STOCKS (Week-on-week)		
DSEX	▼ 2.20%	6,906.72
CSCX	▼ 2.09%	12,132.57

COMMODITIES (As of Friday)		
Gold ▲	$1,816.73	(per ounce)
Oil ▲	$82.74	(per barrel)

ASIAN MARKETS (Friday Closings)		
MUMBAI	▲ 0.49%	60,067.62
TOKYO	▼ 0.61%	29,611.57
SINGAPORE	▲ 0.07%	3,242.34
SHANGHAI	▼ 1.00%	3,491.57

CURRENCIES — As on Thursday, STANDARD CHARTERED BANK

	USD	EUR	GBP	CNY
BUY TK	84.80	97.29	115.02	13.03
SELL TK	85.80	101.09	118.82	13.70

Star BUSINESS

DHAKA SUNDAY NOVEMBER 7, 2021, *KARTIK 22, 1428 BS* ● starbusiness@thedailystar.net

TRANSPORT STRIKE

RMG faces supply chain hiccups

Commodity trade also affected

REFAYET ULLAH MIRDHA *and* DWAIPAYAN BARUA

The countrywide transport strike disrupted the smooth functioning of the apparel supply chain in Bangladesh for the second straight day yesterday, hurting the recovery of the garment shipment.

Because of the strike, which began on Friday in protest of the hike in fuel prices, garment factory owners could not secure raw materials from the Chattogram port to their factories as trucks and covered vans were off the street.

Also, the goods-laden trucks and covered vans are not going to the port from the factories in Dhaka and adjacent Gazipur, Narayanganj, Manikganj and Narsingdi districts.

Exporters now fear that if the strike persists, it will take a toll on local and export businesses at a time when garment shipment from Bangladesh is surging.

Shahidullah Azim, vice-president of the Bangladesh Garment Manufacturers and Exporters Association, says 65 ships are waiting at the outer anchorage of the port to unload mainly the raw materials for garment items.

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RAJIB RAIHAN

Lorries (also known as covered vans) lie idle by the boundary wall of the Chattogram port yesterday as a countrywide transport strike over a fuel price hike continued for the second day. This has almost brought to a halt the port's deliveries of imported goods as well as container transport between the port and private inland container depots.

Domestic flights three times costlier

RASHIDUL HASAN

Airfares of different domestic routes in the country have increased two to three times due to an influx of passengers trying to bypass a countrywide transport strike being observed since Friday.

Officials of different airlines said the airfare usually remains high during the weekend to accommodate additions of holidaymakers.

But the number of air passengers has increased 10 per cent to 15 per cent on different routes due to the transport strike, leading to the rise in airfare, they said.

"I usually pay Tk 3,300 to Tk 3,500 to fly on the Chattogram-Dhaka route on almost every weekend. But this time, the airfare on this route shot up to Tk 8,000 to Tk 9,000," a civil servant told The Daily Star.

"Finally, I managed to come to Dhaka today (yesterday) hiring a private car," he said wishing anonymity.

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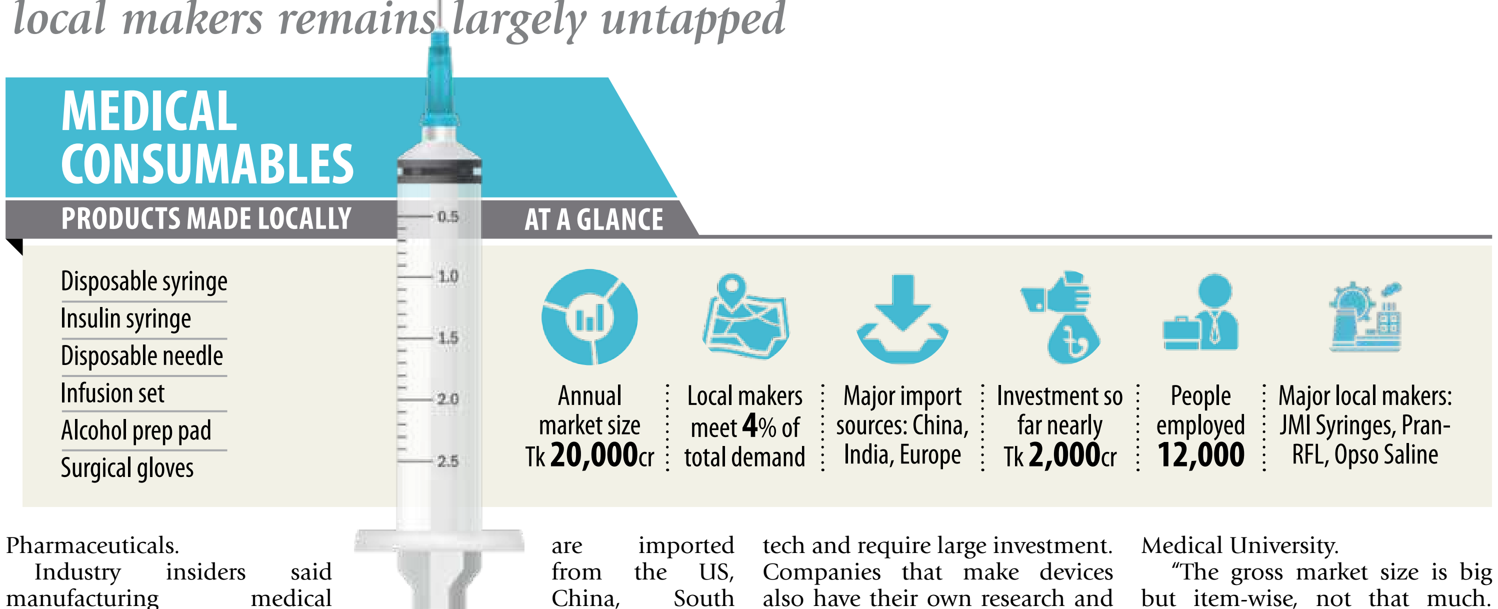
Imports lead medical consumables market

Huge potential for local makers remains largely untapped

JAGARAN CHAKMA



Sales of medical devices in Bangladesh could be as high as Tk 20,000 crore but local manufacturers can meet only 4 per cent of the annual demand while the rest is imported.

A medical device can be any instrument, apparatus, implement, machine, appliance, implant, reagent for in vitro use, software or material used for a medical purpose, according to the World Health Organisation.

Today, there are an estimated 2 million different kinds of medical devices on the world market, categorised into more than 7,000 generic device groups, it added.

Over 30,000 types of devices are used in Bangladesh, according to industry insiders.

However, only a handful of medical consumables are made here, namely disposable and insulin syringes, disposable needles, infusion sets, alcohol prep pads, blood transfusion sets, bags and surgical gloves.

Just six firms are engaged in making the products -- JMI Hospital Requisite Manufacturing, GETWELL of Pran-RFL Group, ANC Medical Device Bd, Opso Saline, Techno Drugs and Incepta Pharmaceuticals.

Industry insiders said manufacturing medical consumables involves the use of advanced technology that deliver precision and quality alongside long waits for a return on big investments.

This discourages investors from venturing into the sector in spite of the huge strides Bangladesh's pharmaceutical industry took in the last four decades.

In addition, the country has to import most of its high-tech medical devices such as x-ray films and nebulisers.

The bulk of medical supplies are imported from the US, China, South Korea and Europe.

"The market for medical devices and medical supplies is very big," said Md Esam Ibne Yousuf Siddique, chief administrative officer of Square Hospitals.

"It is not possible to share any statistics regarding the market size. What we can say is that we require roughly Tk 100 crore-worth medical devices and medical supplies annually.

"Medical devices are very high-tech and require large investment. Companies that make devices also have their own research and development wings," he said, adding that the domestic market for high-tech products was not big enough to attract investors.

"But there is scope for medical supplies which is also a big market. And we see investment coming in this area."

Bangladesh is dependent on the import of both disposable and non-disposable medical consumables, said Prof Debabrata Banik, dean of the medical technology faculty at Bangabandhu Sheikh Mujib Medical University.

"The gross market size is big but item-wise, not that much. For this reason investment in this sector is yet to be viable for business," he noted.

However, he said more devices would be locally available within the next 10 years as the peoples' purchasing capacity would increase.

Bangladesh needs to import almost all kinds of devices to meet the local demand as local companies manufacture very few items, said importer Shah Newaz Tamal, managing director of Healthium Medtech Pvt.

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Fuel sales jumped just before price hike

Industry people say filling stations, dealers had inside info

STAR BUSINESS REPORT

Bangladesh Petroleum Corporation (BPC) had registered a sharp jump in sales of furnace oil, diesel and kerosene on November 3, a day before the new rate came into effect, raising questions.

On Wednesday, the sales of fuel from the various depots of Padma, Meghna, Jamuna, and Standard Asiatic Oil Company Ltd, the subsidiaries of the state-run corporation, surged compared to the previous day.

On the day, the depots across the country sold around 500 tonnes of kerosene, up 43 per cent from 350 tonnes a day before, BPC data showed.

As high as 16,000 tonnes of diesel were sold on Wednesday, which was 14.28 per cent higher than the volume of 14,000 tonnes on Tuesday.

The depots also sold 2,400 tonnes of furnace oil on November 3, up 50 per cent from 1,600 tonnes a day earlier.

Industry people say filling stations, dealers and power plants started storing fuels after they had the inside information about the government move to increase the prices of three major petroleum products used in transport, cultivation, irrigation and power generation.

Diesel and kerosene are now 23 per cent costlier at Tk 80 per litre as the government moved to help BPC recover the losses from the surging global energy prices.

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Deshbandhu invests Tk 800cr to expand in export markets

AHSAN HABIB

Deshbandhu Group invested around Tk 800 crore in the last one year despite the business uncertainty caused by the coronavirus pandemic as it looks to expand its footprint in the overseas markets.

At a time when many companies put a halt to their investment plans, Deshbandhu continued to invest in its food, beverage, packaging, garment, and other entities.

Of the Tk 800 crore, around Tk 200 crore was invested in its food and beverage concern. Export-oriented Deshbandhu Packaging received an investment of Tk 230 crore, the sweaters and apparel concerns Tk 250 crore, and other concerns around Tk 120 crore.

"We want to serve the people and Bangladesh, so we continued to invest even in tough times," said Md Zakir Hossain, a director of the group.

"We want to strengthen our footprint," he told reporters during a media tour to a factory of Deshbandhu in Narsingdi last month.

Deshbandhu is one of the largest conglomerates in Bangladesh. It is engaged in the manufacturing and marketing of sugar, food, beverage and cement, and also has business concerns in the textile, real estate, shipping, hospitality, media, and healthcare sectors.

READ MORE ON B2

Most listed multinationals see profit growth in Jul-Sep

AHSAN HABIB

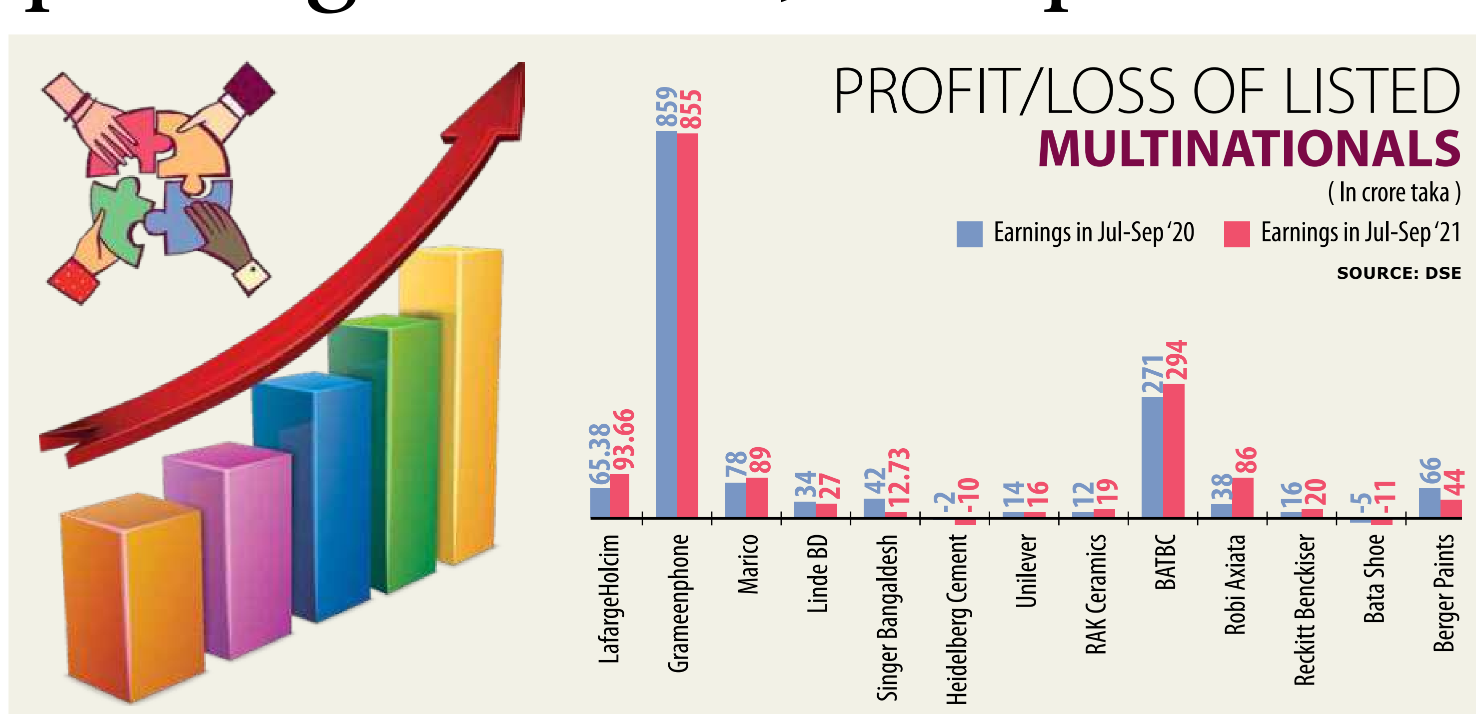
Most listed multinationals logged higher profits during this year's July-September quarter, compared to the same period a year ago, riding on increased sales in the last two months of the quarter following a three-week countrywide lockdown in July.

Of the listed 13, seven registered higher profits, four logged lower profits, and two remained in losses.

"The performance of multinational companies did not face too much of an impact from the pandemic due to various reasons, including their favourable product lines," said Mir Ariful Islam, chief executive officer of Sandhani Asset Management Company.

The first nationwide lockdown in Bangladesh this year was imposed from July 1 but the restrictions were relaxed from the 14th to the 22nd of that month for Eid celebrations.

The lockdown was then re-imposed from July 23 and later extended to August 10.



Some multinational companies are doing business with consumer goods for which demand remained relatively the same amidst the pandemic, he said.

For instance, the profits of British American Tobacco Bangladesh (BATBC) were not highly impacted by the pandemic while Marico Bangladesh's profits remained stable as well.

Some of the listed multinational companies deal with construction, a sector where demand remained almost unscathed as government-run development projects continued alongside private sector projects as well.

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