

Preparations not enough for mango export plan: experts

AKANDA MUHAMMAD JAHID

Although the government has set an ambitious target to export one lakh tonnes of mango annually within the next three to five years, no meaningful measures have been taken as of yet to achieve this lofty goal.

Bangladesh is the seventh largest mango producing nation in the world with about 25 lakh tonnes of the fruit having been grown across the country last season, according to the Department of Agricultural Extension (DAE).

However, the country's mango exports for the year stood at about 1,623 tonnes, or just 0.06 per cent of its total production.

It should be noted though that this is still a massive improvement from the 283 tonnes shipped in fiscal 2019-20, when export earnings from mango and associated fruit amounted to \$3,287 million.

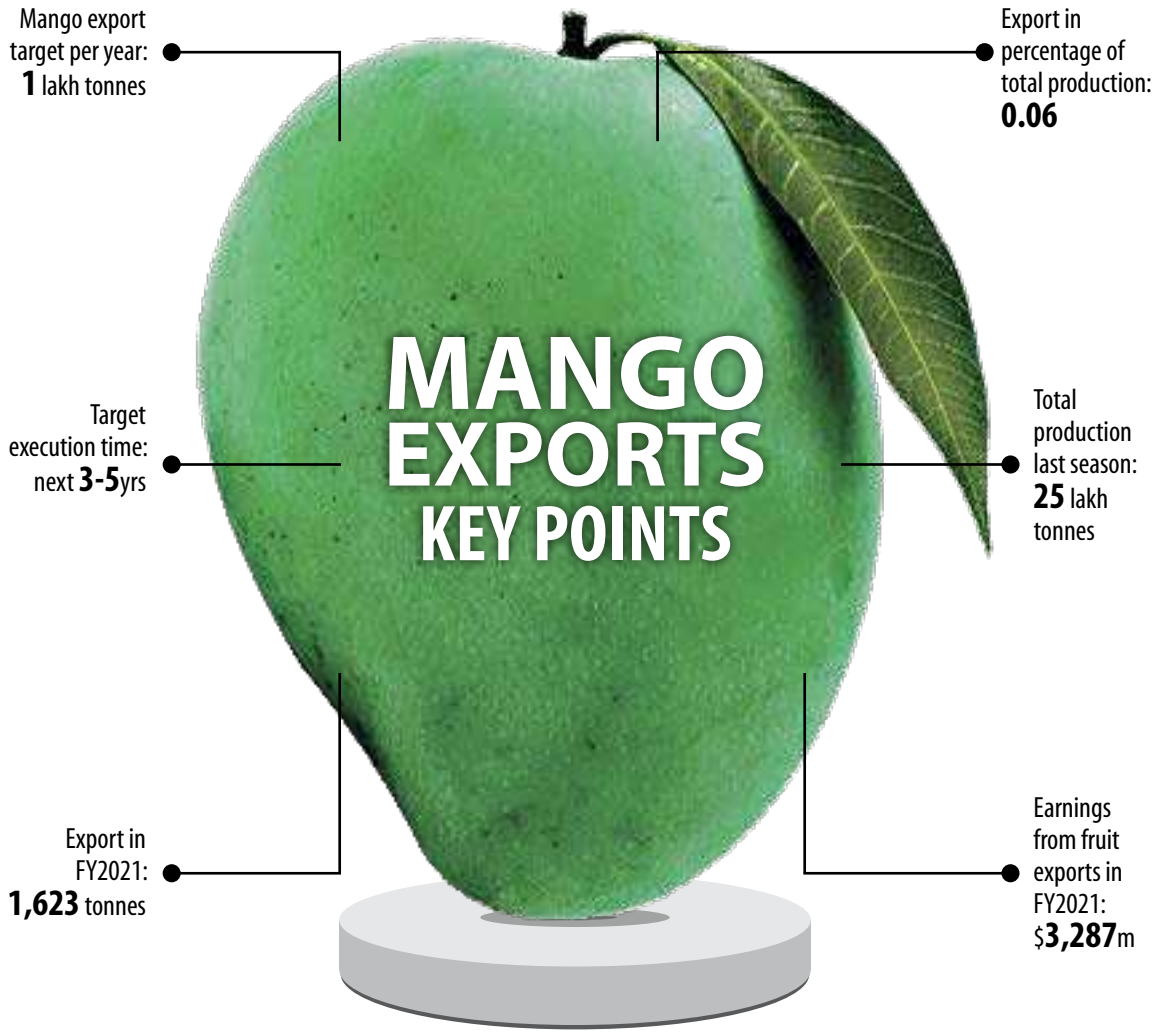
Considering how insignificant mango exports have been in past years, Agriculture Minister Muhammad Abdur Razzaque on August 23 instructed the authorities concerned to prepare a roadmap that would take Bangladesh's annual shipments of the fruit to one lakh tonnes within the next three to five years.

"As the export target is about 25 times higher than the volume of the past season, it is not possible to achieve this goal if the stakeholders fail to execute their plans in time," said Sorof Uddin, a senior scientific officer at Horticulture Research Centre of Bangladesh Agricultural Research Institute (BARI) in Gazipur.

In order to meet the export target next year, preparations should have been made immediately after the end of last season.

This means that the pruning and training of mango trees should have been completed by September, Uddin said.

Determining the number of farmers that can collectively provide the required quantity of mangoes for export under a contractual basis is



also imperative to realise the target.

Besides, the farmers need to be trained by specialists to increase their production capacity to an extent that allows them to meet the export quota in light of Good Agriculture Practices (GAP), he added.

The GAP, as defined by the Food and Agriculture Organization, are a "collection of principles to apply for on-farm production and post-production processes, resulting in safe and healthy food and non-food agriculture products, while taking into account economic, social and environmental sustainability".

But according to various farmers

in Chapainawabganj district of Rajshahi, the country's main mango producing region, there are have yet to be any measures taken at the field level to meet the export target.

Salauddin Ahmed, a mango farmer in Bagha upazila of Rajshahi, said he has not seen any efforts in his neighbourhood to ramp up mango production or export since learning about the new export target.

In the past years, mangoes meant for export were taken from a selective crowd, limiting the overall amount for shipment.

"So if such nepotism is not stopped, the export target cannot

be fulfilled even in the next 20 years," he added.

Ismail Khan Shamim, general secretary of Shibganj Mango Producers Co-operative Society Limited, said a definitive plan on from where, when, and how many mangoes would be collected for export was needed to meet the export target.

For example, the Khisrapati mango variety arrived at markets in Satkhira on May 15 this year. So, details on what type of mango and from which region can be collected in time need to be set in advance.

READ MORE ON B3

Stocks fall for second straight day

STAR BUSINESS REPORT

Stocks fell for the second consecutive day yesterday as investors kept booking profits.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), edged down 31 points, or 0.43 per cent, to 7,313. The DS-30, the blue-chip index, dropped seven points to 2,749.

Investors were taking profits as many shares went up by as high as 5 per cent in the last few days, said a stockbroker.

Some big paid-up capital-based companies fell, dragging the key index down, he said. Major firms contribute more to the movement of the index.

Shares of Robi Axiata, ICB, LafargeHolcim and Grameenphone wiped around 23 points off the DSEX, according to amarstock.com, a share-related data provider.

"Investors are very smart, so they take profits whenever they see any. It is a good sign for the market," the broker said.

Turnover, another important indicator of the market, rose to Tk 1,863 crore from Tk 1,848 crore a day earlier. At the exchange, 93 stocks advanced, 244 fell, and 38 were unchanged.

NRB Commercial Bank topped the gainers' list rising 9.71 per cent, followed by GBB Power, ICB Islamic Bank, Kattali Textiles, and Deshbandhu Polymer.

Fortune Shoes advanced only 4.68 per cent to Tk 96, although there was no price limit on the trading of the share yesterday

following its corporate declaration.

Earlier on the day, it announced a 10 per cent cash and a five per cent stock dividend for the year ended on June 30.

The stock of the shoe-maker has surged 336 per cent since June 1, when it stood at Tk 22, DSE data showed.

A merchant banker said the stock had been rising on the back of rumours that manipulators were buying the shares.

The low dividend proved that the speculation was driving the stock up, and the price was not supported by the company's performance, he added.

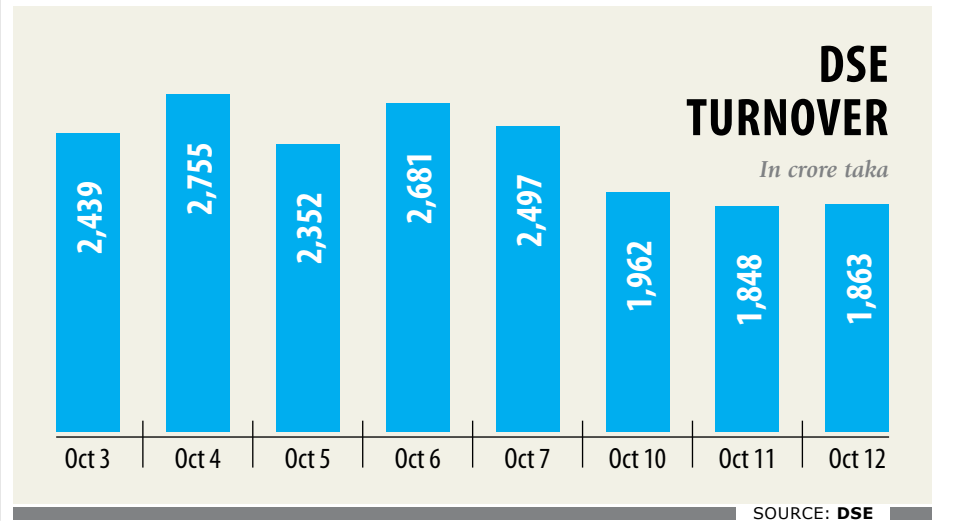
Among the major sectors, tannery, general insurance and pharmaceutical sectors experienced price appreciation, while services, real estate, cement and non-bank financial institutions faced correction, said UCB Stock Brokerage in an analysis.

Tamijuddin Textile gave up the most as it lost 7.5 per cent, followed by Envoy Textiles, Tallu Spinning, Alif Industries, and Maksons Spinning.

LafargeHolcim Bangladesh was the most traded stock as its securities worth Tk 150 crore changed hands, followed by Orion Pharmaceuticals, IFIC Bank, Power Grid, and Delta Life Insurance.

Share on the Chittagong Stock Exchange also dropped on the day. The CASPI, the general index of the bourse, edged down 128 points, or 0.59 per cent, to end the day at 21,360.

Of the 301 stocks traded, 73 rose, 206 fell, and 22 remained unchanged.



GLOBAL BUSINESS

US earnings seen strong, but costs worry investors

REUTERS, New York

Investors are primed for another period of strong US profit growth as third-quarter reports from Corporate America flow in starting this week. But as business continues to emerge from the coronavirus pandemic, new problems are arising that are taking center stage for Wall Street, including supply-chain snags and inflationary pressures.

In the run-up to earnings season, a number of companies have issued downbeat outlooks. FedEx Corp said labor shortages drove up wage rates and overtime spending, while Nike Inc blamed a supply-chain crunch and soaring freight costs as it lowered its fiscal 2022 sales estimate and warned of holiday-season delays.

"The pace of growth is decelerating, but still it's at a meaningful level," said Terry Sandven, chief equity strategist at US Bank Wealth Management. With the product and labor shortages and inflationary pressures, "we'll be looking to see to what extent demand is there, and what does it mean for the important holiday spending period."

Analysts see a 29.6 per cent year-over-year increase in earnings for S&P 500 companies in the third quarter, according to IBES data from Refinitiv as of Friday, down from 96.3 per cent growth in the second quarter. The third-quarter forecast is down a touch from several weeks ago, a reversal of the recent trend for estimates.



A trader works on the floor at the New York Stock Exchange in Manhattan, New York City, US on September 24.

REUTERS

Third-quarter earnings growth was always expected to be much lower than the blowout gain of the second quarter, when companies had much easier year-ago comparisons because of the pandemic.

"We were going up at such a high clip. The positive revision momentum has lapsed," said Nick Raich, CEO of independent research firm The Earnings Scout. Earnings

season is kicking off this week with the big banks including JPMorgan Chase.

Investors are weighing the impact of sharply higher energy costs on businesses and consumers after a recent surge in oil and natural gas prices. While higher energy prices should be a boon for energy producers, they are an inflationary risk for many other companies like airlines and other industrials

and cut into consumer spending.

US companies have so far this year kept profit margins at record levels because they have cut costs and passed along high prices to customers. Some investors are anxious to see how long that can go on.

Third-quarter earnings arrive with the market still wobbly after a weak and volatile September. The S&P 500 in September registered its biggest monthly percentage drop since the onset of the pandemic in March 2020. It was also the index's first monthly decline since January. Analysts are skeptical about how much is priced in.

"Covid-related supply chain issues have spread beyond consumer goods. And longer-term signs of global friction are easy to find," Savita Subramanian, head of US equity & quantitative strategy at BofA Securities, and other BofA strategists wrote in a note on Friday. These issues are far from being fully priced into stocks, they wrote.

Also, while supply chain issues have grabbed investor attention, wage inflation is "just as big of a headwind (if not bigger)," BofA strategists wrote in a note Monday. Guidance from companies "could be ugly," they added.

Morgan Stanley's analysts say that consensus earnings expectations also have not fully priced in the supply-chain constraints facing companies, making it much harder for companies to surpass estimates at the same rate as in recent quarters.

UK jobs hit record high

REUTERS, London

British employers increased their payrolls to a record high in September, shortly before the end of the government's wage subsidies scheme, potentially encouraging the Bank of England's progress towards a first post-pandemic interest rate hike.

The number of workers on companies' books rose by the most on record in data going back to 2014, up by 207,000 from August.

Employers turned to recruitment agencies to find staff and hotel and food firms created jobs as they recovered from Covid-19 lockdowns.

Separate official data published on Tuesday (12) showed the unemployment rate edged down to 4.5 per cent in the three months to August from 4.6 per cent in the May-July period, as expected by economists in a Reuters poll.

The BoE is gearing up to become the first major central bank to raise rates since the coronavirus crisis struck. Inflation is heading towards four per cent or higher - above its two per cent target.

But the BoE is watching to see how many people became unemployed after the end of the furlough programme that subsidised wages to keep people employed during the pandemic.

About one million people are likely to have been on the scheme when it ended on September 30, according to an estimate by the Resolution Foundation think tank. Hussain Mehdi, macro and investment strategist at HSBC Asset Management, said the data left open the possibility of a BoE rate increase before the end of the year.

"A decent October jobs report could open the door to a hike as soon as the December meeting," he said.

Liquidity needed to stem Afghanistan economic crisis: UN chief

REUTERS

The international community must find ways to inject cash directly into Afghanistan's economy to avert its total collapse as a growing humanitarian crisis impacts half the population, UN Secretary General Antonio Guterres said on Monday.

Guterres, speaking to reporters at UN headquarters, also accused the Taliban of breaking promises they made after seizing power in August to uphold the rights of women and girls, including allowing girls to attend school.

"Broken promises lead to broken dreams for the women and girls of Afghanistan," Guterres said, asserting there "is no way" to heal the economy if the Taliban continue barring women from working.

His comments underscored the urgent

need for steps to ease the economic and humanitarian crises that have grown since the Taliban took power as the 20-year US military intervention ended.

The Islamists' takeover saw billions in central bank assets frozen and international financial institutions suspend access to funds, although humanitarian aid has continued.

Banks are running out of money, civil servants have not been paid and food prices have soared.

"The crisis is affecting at least 18 million people - half the country's population," said Guterres, adding that a massive UN humanitarian aid operation is underway in a "race against time" as winter approaches. Guterres noted that the Afghan economy - kept afloat by foreign aid for two decades - was being buffeted by drought and Covid-19 before the Taliban seized power.

IMF reaffirms 'full confidence' in head Georgieva

AFP, Washington

The IMF Executive Board reaffirmed on Monday its "full confidence" in the Washington-based crisis lender's chief, Kristalina Georgieva, keeping her on as managing director after she was hit with allegations of data tampering.

"Having looked at all the evidence presented, the Executive Board reaffirms its full confidence in the Managing Director's leadership and ability to continue to effectively carry out her duties," the institution's governing body said.

An investigation by law firm WilmerHale has concluded that the Bulgarian economist manipulated data in favor of China while in a senior role at the World Bank.

WilmerHale's controversial findings center on the drafting of the 2018 and 2020 editions of the World Bank's report ranking countries according to their ease of doing business.

The push came while bank leadership was engaged in sensitive negotiations with Beijing over increasing the bank's lending capital.

The IMF board said it "considered that the information presented in the course of its review did not conclusively demonstrate that

the independence and integrity of institutions such as the World Bank and IMF; and my respect for all those committed to protecting the values on which these organizations are founded," she said in a statement.

"I am pleased that after a comprehensive, impartial review of the facts, the IMF Board agrees that the allegations were unfounded. I want to thank the Board for expressing its full confidence in my leadership," she added.

"Trust and integrity are the cornerstones of the multinational organizations that I have faithfully served for more than four decades. The investigation has deeply divided the 24 members of the IMF's Executive Board. While France, Britain and other European countries expressed their support for Georgieva, the United States has been more reluctant to keep her in post.

It was only at the end of nearly four weeks of discussions that Washington joined the Europeans in agreeing to retain Georgieva.

A native of Sofia, she taught economics there for 26 years, and built up environmental experience with a focus on agriculture and sustainable development.



KRISTALINA GEORGIEVA
IMF MANAGING DIRECTOR