

Stocks rise for 3rd consecutive day

Turnover slumps in the meantime

STAR BUSINESS REPORT

The domestic stock market rose for a third consecutive day even though turnover of the Dhaka bourse dropped.

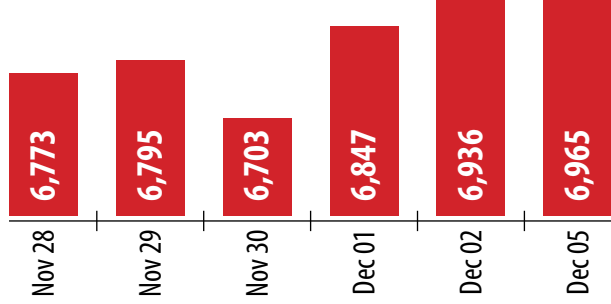
The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), gained 29 points, or 0.42 per cent, to hit 6,965 yesterday.

In the last three days, the index soared by a total of 262 points, or around 4 per cent.

The market had opened on a high note but after the first hour of trade, the prime index fell due to large sell-offs in sectors with considerable market caps, International Leasing Securities said in its daily market review.

MOVEMENT OF DSEX

In points; SOURCE: DSE



But a recovery stance was observed after the second hour of trade due to the active participation of some investors, which helped the market stay in the green.

The top ten traders captured 38.9 per cent of the total trade, of which Beximco Ltd alone captured 13.1 per cent, it added.

Turnover, an important indicator of the stock market, fell 28 per cent, to Tk 894 crore, down from Tk 1,245 crore the previous day.

Asia Insurance topped the gainers' list, rising 10 per cent, followed by Paper Processing and Packaging, Stylecraft, Sena Kalyan Insurance, and Prime Insurance.

Stocks of Beximco Ltd traded the most, worth Tk 117 crore, followed by One Bank, First Security Islami Bank, Delta Life Insurance, and Power Grid Company of Bangladesh.

Vanguard AML BD Finance Mutual Fund One shed the most, dropping 7.87 per cent, followed by Shahjibazar Power, Dulamia Cotton, Newline Clothing, and Bangladesh Submarine Cable Company.

At the DSE, 245 stocks advanced, 79 fell and 49 remained the same.

"Investors are optimistic about the stock market so some of them were in a buying mood," a stock broker said.

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Agarwood perfume industry yet to offset pandemic shocks

DISTRICTS IN FOCUS

MINTU DESHWARA

Bangladesh's agarwood-based perfume industry is struggling to bounce back from the Covid-19 fallouts as traders from the Middle East are yet to resume making purchases in full swing, leaving perfumers and raw material suppliers in the lurch.

Farmers in the country's north-east have kept busy managing forestries of the Aquilaria malaccensis tree and extracting oil from the aromatic resin, which the tree secretes in response to a fungal infection and which coagulates over time to create agarwood.

But their efforts seem to be going to waste amidst a lack of buyers, according to Abdul Batin, a local trader in Barlekha upazila of Moulvibazar.

The agarwood oil, which is used in a blend of fragrances, scented water, incense and creams, is being commercially produced in numerous areas of Sylhet and Moulvibazar.

However, Barlekha upazila is home to the industry's pioneers while Sujanagar union is well known both at home and abroad for the manufacture of the products.

As such, thousands of families in Sujanagar earn a living by processing agarwood either at home or local factories, Batin told The Daily Star.

Bangladeshis own several agarwood perfume factories in Middle Eastern countries such as Kuwait, Saudi Arabia and Dubai while Thailand and Malaysia also use raw materials sourced from Bangladesh.

"I could not sell that much of agarwood perfume for a few months now...sales have not reached around Tk 10 lakh yet," he said.

Processing 30 kilogrammes to 35 kilogrammes of agarwood for 10 days yields about nine ounces of oil.

"I need 15 workers per day...but I have not been able to employ as many due to low sales," Batin added.

Rubel Ahmed Pavel of Uttar Sujanagar village has been cultivating the trees and processing agarwood for a couple of decades.



A cluster of agarwood trees in Sujanagar union of Moulvibazar district. (Inset) Parts of the wood containing an aromatic resin is collected from these trees to make various scented products, such as perfumes and creams, that are exported mainly to countries in the Middle East. The photos were taken recently.

PHOTO: MINTU DESHWARA



During a 12-year stay in Dubai, Pavel understood that there was high demand for alcohol-free fragrance oils in the Middle East.

So, he returned to Bangladesh and started the business with his brother.

They collect agarwood oil from their trees and send it to the United Arab Emirates, where another brother sells the rare and precious raw material to local

perfumers.

During a recent visit to Sujanagar, this correspondent found many farmers processing agarwood, as November to June is the peak season for extracting the oil.

"So, everyone should be enjoying good business at the moment but at least 80 processing factories have been shut down this year due to low demand amid the ongoing pandemic," said Adib Majid,

director of Amena and Fatema Agarwood and Perfume.

The shuttered factories were completely export-oriented and highly labour intensive.

"I usually send 40 litres of agarwood oil to the Middle East by this time every year but this year I have sent just 15 litres so far," he added.

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GLOBAL BUSINESS



An employee of Mumbai Educational Trust, which runs educational institutes, adjusts plastic bottles in an installation made of approximately 40,000 plastic bottles to protest the use of plastic in Mumbai.

REUTERS/FILE

UN plans to drastically expand plastic waste management in India

REUTERS, New Delhi

The United Nations Development Programme aims to almost triple its plastic waste management to 100 cities in India by 2024, A UNDP executive said, to combat the damaging effects of plastic pollution.

Across India's many towns and cities, which are often ranked among the world's most polluted, the absence of an organized management of plastic waste leads to widespread littering and pollution.

The UNDP programme, which began in 2018, has so far collected 83,000 metric tonne of plastic waste. India generates about 3.4 million tonnes of plastic waste annually, according to official estimates.

"In India although about 60 per cent of plastic is recycled, we are still seeing the

damage that plastic pollution is causing," Nadia Rasheed, Deputy Resident Representative, UNDP India, said in an interview at the Reuters Next conference broadcast on Friday.

The UNDP is working with federal think tank, NITI Aayog and have jointly developed a 'handbook' model for local municipalities as well as the private sector.

"In a country like India with nearly fifth of the world's population, a key challenge is how do we make these models scalable," Rasheed said in an interview recorded on November 22.

The government needs stricter enforcement on controls around dumping of plastic waste and has a "long way to go" to raise awareness among households, Rasheed said, adding there was a need for investment into research for alternatives.

The programme suffered a setback after the

Covid-19 pandemic led to widespread increase in waste, including medical plastic waste, and hit livelihoods of collectors, who often work in hazardous conditions.

"There was a real need to expand waste collection efforts and that was coming at the same time as lot of (Covid-19 related) restrictions were disrupting the normal waste collection," Rasheed said.

Plastic pollution is set to triple by 2040, the UN Environment Programme (UNEP) has predicted, adding 23-37 million metric tons of waste into the world's oceans each year.

India, also the world's third-biggest emitter of greenhouse gases after China and the United States, has set 2070 as a target to reach net-zero carbon emissions, much later than those set by others and twenty years after the UN's global recommendation.

Asian LNG prices fall as import demand from China muted

REUTERS, Singapore

Asia liquefied natural gas (LNG) prices fell this week as spot demand from China remained muted despite the start of winter and as natural gas supplies from Russia continued to flow steadily to Germany.

But the drop in prices was kept in check by outages in Australia which curbed cargo loadings, trade sources said.

The average LNG price for January delivery into Northeast Asia fell to \$34.60 per metric million British thermal units (mmbtu), down \$1.50, they said.

Chinese LNG buyers are pulling back on spot purchases of the super-chilled fuel as prices remain high and inventories are ample, several trade sources said.

Another source added that the government's tolerance of additional coal burning has also dampened appetite for more expensive LNG.

Beijing Gas entered the market to purchase LNG cargoes, but they are for delivery in the middle of next year.

Royal Dutch Shell shut production at

its Prelude floating LNG site and Chevron Corp shut one of three processing units at its Gorgon LNG plant, both off northwestern Australia, the companies said.

Shell said Prelude was hit by a power outage on Thursday after smoke was detected in an electrical utility area, and the facility is operating on back-up diesel generators, while Chevron shut Train 3 at its 15.6 million tonne a year Gorgon LNG plant on Wednesday. Neither company gave a timeframe for restoring output.

Cheniere Energy may have temporarily shut a production train at its Sabine Pass plant in the United States following dense fog, one source said, though details were not immediately available or confirmed.

South Korea's Korea Midland Power Co (KOMIPO) bought a cargo for delivery in mid-January at around \$34 to \$36 per mmbtu, an industry source said.

Russian natural gas supplies to Germany through the Yamal-Europe pipeline have been stable for the past 24 hours, data from German network operator Gascade showed on Friday.

Bitcoin briefly loses \$10,000 in nervous market

AFP

The bitcoin dropped sharply overnight, losing \$10,000 in value in a nervous market before recouping some of its losses Saturday morning.

At one point late Friday, the often volatile cryptocurrency took a sudden sharp drop to \$42,296, losing nearly 20 percent of its value.

But by 1600 GMT Saturday, the virtual currency had regained some ground, trading at \$48,210, down 10 percent from Friday.

The leading Wall Street indicators all ended in the red Friday amid weakness in tech shares and fears about the new Omicron variant of Covid-19.

"Digital assets got pushed around by the broader risk of conditions related to Omicron and expectations of a more aggressive Fed, but didn't properly sell off until Friday, on contagion from equities," said Martha Reyes, research director at the Bequant digital asset brokerage and exchange.

Opec will continue with supply adjustments

REUTERS, Milan

The Organization of the Petroleum Exporting Countries (OPEC) will continue with its supply adjustments for the oil market, the OPEC Secretary General said on Saturday.

"We will continue to do what we know best to ensure we attain stability in the oil market on a sustainable basis," Mohammad Barkindo said in a webinar organised by Italian think-tank ISPI.

Oil prices fell on Thursday after OPEC and its allies stuck to their existing policy of monthly oil output increases despite fears a release from US crude reserves and the new Omicron coronavirus variant would put renewed pressure on prices.

Barkindo said in terms of oil demand the estimate at the moment was for a growth of 5.7 million barrels per day. "In 2022 we expect another 4.2 million," he said.

He said the uncertainty and volatility on the markets was also due to extraneous factors such as the ongoing Covid pandemic and not necessarily the fundamentals of oil and gas. "Now we are on course of returning the level of consumption in 2022 to pre-Covid levels," he said.

Barkindo said that the forecast was for oil and gas to account for more than 50 per cent of the global energy mix in 2045 or even to mid-century.

"In all the pronouncements we had from Glasgow we have not yet seen any concrete road map or plans of how to replace this 50 per cent... without creating unprecedented turmoil in the energy markets," he said, referring to the Glasgow climate conference. "Oil and gas will be needed for the foreseeable future."