# Stocks fall after a day's rise

Star Business Report

The Bangladesh stock market index fell after a day's rise in spite of an increase in the market turnover.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), edged down 64 points, or 0.92 per cent, to 6,920 yesterday.

The Dhaka premier bourse witnessed a big fall in its benchmark index as the pessimist groups of investors were in the mood to make sales, said International Leasing Securities in its daily market review.

During the whole session, the market saw the benchmark index go downward in a gradual manner without no bullish manoeuvres, it said.

Investors' enthusiasm was apparent in the small market cap shares like jute, paper and printing and tannery via remarkable price surges as the stock exchange regulatory authority asked them to maintain at least Tk 30 crore in paid-up capital.

The Bangladesh Securities and Exchange Commission (BSEC) has ordered low paid-up capital based 64 listed companies to increase their capital. The commission issued separate letters to the companies in this regard on December 9.

In the letter, BSEC has asked the companies to ensure that figure meant as the capital be in place within next June 30.

According to the latest securities rules, every company needs to have at least Tk 30 crore as paid-up capital if they want to be listed.

However, sales pressure in the large market cap shares of financial institutions, life insurance, general insurance, textile and banking sectors tugged at the market, making it end up in the red, it added.

*DSE witnessed a big fall in its benchmark index as pessimist investors were in a mood to make sales, says International Leasing Securities in a market review*

Aramit topped the gainers' list, rising 8.7 per cent, followed by Ambee Pharmaceuticals, Rahim Textiles, Bangladesh Monospool Paper Manufacturing Company and Information Services Network.

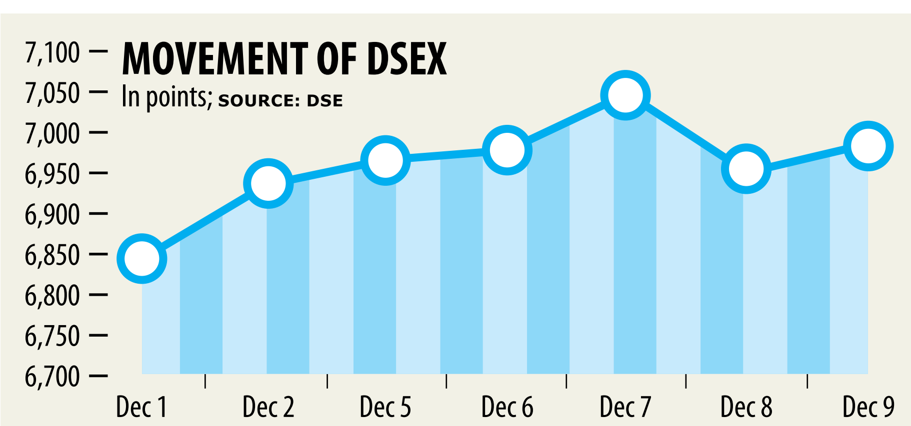
Turnover of the DSE rose 10 per cent to Tk 1,148 crore yesterday from the previous day's Tk 1,043 crore.

Stocks of ONE Bank were traded the most, worth Tk 88 crore, followed by Beximco, SAIF Powertec, Sonali Paper and Board Mills and Fortune Shoes.

ONE Bank shed the most, by 9.83 per cent, followed by Mithun Knitting, Phoenix Finance, Sena Kallyan Insurance and ACME Pesticides.

Chittagong Stock Exchange also dropped. The CASPI, the main index of the port city bourse, went down 196 points, or 0.96 per cent, to 20,265

Among the 297 stocks to undergo trade, 84 rose, 199 fell and 14 remained the same.




# Savar's imitation jewellery industry losing sheen

### *Rising raw material costs diminishing profits, traders say*

Md Asaduz Zaman, *back from Savar*

People living in Savar's Bhakurta union on the outskirts of Dhaka are bolstering their income by meticulously shaping copper and brass ornaments every day.

As such, the region has become home to a jewellery industry where locals can earn a living by smelting metals, threading strings, and piecing together the designs for various ornaments.

In Bhakurta, making jewellery is deemed a household routine as not only men, but also women and children work side by side.

Hundreds of dedicated workshops have sprung up throughout the village's narrow alleyways in recent years, making it a hotbed for Bangladesh's custom jewellery makers.

These ornaments are often purchased by wholesalers who sell them to, or at, supermarkets and other stores in Dhaka and various district towns.

For this jewellery-making business, the village has come to be known as "Gohona Gram" or jewellery village.

Local factories make all kinds of women's jewellery -- from hair ornaments, earrings, nose rings and necklaces to bracelets, bangles, anklets and lockets.

Artisan Mohammad Rafique, who has been engaged in the industry for the past two decades, told The Daily Star that stores in Dhaka apply the final touches, such as polishing and paint, to their ornaments but some finished copper and brass jewellery are sold in Bhakurta.

"Besides, if you place an order providing a design, the desired silver jewellery can be made from this location," he said.

"Our jewellery not only caters to domestic demand but also goes to Italy, the Middle East and India," Rafique added.

While speaking with local artisans, it was learnt that the industry had grown gradually.

RASHED SHUMON

**In Savar's Bhakurta union on the outskirts of Dhaka, making copper and brass jewellery is deemed a household routine. Not only men but also women and children engage in this craft side by side. The photo was taken from one of the houses in the area last month.**

The price of gold began to rise a few years after Bangladesh achieved independence, but artisans' wages remained unchanged.

Some of them returned to their villages in the region and began making silver jewellery but after the market for silver products took a downturn, the artisans began looking for alternative metals as this was the only trade they knew.

They then found copper to be an affordable and efficient substitute as they could use the designs of gold and silver jewellery to create a new market.

"Normally, the raw materials come from India and we collect them from Old Dhaka. The metals are gathered from scrapped ships," said Imran Hossain, general manager of Madina Metal Store in Bhakurta.

While visiting a market in Bhakurta last month, this correspondent met Riffat Hasan, chief executive officer of jewellery shop D Style Factory in Dhaka.

"We have been collecting some of our products from this market for several years and upload many of these designs to our official website," Hasan said.

"Currently, we are getting more orders as winter is the wedding season," she added.

The local jewellery industry has brought much-needed relief for hundreds of people in the area who allege that working from dusk till dawn in normal professions does not provide an adequate income.

"It's too difficult to support our four-member family on the income of my husband, who works as an auto driver," said Sakhina Begum.

"But I am really grateful that one of my neighbours taught me how to make necklaces, bangles, earrings and nose rings," she added.

However, Sakhina said their luck seems to have run out due to the rising price of raw materials.

"Previously, we could earn around Tk 70 from each necklace but now, we earn only Tk 30," she said.

Deen-E-Islam, an artisan based in Bhakurta, alleged that the rising raw material costs and lower profits from semi or complete products has come as a double blow.

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## GLOBAL BUSINESS

# Elon Musk says he is thinking of quitting his jobs

**Tesla CEO Elon Musk**

Reuters

Tesla Inc Chief Executive Officer Elon Musk is "thinking of" leaving his jobs and becoming an influencer, the world's richest man tweeted on Thursday.

"Thinking of quitting my jobs & becoming an influencer full-time wdyt," Musk said in the tweet, without elaborating.

It was not immediately clear if Musk, a prolific user of the social media platform, was being serious about quitting his roles.

Musk, who is also the founder and CEO of rocket company SpaceX, and leads brain-chip startup Neuralink and infrastructure firm The Boring Company, said during a conference call in January that he expects to be the CEO of Tesla for "several years." read more

"It would be nice to have a bit more free time on my hands as opposed to just working day and night, from when I wake up to when I go to sleep 7 days a week. Pretty intense."

Last month, he asked his followers on Twitter whether he should sell 10 per cent of his stake in the electric-car maker, to which the majority agreed. He has sold shares worth nearly $12 billion since.

The billionaire is known for his Twitter banter and lively interactions with followers which have in the past raised regulatory and corporate governance questions, lawyers have said.

Musk was fined $20 million by the U.S. Securities and Exchange Commission for tweets in 2018 and was required to step down as chairman.

Howard Fischer, a partner at law firm Moses & Singer, said he doubted Musk's latest tweets violated any rules because they were too vague.

He added: "I think that Musk's social media comments are subject to a substantial discount, as it were, by the market, as compared to other executives."

# Shipping costs: another danger for inflation-watchers to navigate

Reuters, *London*

Much like the coronavirus pandemic, and the economic disruption that it has caused, a global shipping crisis looks set to go on delaying goods traffic and fuelling inflation well into 2023.

Shipping rarely figures in economists' inflation and GDP calculations, and companies tend to fret more about raw materials and labour costs than transportation. But that might be changing.

The cost of shipping a 40-foot container (FEU) unit has eased some 15 per cent from record highs above $11,000 touched in September, according to the Freightos FBX index. But before the pandemic, the same container cost just $1,300.

With 90 per cent of the world's merchandise shipped by sea, it risks exacerbating global inflation that is already proving more troublesome than anticipated.

Peter Sand, chief analyst at the freight rate benchmarking platform Xeneta, does not expect container shipping costs to normalise before 2023.

"This means the higher cost of logistics is not a transitory phenomenon," Sand said. "For inflation, that means trouble ... The element of shipping, in overall prices, small as it may be, is much bigger than ever before, and it could be a permanent lift to prices going forward."

Ocean transport costs initially leapt after a six-day blockage of the Suez Canal in March caused backlogs worldwide. That tightened an already strained vessel-hiring market as uncertainty about future fuel and emissions regulation had driven orders for new ships to record lows.

Then came a surge in demand for goods from consumers in coronavirus lockdowns, while dockyards were struggling with COVID-related labour shortages.

In early November, 11 per cent of the world's loaded container volume was being held up in logjams, down from August peaks but well above the pre-pandemic 7 per cent, Berenberg analysts estimate.

In late October at Los Angeles/Long Beach, one of the world's biggest container ports, ships were taking twice as long to turn around as before the pandemic, RBC Capital Markets estimates.

Although the worst may be past, RBC analyst Michael Tran does not see freight prices returning to pre-pandemic levels for another couple of years.

Even if plans to unload an extra 3,500 containers each week are implemented, the Los Angeles/Long Beach backlog is unlikely to clear before 2023, he said.

"The softening in prices we saw at the end of September is a false dawn. What we see from a big-data perspective is that things are not getting materially better."

A United Nations report said last month that high freight rates were threatening the global recovery, suggesting they could boost global import prices by 11 per cent and consumer prices by 1.5 per cent between now and 2023.

REUTERS/FILE

**Container ships wait off the coast of the congested ports of Los Angeles and Long Beach in California.**

# Biden orders US to stop financing new carbon-intense projects abroad

**US President Joe Biden**

Reuters, *Washington*

The Biden administration has ordered US government agencies to immediately stop financing new carbon-intensive fossil fuel projects overseas and prioritize global collaborations to deploy clean energy technology, according to US diplomatic cables.

The cables, seen by Reuters, say US government engagements should reflect the goals set in an executive order issued at the start of the year aimed at ending American financial support of coal and carbon-intensive energy projects overseas.

"The goal of the policy ... is to ensure that the vast majority of US international energy engagements promote clean energy, advance innovative technologies, boost US cleantech competitiveness, and support net-zero transitions, except in rare cases where there are compelling national security, geostrategic, or development/energy access benefits and no viable lower carbon alternatives accomplish the same goals," a cable said.

The announcement was first reported by Bloomberg.

The policy defines "carbon-intensive" international energy engagements as projects whose greenhouse gas intensity is above a threshold lifecycle value of 250 grams of carbon dioxide per kilowatt hour and includes coal, gas or oil.

The policy bans any US government financing of overseas coal projects that do not capture or only partially capture carbon emissions, allowing federal agencies to engage on coal generation only if the project demonstrates full emissions capture or is part of an accelerated phaseout.

It exempts carbon-intensive projects for two reasons: they are deemed to be needed for national security or geostrategic reasons or they are crucial to deliver energy access to vulnerable areas.

The policy formalizes the goals set by the administration in earlier executive orders and policy guidances and reiterated in multilateral forums such as the G7 meeting in France in August and UN climate summit in the fall.