJ named three new companies, 14 new addresses and 24 individuals with links to Bangladesh on its

second list of leaks.

Amid the gas crisis, the government approved a proposal to buy another 33.60 lakh Metric Million British thermal units (MMBtus) of liquefied natural gas (LNG) from the spot market to meet the growing demand for the super-chilled fuel.

Vitol Asia Pte of Singapore will supply the fuel with each MMBtu costing \$29.89.

The committee also approved a proposal of the Directorate General of Food to purchase 50,000 tonnes of wheat from M/S Agrocrop International Pte Ltd of Singapore for Tk 179.53 core.

The price of per tonne wheat was set at \$421.19.

Commerce ministry should support conned customers: Kamal

FROM PAGE B4

How many sides could be controlled? Still, the government must accept the responsibility to this effect."

The finance minister was also asked about the latest cut in the rates of the national savings scheme.

On Tuesday, the government brought down the interest rate on the savings tools for the amount above Tk 15 lakh -- a move that may help it reduce the interest rate burden but hurt the middle-income group dependent on the returns to make a living.

The new rates are applicable for fresh investments.

"It will not affect small savers. It has been done in keeping with the prevailing rates of various deposit products," Kamal said, referring to the savings products of banks.

The government has introduced savings schemes for pensioners and marginal groups. But many well-off people have rushed to these tools as the interest rate is

comparatively high.

At present, national savings certificates offer a return of as high as 11 per cent, whereas the weighted average rate on deposits at banks was 4.13 per cent in June.

The minister said the latest changes weren't aimed at discouraging investment.

"At the same time, we don't want anyone to come and invest Tk 1 crore. Our target is to allow people to invest in the range of Tk 10 lakh to Tk 15 lakh."

The rate might be revised upwards in the future as well, Kamal said.

Yesterday, the cabinet committee on economic affairs approved a proposal to purchase more than 11 crore syringes from JMI Syringes & Medical Devices Ltd to administer coronavirus vaccines.

The meeting gave the nod to buy the syringes and an adequate amount of auto-disable needles in the future to inoculate 13.82 crore people, the finance ministry said in a press release.

Stocks down after two-day rise

FROM PAGE B4

CAPM IBBL Islamic Mutual Fund topped the gainers' list, rising 9.7 per cent, followed by Active Fine Chemicals Limited, Pacific Denims Limited, Tosrifa Industries Limited and Delta Life Insurance Company Limited.

Desh Garments Limited shed the most, falling 6.30 per cent, followed by Eastern Insurance Company Limited, Monospool Paper Manufacturing Company Limited, The IBN SINA Pharmaceutical Industry Limited and Rupali Insurance Company Limited.

At the DSE, 125 stocks rose, 209 declined and 42 remained unchanged.

Stocks of Orion Pharma Limited were traded the most, worth Tk 133 crore, followed by Beximco Ltd, Maksons Spinning Mills Limited, Beximco Pharmaceuticals Limited and Delta Life Insurance Company Limited.

The prime bourse of the DSE endured a slight setback as it reverted back to a downward direction after two days of upsurge, said International Leasing Securities Limited in its daily market review.

An early hour upsurge in share prices was somewhat slowed down through the mid-session and brought the DSEX to a level 16.73 points lower than that in the last session, it said.

Investors' sell off was observed across the major sectors as a majority of investors exhibited a profit booking attitude, it added.

Chittagong Stock Exchange (CSE) also rose yesterday.

The CASPI, the general index of the port city bourse, edged up 82 points, or 0.39 per cent, to 21,157.

Among 320 stocks to undergo trade, 115 advanced, 171 fell and 34 remained unchanged.

Transport strike called off

FROM PAGE B1

Two vessels MV AS Sicilia and MV Sahare, which were scheduled to leave the port yesterday morning, have deferred their departure for a lack of transportation.

A total of 929 TEUs (twenty equivalent units) of export-laden containers meant to be loaded onto Colombo-bound MV Sicilia could not be sent from different private inland container depots (ICDs).

Unloading of 1,217 TEUs of import-laden containers from MV Sahare could not be carried out.

Chittagong Port Authority (CPA) Secretary Md Omar Faruk admitted that this was the first time any vessel failed to make their departure from the port on time due to a strike.

Mohammad Zakirul Islam, deputy manager of Karnaphuli Group, the owning firm of MV Sahare, said despite work ongoing over the night, the vessel would not be able to make its departure in the morning today.

The vessel's operator will have to pay around \$2000 as berth hire charge to the port authority for the additional two days' stay, he said.

Bangladesh Inland Container Depots Association (BICDA) Secretary Md Ruhul Amin Sikder said immediately after the strike withdrawal, ICDs started loading export-laden containers meant for MV Sicilia onto prime movers.

"Our priority now is to reach all the 929 TEUs export containers to the port during the night so that MV Sicilia can leave the port tomorrow (Thursday) morning," he told The Daily Star yesterday afternoon.

Like Sahare and Sicilia, eight more container vessels have remained idle at the jetties for the last 35 hours, since no loading and unloading could be done.

Meanwhile, two container vessels, HR Rea and MCC Cebu, were waiting at the outer anchorage for a scope to berth yesterday but failed as no ships could depart and the jetties were occupied.

Waiting time of these two vessels may prolong as their new schedule will be decided later, said sources.

Shipping agents feared that an improvement in vessels' waiting time achieved last month may again deteriorate due to the 35-hour stalemate.

However, a few industrial groups like BSRM and Confidence Cement managed to send some of their own trucks to the port during the strike.

Thus unloading of imported raw materials like cement clinkers and scraps and others from the bulk vessel continued on a limited scale, informed CPA Secretary Faruk. But many of these vehicles got stuck inside the port after loading goods due to the strike till 3:00pm.

Mahbul Alam, president of the Chittagong Chamber of Commerce and Industry, said it was frustrating for export and import activities to be affected.

The country's industrial sector is now trying hard to get over the huge loss generated for the pandemic in the past one and a half years, he said.

He urged all not to hamper activities of the port in future while observing any agitation programme for the sake of the country's economy.

Stop soybean meal export

FROM PAGE B1

The association also alleged that only three to four soybean oil-producing companies recently started exporting soybean meal, a by-product of soybean oil processing, to India for extra profit.

FIAB leaders said if this export is not stopped, the price of livestock products will go beyond the purchasing capacity of consumers.

The fisheries, agriculture and food ministries had recommended as much to the commerce ministry but were ignored, they added.

However, Biswajit Saha, director for corporate and regulatory affairs at City Group, one of the top soybean meal producers in the country, said soybean meal producers crush about 54 lakh tonnes of the feed ingredient against a local demand of around 21 lakh tonnes per year.

"So if imports are stopped, where will we sell this additional 33 lakh tonnes of soybean meal," he asked.

Saha went on to say that they are now selling soybean meal at about Tk 52 per kilogramme in the country while they are exporting the ingredient at Tk 57 per kilogramme.

FIAB President Ahtesham B Shahjahan, General Secretary Md Ahsanuzzaman, Member Masiur Rahman, and others also spoke at the event.

ADB lowers growth forecast

FROM PAGE B1

On the supply side, agriculture growth is projected to go up to 3.7 per cent in FY2022, driven by the budget priority extended to the sector.

Exports may grow by 8 per cent on continued robust growth projected in major export destinations.

According to the report, growth in remittances is likely to moderate to 7 per cent in FY2022.

"Providing vaccinations for workers is key to job placement in destination countries and maintaining robust remittance growth."