

# Stocks fall as investors cash out profits

STAR BUSINESS REPORT

Shares on the Dhaka Stock Exchange (DSE) dropped yesterday as investors cashed out profits.

The DSEX, the benchmark index of the premier bourse of the country, fell 22 points, or 0.3 per cent, to close the day at 7,345.

Turnover, one of the key indicators of the market, decreased 5.8 per cent to Tk 1,848 crore. It was Tk 1,962 crore a session earlier.

The stocks slipped into the red as the investors opted for booking quick gains on sector-specific issues, according to an analysis of International Leasing Securities Ltd.

The key index touched the 7,400-point mark within the first hour of the trading. But the momentum did not sustain amid sales pressure induced by the profit-

amounting to Tk 138 crore transacted. Orion Pharmaceuticals, Beximco Ltd, IFIC Bank, and Power Grid also saw heavy transactions.

Shepherd Industries topped the gainers' list rising 9.65 per cent followed by ICB Islamic Bank, Tamijuddin Textiles, Kattali Textiles, and Aman Feed.

Metro Spinning shed the most, giving up 8.94 per cent followed by Prime Finance, Keya Cosmetics, Eastern Insurance, and Asia Insurance.

The shares on the Chittagong Stock Exchange also posted a decline.

The CASPI, the general index of the bourse in the port city, dropped 27 points, or 0.12 per cent, to end the day at 21,488.

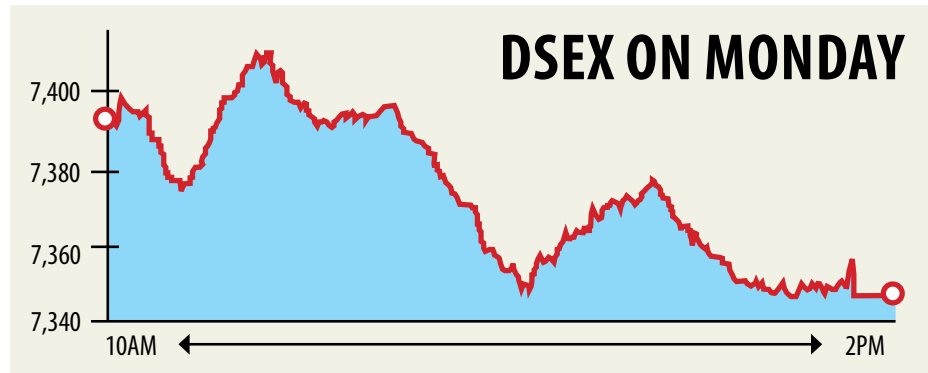
Among 310 issues traded, 99 advanced, 190 fell, and 21 remained unchanged.

**METRO SPINNING'S PROFIT SURGES 12 TIMES**



Locally grown malta is being sold for between Tk 90 and Tk 120 per kilogramme depending on the size and variety while the imported ones cost Tk 220 per kg.

PHOTO: STAR



booking during the remaining period of the session.

Risk-averse investors cashed profits on paper, travel, services, telecom, fuel and power stocks, which had seen an upward movement in the prices in the past few sessions.

However, the optimistic investors took position on mutual funds, textile, food, bank and engineering sectors, the analysis said.

Losers took a strong lead over the gainers: out of 376 issues traded, 259 ended lower, 97 higher, and 20 remained unchanged on the DSE.

LafargeHolcim Bangladesh was the most-traded stock with its securities

The spinning company reported earnings per share (EPS) of Tk 0.99 for the year ended on June 30, up from Tk 0.08 a year ago, an increase of 1,137 per cent.

The board of the firm recommended a five per cent stock dividend for the financial year.

**MAKSONS SPINNING RETURNS TO PROFIT**

Maksons Spinning Mills Ltd returned to profit in the last financial year that ended on June 30.

The company posted an EPS of Tk 2.07 in 2020-21, which was Tk 0.37 in the negative in the previous year. The board recommended an 11 per cent cash dividend for the year.

# Northern malta growers grab hold of domestic market

Locally grown oranges now preferred over imported variety, sources say

QUAMRUL ISLAM RUBAIYAT, Thakurgaon

Sweet orange grown in the country's northern districts such as Thakurgaon, Panchagarh and Dinajpur are dominating the local fruit market this season thanks to increased demand and reasonable prices.

Besides, fruit traders prefer to sell the locally produced sweet orange (*Citrus sinensis*), commonly known as malta in Bangladesh, as they can collect it as per their requirements directly from various orchards in the region.

This is comparatively cheaper than selling the imported varieties while consumers also prefer the preservative-free, locally sourced options.

Malta is being sold for between Tk 90 to Tk 120 per kilogramme (kg) depending on the size and variety while the imported ones cost Tk 220 per kg in local markets.

People are seemingly more interested in the

## DISTRICTS IN FOCUS

locally grown malta rather than the imported ones since the local variety comes at reasonable prices and are preservative free, said Aminul Islam, a fruit trader of Kalibari in Thakurgaon municipality.

When this year's harvesting season began, local orchards were selling malta for about Tk 2,400 to Tk 2,800 per maund (around 37 kgs) while the price is now between Tk 3,600 to Tk 3,800 per maund, he added.

Lal Mia, a fruit trader of Badupara colony in Thakurgaon sadar upazila, spoke of Bari Malta-1, one of two varieties of sweet oranges developed through rootstock by the Horticulture Research Center at Bangladesh Agricultural Research Institute (Bari) in 2005.

This variety is seeing higher demand than previous years as people no longer doubt its quality, he said.

When the harvesting began, Mia collected the fruit from orchards and supplied retailers for a good profit this year.

Other than the country's northern region, traders ship the vitamin-rich fruit all over Bangladesh, he said.

Malta was cultivated on 85 hectares of land in Panchagarh, 80 hectares in Thakurgaon and 77 hectares in Dinajpur with an expected production target of about 1,340 tonnes in the current season, according to the Department of Agricultural Extension (DAE).

At the national level, about 1,324 acres of land across the country were brought under malta cultivation in fiscal 2019-20, when 2,266 tonnes of the fruit were produced.

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## GLOBAL BUSINESS

# Corporate business travel 'carbon budgets' loom for airlines

REUTERS, Sydney

As major companies look at drastic ways to cut carbon emissions from corporate travel, airlines are bracing for a major hit to business-class travel, a key revenue driver, industry executives and experts say.

Several companies, such as HSBC, Zurich Insurance, Bain & Company and S&P Global, have already announced plans to quickly cut business travel emissions by as much as 70 per cent.

Some are considering a "carbon budget" as they come under growing pressure from environmental advocates and investors to reduce indirect emissions that contribute to climate change. Flights account for about 90 per cent of business travel emissions. That makes it the lowest-hanging fruit for companies setting reductions targets.

The airline industry last week committed to reach "net zero" emissions by 2050 at a meeting in Boston, decades beyond the



A traveller walks past a Christmas tree as he makes his way through the Ronald Reagan Washington National Airport in Arlington, Virginia.

REUTERS/FILE

corporate travel emissions cut targets. "It's going to be hard on airlines and they're going to need to adapt," Kit Brennan, co-founder of London-based Thrust Carbon, which is advising S&P and other clients on setting up carbon budgets.

"I think what we're going to see, funnily enough, is more of an unbundling of business class where you might get all perks of business class without the seat," he said, referring to airport lounges and nicer meals.

"Because ultimately it all comes down to the area on the aircraft and it takes up."

Flying business class emits about three times as much carbon as economy class because the seats take up more room and more of them are empty, according to a World Bank study.

Pre-pandemic, about 5 per cent of international passengers globally flew in premium classes, accounting for 30 per cent of international revenue, according to airline group IATA.

# China vows to include biodiversity in economic plans

REUTERS, Kunming, China

China will incorporate biodiversity protection in development plans in all regions and sectors, Vice Premier Han Zheng said on Monday at the opening of UN talks aimed at making progress on a global deal to halt mass extinction.

Elizabeth Maruma Mrema, executive secretary of the UN Convention on Biological Protection, told the opening of the meeting in the city of Kunming, that the world had reached "a moment of truth" when it comes to protecting its ecosystems.

China has vowed to protect nature a priority after decades of rapid development and urbanisation devastated ecosystems, put dozens of species on the brink of extinction and raised the risk of lethal zoonotic diseases like Covid-19.

After an opening ceremony featuring an ethnic minority musical performance and a film lauding the safe migration of 15 Asian elephants across southwest China this year, Han said China would "make sure its important species and ecological resources were fully protected".

"We will formulate a national biodiversity protection strategy and action plan for the new era, incorporate biodiversity protection in mid- and long-term development plans of all regions and sectors as an important task," he said.

The biodiversity talks, known as "COP15", are aimed at building momentum for the signing of a new global biodiversity treaty on reversing massive species loss after countries failed to achieve any of the targets set in Aichi, Japan, in 2010.

Han also said China was committed to international cooperation on conservation, including in connection with its extensive and controversial Belt and Road Initiative, aimed at building infrastructure and energy links through Asia to the Middle East, Africa and Europe.

Experts worry about the environmental impact of China's economic ambitions around the world. "We need to make sure that China's pledge for biodiversity includes the impact internationally," said Nathalie Seddon, Professor of Biodiversity at the University of Oxford.

"It is one thing cleaning up supply chains within China but the biggest impacts they have on biodiversity are arguably outside China, in the Afro-Tropics, in South America," she added, noting China's huge demand for soybeans and growing demand for imported beef.

Mrema warned the world had not achieved the necessary breakthroughs from 2011-2020 and was not yet able to safeguard the ecosystem services key to human wellbeing. She said it was vital that a new deal should show the necessary ambition to put biodiversity on the road to recovery by 2030 at the latest.

# No solution in UK govt talks with industry on gas prices

AFF, London

The British government and industry are still trying to solve an energy crisis that bosses have warned could shut down production in a matter of days, business secretary Kwasi Kwarteng said on Sunday.

Faced with spiking global energy prices driven by fears over high winter bills, Kwarteng told broadcaster Sky News there was no plan so far for heavy industry, but added he was "very confident" in the resilience of the UK's energy supply. "I can't promise anything as yet," Kwarteng said.

"I can't come on your programme and say that we're going to have a price cap, because we're trying to work out what the nature of that support might be."

Heavy industry bosses in sectors like ceramics, paper and steel manufacturing have called for a price cap, but talks with government on Friday failed to reach a solution. The same day, UK Steel chief Gareth Stace called on the government to step in now to alleviate pressure on wholesale prices, saying action in a matter of weeks would be too late.

# Yellen confident Congress will pass minimum global corporate tax

REUTERS, Washington

Treasury Secretary Janet Yellen said on Sunday she was confident the US Congress would approve legislation to implement the global corporate minimum tax agreed by 136 countries.

Yellen said the actions to bring the United States into compliance with the global minimum tax would likely be included in the so-called reconciliation budget bill containing President Joe Biden's proposed spending initiatives.

Asked on ABC's "This Week" whether she was confident the measure would get through, Yellen said: "Yes. I am confident that what we need to do to come into compliance with the minimum tax will be included in a reconciliation package. I hope that

we, that it will be passed and we will be able to reassure the world that the United States will do its part."

The parliamentary maneuver known as budget reconciliation would allow Democrats to act without Republican votes. A group of 136 countries on Friday set a minimum global tax rate of 15 per cent for big companies and sought to make it harder for them to avoid taxation in a landmark deal that Biden said leveled the playing field.

Treasury officials and tax experts have said that the global minimum tax would not require a treaty to implement and could be achieved in the reconciliation bill because it is a voluntary agreement among countries to individually impose a minimum tax on overseas earnings of corporations. The United States has had such a

minimum tax since the end of 2017, so it is a matter of raising the rate to conform with the agreement.

Treasury officials have said they regard the global minimum tax as less controversial than a higher overall corporate tax rate or a higher capital gains tax, because it puts the United States on a more competitive footing with other countries.

The US Chamber of Commerce said it will review details of the Biden administration proposals closely.

"We remain especially concerned about the cumulative impact of the (global minimum tax) proposal and the tax changes being sought by the administration as part of the reconciliation bill pending before Congress, Neil Bradley, the chamber's chief policy officer, said in a statement.