

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES			
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	USD	EUR	GBP	CNY
▲ 1.00%	▲ 1.16%	\$1,823.76	\$83.78	▼ 0.19%	▼ 0.75%	▼ 0.63%	▲ 0.24%	BUY TK 84.80	97.22	114.11	13.03
6,868.08	12,075.50	(per ounce)	(per barrel)	60,433.45	29,285.46	3,243.42	3,507.00	SELL TK 85.80	101.02	117.91	13.70



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# BUSINESS

DHAKA WEDNESDAY NOVEMBER 10, 2021, KARTIK 25, 1428 BS ● starbusiness@thedailystar.net

## Lending dismal under second stimulus package

*Banks blame non-payment of loans in the first round*

AKM ZAMIR UDDIN

Banks in Bangladesh are less keen on giving out loans under the second round of stimulus packages as many clients are in trouble to pay off their current debts, a development that may hurt the economic recovery.

Lenders are also cautious in lending as the central bank has beefed up monitoring on how stimulus funds are being used.

Banks disbursed only 9 per cent of Tk 20,000 crore among the borrowers of the cottage, micro, small and medium enterprises (CMSMEs) between July and October, according to data from the Bangladesh Bank.

Bankers say a large number of clients have recently sought the renewal of their current loans taken from the stimulus packages as they are unable to pay instalments due to the ongoing business slowdown.

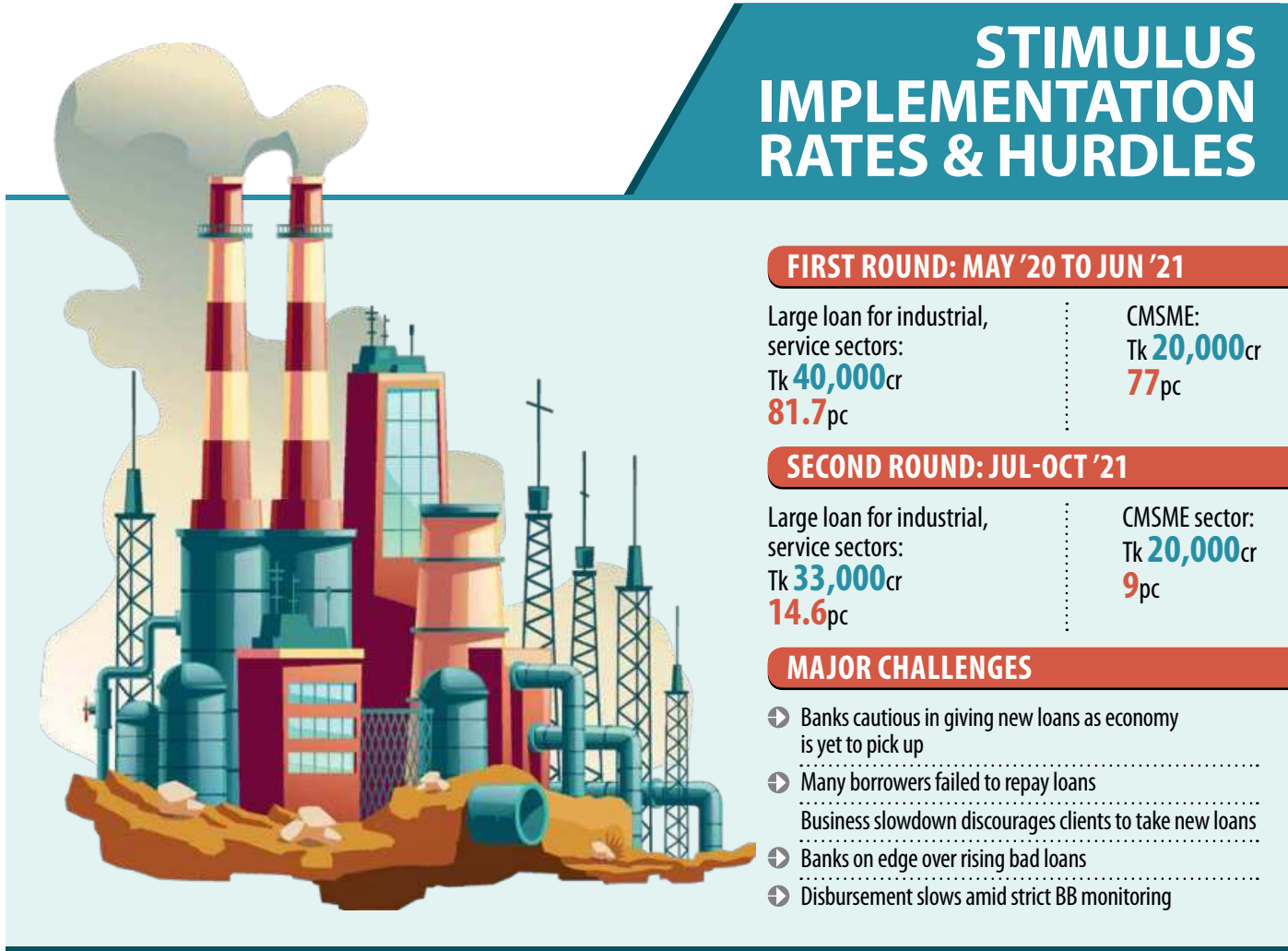
Similarly, banks are also reluctant to disburse loans to the borrowers of large industries and service units.

In the first four months of the current fiscal year, banks disbursed 14.6 per cent against the central bank's allocation of Tk 33,000 crore for the sector. The repayment tenure of the loans, disbursed in the form of working capital, under the two packages is one year.

The business slowdown is still hammering the economy despite the sharp declines in coronavirus infections. As a result, borrowers can't repay loans on time.

But Syed Mahbubur Rahman, managing

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## Fitch forecasts 7pc GDP growth

REJAUL KARIM BYRON and MAHMUDUL HASAN

Global credit ratings agency Fitch said Bangladesh's economy would grow 7 per cent in the current fiscal year, powered by declining coronavirus infections and easing of supply chain disruptions.

The agency is more bullish about the growth potential of the country compared to many other international organisations.

The International Monetary Fund has forecast 6.5 per cent gross domestic product growth for 2021-22, while the World Bank estimates the economy will expand by 6.4 per cent and the Asian Development Bank by 6.8 per cent.

The government has targeted a 7.2 per cent growth in FY22 as the economy recovers from the coronavirus pandemic.

In its latest outlook released on Monday, Fitch affirmed "BB-" long-term foreign-currency issuer default rating with a stable outlook for Bangladesh.

The rating reflects Bangladesh's resilient external finances, relatively strong growth despite the pandemic and government debt levels that are below the peer median, against low government revenues, and weak governance indicators and the banking sector, said Fitch.

The agency believes the large year-on-year increase in remittance flow in 2020 is unlikely to be repeated as some of the factors that drove the big jump were temporary.

Remittances reached a record high of \$21.7 billion in 2020, driven by a shift to more formal remittance channels and the Bangladesh Bank's 2 per cent cash incentive for inward remittances.

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### E-COMMERCE SCAMS

## Refund to take longer

*Says a govt official*

STAR BUSINESS REPORT

Customers' wait for refunds of advance payments, which eventually got stuck at payment gateways for deliveries not being made by e-commerce firms, is likely to be prolonged as the government wants to examine legal issues first.

The newly formed Digital Commerce Cell (DCC) under the commerce ministry has sought opinions of the law ministry and Criminal Investigation Department, said AHM Shafiquzzaman, additional secretary to the commerce ministry.

This is for the repayment of Tk 214 crore out of a total of Tk 512 crore, which can be started very soon, he told a press conference yesterday.

"We are hopeful that we can start the repayment of funds to the consumers and merchants very soon," Shafiquzzaman said after a meeting of a 15-member Cabinet Division panel at the commerce ministry.

"We will pay the non-litigants their fund and we will start repaying the rest of the consumers after settlement of legal cases in court," he said.

The Cabinet Division formed the committee last month to bring the growing e-commerce industry under regulations.

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### Unused data to be added to new pack: BTRC

STAR BUSINESS REPORT

Users who access internet on their mobile phones are going to see their unused data from one package being carried forward to any other new packs.

In a guideline yesterday, the Bangladesh Telecommunication Regulatory Commission (BTRC) said mobile phone operators would have to transfer the unused internet data to the next package if new packs are bought before the expiry of the existing ones.

And it will be applied to all types of internet bundles offered by mobile phone operators.

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## Stocks recover after two-day fall

*Investors dive into depreciated shares*

STAR BUSINESS REPORT

Stocks rebounded yesterday as many investors kept putting their money into shares that lost much of their value after a two-day consistent plunge.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 68 points, or 1 per cent, to 6,868.

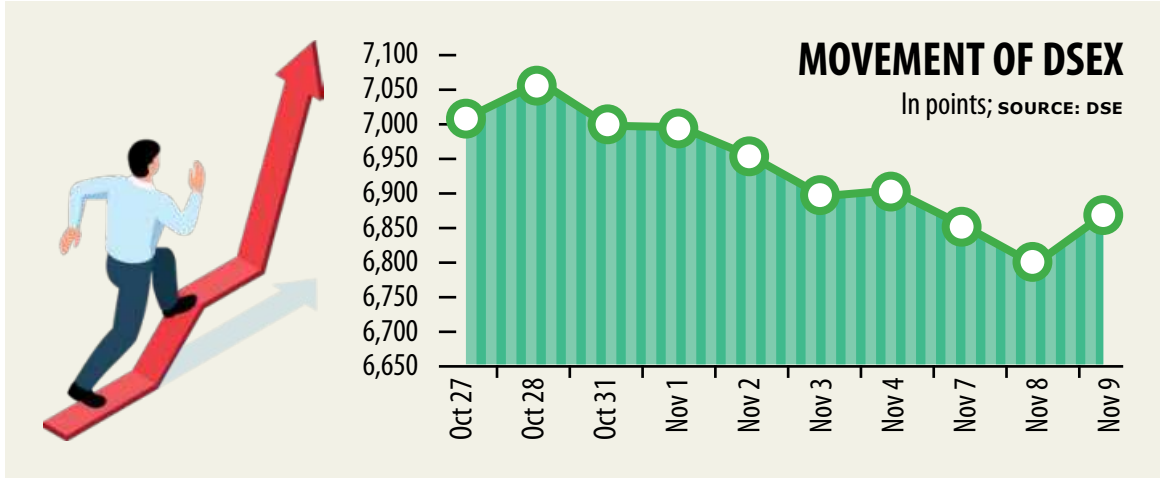
Investors are now making purchases as they found that many stocks had reached lucrative prices following the recent fall, according to a stock broker.

"This is a good sign," he said, adding that investor participation is still below an adequate level as many of them remain cautious due to a lack of confidence in the market.

As such, turnover at the DSE fell 6.3 per cent to Tk 1,007 crore yesterday from Tk 1,075 crore the day before.

At the DSE, the stocks of 223 companies rose, 99 declined and 54 remained unchanged.

The Dhaka bourse ended the day on a positive note as bargain hunters were seen in a buying spree in sector-specific stocks with lucrative prices, said International



Leasing Securities in its daily market review.

The interest to buy among buoyant investors was remarkable in sector-specific stocks as most of these shares fell by more than 5 to 10 per cent in the previous session's price correction.

Some risk-averse investors remained on the sidelines in the first hour of trade but buoyancy was observed in the closing hours.

The top ten traded stocks made

up around 45.5 per cent of the total trade, where Beximco alone accounted for 10.4 per cent, it added. National Housing Finance topped the gainers' list, rising 9.92 per cent, followed by Sena Kalyan Insurance, AFC Agro Biotech, Golden Son, and Taufika Foods and Lovello Ice-cream.

Stocks of Beximco Limited traded the most, worth Tk 97 crore, followed by Orion Pharmaceuticals, LafargeHolcim

Bangladesh, Beximco Pharmaceuticals and Square Pharmaceuticals.

LafargeHolcim Bangladesh and Square Pharmaceuticals jointly contributed 15 points to the DSEX, according to data from amarstock.com, a stock market related data provider. The other share market of the country, the Chittagong Stock Exchange (CSE), also rose yesterday.

The CASPI, the main index of the CSE, increased 229 points, or 1.15 per cent, to 20,097.

## Potato prices soar on depleting stocks

AKANDA MUHAMMAD JAHID

In line with the spiralling cost of other daily essentials, the retail price of potato rose sharply by 39 per cent.

Each kilogramme (kg) was selling for Tk 22 to Tk 28 in Dhaka markets yesterday whereas it was Tk 16 to Tk 20 a month ago, according to the Trading Corporation of Bangladesh.

A number of traders and farmers attributed the price rise to fields cultivated earlier this season being damaged by flash floods amid incessant rain last month alongside depletion of stocks kept in cold storages.

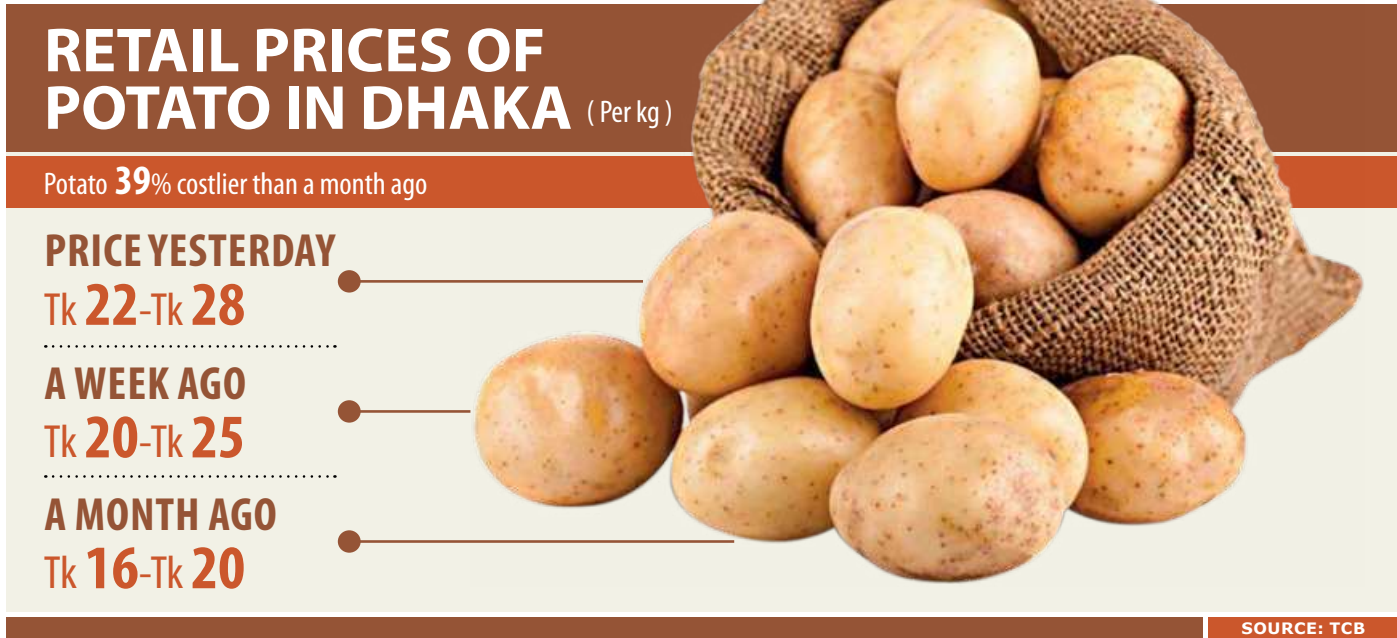
Yesterday, traders at the cold storage gates were offering each 60 kg bag of potato for Tk 850, which comes to about Tk 14 per kg.

Just a week ago, they were having to do with Tk 650, which is about 31 per cent less, they added.

Following several days of rain, flash floods occurred between October 19-October 21 across several northern districts, including Rangpur, Nilphamari, Lalmonirhat and Gaibandha.

As such, fast-growing potato varieties planted early in the season and numerous other crops in the region were lost.

So, potato cultivation in the northern region has been delayed by about 20 days, farmers and traders said, adding that it would take more than one-and-a-half



months for newly cultivated potatoes to reach the market.

Md Abu Bakkar Siddique, deputy director of Nilphamari, said about 1,627 hectares of cropland which were being

used for the cultivation of potato, paddy and other vegetables were damaged by the recent floods.

Meanwhile, potato stocks kept in the cold storage for sale in this lean period are

running out, said numerous traders.

This depleting stock and damage to the fast-growing variety are the reasons behind the potato price hike.

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## Ctg port, ICDs race to clear 4 days' backlogs

DWAIPAYAN BARUA, Ctg

With a countrywide strike of goods transporters coming to an end on Monday night, the Chattogram port and 19 private inland container depots (ICDs) are now struggling with the backlog of the preceding four days.

The import and export activities mostly encompass releasing inbound cargo arriving inside containers on ships and timely shipment of similar outbound ones.

A huge number of trucks, covered vans and prime movers were seen slowly proceeding in queues towards the port all day yesterday. The resulting tailbacks were one to two kilometres long, stretching till Barik Building Mor and Saltgola Crossing areas.

Choking with a huge number of export-laden containers, the private ICDs are sensing more backlog this week for an acute shortage of empty containers, as little delivery was made from the port in the last couple of days.

The ICD officials said as the export cargoes sent by the readymade garment factories would start arriving from today, more problems would be created for a shortage of empty containers.

Main Uddin, head of operations of private ICD Shafi Motors Ltd located around eight kilometres away from the port, informed that they sent several prime movers carrying export-laden containers at around 12:00pm.

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