

STOCKS		COMMODITIES		ASIAN MARKETS				CURRENCIES					
DSEX	CSCX	Gold	Oil	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	BUY TK	SELL TK	USD	EUR	GBP	CNY
▼ 1.23%	▼ 1.67%	\$1,807.20	\$73.52	▼ 1.54%	▼ 1.79%	▼ 0.55%	▼ 1.16%	84.85	85.85	94.32	111.91	13.05	13.73
6,783.19	11,862.07	(per ounce)	(per barrel)	57,011.74	28,545.68	3,111.63	3,632.36						



# Star BUSINESS

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Rahul Anand (centre), division chief of IMF's Asia and Pacific department, speaks at a press briefing at the InterContinental Dhaka yesterday.

## Phase out interest caps

IMF also suggests ending regulatory forbearance

STAR BUSINESS REPORT

The International Monetary Fund (IMF) yesterday advised the government not to extend general forbearance to banks and corporations.

The Washington-based multilateral lender also called for phasing out the interest rate caps on lending and deposits.

It sounded the alarm about Bangladesh's ongoing economic recovery given the rapid spread of the latest variant of Covid-19, saying that it may have an adverse impact on the rebound.

The IMF also suggested the government widen its tax to GDP ratio, ensure exchange rate flexibility and strengthen the business-friendly environment to attract foreign direct investment (FDI).

An IMF team offered these recommendations during a press briefing at the InterContinental Dhaka after completing several meetings with different government entities and representatives of businesses, banks and labour unions.

Rahul Anand, division chief of the IMF's Asia and Pacific Department, led the team, which visited Bangladesh between December 5 and December 19 under the multilateral lender's Article IV consultation.

The IMF yesterday raised its projection on the country's economic growth for fiscal 2021-22 from 6.5 per cent to 6.6 per cent. However, the projection is still lower than the government's target of 7.2 per cent.

The GDP growth is expected to pick up further to hit 7.1 per cent in FY2022-23, the IMF said.

Explaining the slight rise in this year's growth forecast for Bangladesh, Anand said the country's export sector was doing well.

"We have seen lots of export orders being diverted from Vietnam, Myanmar, China and India to Bangladesh, and that is helping the country increase its export earnings," he said.

In addition, business activities, including that of the garments sector, have picked up, prompting the IMF to raise its projection.

"But, there are uncertainties around this because we still have half a year till the fiscal year ends."

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## Ctg port's container handling hits record high

Indicates economy is roaring back, say businesses

DWAIPAYAN BARUA, Ctg

Chittagong port handled 31.15 lakh twenty-foot equivalent units (TEUs) of containers so far this year, the highest since it began dealing with containers in 1977, as the economy of Bangladesh is returning to normalcy at a faster clip.

The premier seaport of the country handled these import, export and empty containers as of yesterday, according to data from the traffic department of the Chittagong Port Authority (CPA).

The CPA prepares the data by calculating the number of containers loaded and unloaded at the main jetties of the port, the Pangaon Inland Container Terminal in Keraniganj, and the Kamalapur Inland Container Depot (ICD) in Dhaka.

"This is a very good sign. We hope export and import will continue to grow," said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), which represents the readymade garment industry that brings 84 per cent of the country's \$38.7 billion export earnings.

Annual container handling by the port crossed 30 lakh TEUs for the first time in 2019. The growth in the container handling was in the negative last year because of the drop in foreign trade due to the impact of the pandemic.

Due to the decrease in the volume of container handling, the port slipped nine notches to 67th in the latest ranking of Lloyd's List's One Hundred Container Ports.

Port officials now say the figure may reach 32 lakh TEUs by the end of 2021.

Speaking about the record container



handling, Chittagong Chamber of Commerce and Industries Vice President Syed Md Tanvir said, "It definitely indicates that the country's economy is moving

towards the pre-pandemic period. We have already recovered from the hit of the pandemic and we will go further."

"The growth potential is there. We expect

that the port will also be ready to handle the growth," said Tanvir, also the managing director of Pacific Jeans, a denim exporter.

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## Malek Spinning closes RMG unit for losses

STAR BUSINESS REPORT

Malek Spinning has decided to shut the RMG unit of its subsidiary Salek Textile Mills due to continuous losses and low demand for its products.

The board of Malek Spinning approved the closure of the readymade garment unit with effect from December 31, 2021 due to accumulated losses and expiry of the lease agreement of the factory building and premises, said the company in a regulatory filing posted on the website of the Dhaka Stock Exchange (DSE) yesterday.

Malek Spinning holds 97.925 per cent stake in Salek Textile.

The RMG unit has a capacity of producing 66 lakh pieces of garment items per annum, according to the company's annual report.

The unit produces some special

types of denim garments that have gone out of fashion in the international market, said Syed Saiful Haque, company secretary of Malek Spinning.

So, it incurred losses in the last two financial years. The loss stood at Tk 12 crore in 2019-20 and Tk 2 crore in 2020-21.

The liabilities of the unit will be settled by selling the assets of the unit such as factory plant and machinery, and borrowing from Salek Textile.

Malek Spinning will not have to bear any cost related to the settling of the liabilities, said the disclosure. Malek Spinning shares closed 3.19 per cent lower at Tk 27.30 on the DSE yesterday.

The textile sector in general, and the RMG sector in particular, had faced various internal and external difficulties, said AFM Zubair,

chairman of Malek Spinning, in the annual report for 2020-21.

Enhanced and costly compliance standards from customers, new regulations in regard to building and fire safety, high wage rate as fixed by the government, and the price hike of power and gas had had direct negative impact on the cost of production and the price of products and export revenues, making survival difficult, he said.

Despite the adverse effect of the Covid-19 pandemic, Malek Spinning had succeeded in clocking higher net profit thanks to an increase in turnover in 2020-2021.

Sales rose 53 per cent year-on-year to Tk 1,503 crore in the last financial year, while profits surged to Tk 65 crore reversing from a Tk 33 crore loss in the previous year, according to the annual report.

## NBR eases bonded warehouse rules to boost exports

SOHEL PARVEZ

With many export-oriented firms facing losses for cancellation of export orders by buyers or other factors and sit with stock of raw materials, the National Board of Revenue (NBR) has relaxed rules regarding holding period of raw materials imported duty-free by firms under bonded warehouse licence.

Additional time will be granted for export-oriented factories with bonded warehouse licence if the quality of raw materials remain good and the firms' get buyers abroad.

The decision is welcomed by the exporters as it facilitates exports and cuts the exporters' risk of increased liabilities. "It is a good decision," said Faruque Hassan, president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the country's one of the largest trade associations representing readymade garment industry, which accounts for nearly 84 per cent of annual exports of \$38.7 billion.

He said exporters bring in raw materials in order to make finished products for shipping. On many occasions, buyers cancel orders, go bankrupt.

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It seems like Santa's workshop has shifted to Dhaka as scenes like this are commonplace ahead of Christmas, the biggest religious festival for the Christian community. The photo was taken at Farmgate in the capital yesterday.

PHOTO: PROBRIS DAS

## Yuletide spirit comes to town

Hotels, restaurants, shops decked out for Christmas

MAHMUDUL HASAN

With Christmas just around the corner, upscale hotels are organising parties, restaurants are floating various offers and shops are stocking up on festive products ahead of the biggest religious festival for the Christian community.

For example, Boss Cosmetics in Dhaka's Farmgate is selling artificial Christmas trees, Santa dolls, hats and other items.

"As there is a Christian community in the capital's Farmgate area, we sell different items every year and the response from customers is tremendous," Md Shaju, the shop's proprietor, told The Daily Star.

For the last few days, about 45 to 50 customers have visited the shop and over a dozen of them made purchases. The price of a plastic Christmas tree starts from Tk 250 and stretches up to Tk 10,000 depending on quality and size.

"Not only the Christian community, but a significant number of products are sold to different business outlets as they adorn their floors with Christmas trees and lights," he said.

Aarong, a leading lifestyle brand, is one such business that has already decorated its Gulshan outlets in Christmas colours.

"We plan to decorate all of our outlets in the Christmas theme," said Mohammad Ashraf Alam, chief executive officer of Aarong.

During the yuletide season each year, Aarong introduces a colourful collection of clothing alongside many decorative pieces to commemorate Christmas.

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## Walton launches e-commerce company Walcart

STAR BUSINESS REPORT

Walton, one of top local electronics and home appliance manufacturers and exporters, yesterday launched its e-commerce platform Walcart Limited to capture a major share of the growing online business.

In a press release, Walcart said it has targeted to achieve the highest consumer satisfaction and represent the country in the global arena.

"We will not give any crazy offer to our consumers. We will sell goods in 20 categories primarily, and gradually will sell all kinds of products targeting all kinds of consumers," said Sabiha Jarin Orona, managing director of Walcart, over phone.

She did not disclose the amount of initial investment in Walcart.

The opening ceremony of the platform was held at Walton corporate office in Dhaka.

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**Mohammed Mahtabur Rahman, chairman of NRB Bank Ltd, has been honoured as a commercially important person by the government for the eighth consecutive year for his outstanding contributions to the country's economy. He clinched the title of the highest remittance sender for 2019 in the NRB Category and received the award from AK Abdul Momen, minister for foreign affairs, at a ceremony at the Bangabandhu International Conference Centre in Dhaka on December 18. Imran Ahmad, minister for expatriates' welfare and overseas employment, and Anisul Islam Mahmud, chairman of the parliamentary standing committee on expatriates' welfare and overseas employment, were present.**



**Mohammed Haider Ali Miah, managing director of Exim Bank Ltd, cuts a ribbon to inaugurate the bank's 137th branch at Natherpetua, Cumilla on Saturday. Shah Md Abdul Bari, deputy managing director of the bank, and Mohammad Zakir Hossain, chairman of Monoharganj upazila, were present.**

## End of an era nears for Berlin's coal stoves

Alban Nikolai Herbst's Berlin apartment is covered in dust, his precious record collection included, thanks to a coal-powered stove he still uses to heat his home like thousands across the city. Germany's new government is set to extinguish the at-home heat source from a bygone era as part of its ambitious climate plans, as it looks to cut harmful emissions linked to climate change. But Herbst says he remains attached to his coal-powered stove, which he clings to for "sentimental" reasons. Arriving in Berlin in the mid-1990s, Herbst discovered an odour that had long disappeared from the streets of western cities, where -- unlike in the ex-communist east -- domestic coal burning had died out. The "heavy heat" emanating from his stove suits his work as a writer too. "I am always at my desk. I work from six o'clock in the morning to 10 at night sometimes," he says. Hans Engelke Energie supplies much of the coal used in the ovens across Berlin, and estimates between 5,000 to 6,000 homes still rely on the retro heat

source. The family-run business is one of the last in Berlin still delivering briquettes of black coal to customers. It has had to diversify over recent years to survive, and now delivers home heating oil and wood pellets. "We sell gas and electricity, too," says company co-head Peter Engelke, adding that the company "hopes to prosper for a long time". Germany's new government, which took office this month, has made the battle against climate change a priority, announcing a target to phase out the use of coal by 2030. Chancellor Olaf Scholz's coalition has pledged to expand renewable energy and decrease reliance on sources such as Russian gas in the long run. Some Berlin residents have already made the shift at home. Graphic designer Robert Schumann, who lives in the east of the city, still uses his ceramic stove to heat his home, but has dropped the coal in favour of wood. "It's more ecological," he says, drawing a comparison with fossil fuels excavated from the earth. "Less ash, and it's a more sustainable energy source because trees grow back."

Most Gulf stock markets fell in early trade on Sunday, responding to a slide in crude prices on Friday as surging cases of the Omicron coronavirus variant raised fears that new restrictions may hit fuel demand. Oil prices, a key catalyst for the Gulf's financial markets, settled down \$1.50, or 2 per cent, at \$73.52 a barrel on Friday. Saudi Arabia's benchmark index TASI dropped 0.8 per cent on Sunday, weighed down by a 1 per cent fall in Al Rajhi Bank 1120. SE and a 2.1 per cent decline in petrochemical maker Saudi Basic Industries Corp 2010. The risk of reinfection with the Omicron coronavirus variant is more than five times higher and it has shown no sign of being milder than Delta, a study showed, as cases soar across Europe and threaten year-end festivities. Covid-19 vaccines appear to have become slightly less effective

## Most Gulf bourses in red on Omicron worries



An investor walks through the Dubai financial market.

in preventing severe disease and death but do provide "significant protection", the World Health Organization (WHO) said on Tuesday. In Abu Dhabi, the index retreated 1.4 per cent, hit by a 2.9 per cent drop in telecoms firm Etisalat and a 2.1 per cent decrease in the country's largest lender First Abu Dhabi Bank. Global stock benchmarks also fell on Friday as investors wrestled with rising numbers of Omicron cases and a hawkish turn from major central banks in the fight against inflation. Dubai's main share index slid 1.9 per cent with most of its stocks in negative territory, including blue-chip developer Emaar Properties, which was down 2 per cent. Meanwhile, The United Arab Emirates' central bank has extended several measures of its Targeted Economic Support Scheme (TESS) until June 30 to support the continued recovery of the country's economy, the bank said on Saturday.



**Mizanur Rahman Dewan, deputy managing director of Rupayan Housing Estate Ltd, hands over the project documents of Rupayan Harmony to the representatives of the buyers and the landowners at a local restaurant in Dhanmondi, Dhaka recently. The Rupayan Harmony is a 14-storey building on a 15-katha land located near the Dhanmondi residential area and a 30 feet road. Anwar Hossen, senior general manager for construction of the company, Saiful Islam, general manager for customer service, Mustafa Ferdous Wahid, president of the Rupayan Harmony Flat Owners' Association, and Abul Kalam Azad, secretary, were present.**

## Russia ready to 'fight' for space tourism supremacy

After a decade-long hiatus, Russia is relaunching an ambitious bid for dominion over the world's budding space tourism industry, jostling with zealous billionaires, the United States, and rising China. Russia flaunted its comeback this month dispatching two cosmic adventurers -- Japanese billionaire Yusaku Maezawa and his assistant -- to the International Space Station (ISS) in its first launch of tourists in 12 years. Buoyed by the success, firebrand space chief Dmitry Rogozin talked up Russia's next steps to supremacy: a special module at the ISS for Russia's visitors, spacewalks outside the station, and -- down the line -- trips around the moon. "We will not give this niche to the Americans. We are ready to fight for it," he told reporters at a press conference as Maezawa was blasting towards the ISS on a 12-day mission. Yet Russia's path to industry dominance is dotted with new obstacles that have emerged since it was last in the game a decade ago. Back then, the Russian space agency Roscosmos had a monopoly on sending the cash-flushed curious

to space. That changed when US agency NASA retired its own shuttle for astronauts in 2011 and snatched up every seat to the ISS Roscosmos had on offer for the next decade. Then, last year, billionaire Elon Musk's SpaceX barged onto the scene with its first successful ISS mission and NASA dropped Roscosmos. At a reported \$90 million per seat, this was a huge financial blow to the cash-strapped Russian space agency, hit simultaneously with budget cuts and corruption scandals. Analysts say Roscosmos has no choice but to turn to tourism to cover the shortfall. "The Russian space industry is reliant on consistent orders for these launches," industry analyst Vitaly Yegorov told AFP. The price tag for one seat -- estimated at \$50-60 million -- covers the cost of building the three-person Soyuz spacecraft to shuttle the crew, he said, while a second traveller turns a profit. But space tourism is not just about the money, officials say. "It's national prestige. It gets young people interested in manned spaceflight. It's the future, after all," says Dmitry Loskutov, head of Glavkosmos -- a subsidiary of Roscosmos responsible for commercial projects, including tourism.

Russia, China and the United States are the only countries capable of manned flights, but a slew of newcomers are entering the scene and forcing Russia to step up its game, SpaceX among them. Musk has yet to take tourists to the ISS, but this year his Inspiration4 brought an all-civilian crew into Earth's orbit on a three-day mission. Also eager for a cut are Blue Origin of Amazon founder Jeff Bezos and Virgin Galactic of billionaire Richard Branson. Both their spacecrafts completed maiden voyages this year, remaining several minutes in zero gravity before returning to Earth. But Andrei Ionin of the Russian Academy of Cosmonautics says you just can't compare the billionaires' brief, low-orbit flights to a days-long mission to the ISS. "It's like comparing the Ferrari and the Renault market," he said. Loskutov echoed the point, saying the trips were more a part of the "entertainment industry" than the space travel. Still, Yegorov said, "competition is heating up," particularly from SpaceX. Russia has taken note. It wants to expand offerings, including a spacewalk during an upcoming tourist mission, Loskutov said.

**গণপ্রজাতন্ত্রী বাংলাদেশ সরকার**  
 চিকিৎসা তত্ত্বাবধায়কের কার্যালয়  
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 E-mail: ctbh@hospi.dghs.gov.bd  
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 তারিখঃ ১৮/১২/২০২১ইং

**দরপত্র বিজ্ঞপ্তি**

০১	মন্ত্রণালয়	স্বাস্থ্য ও পরিবার কল্যাণ মন্ত্রণালয়।
০২	সংস্থা	স্বাস্থ্য অধিদপ্তর।
০৩	ক্রম/সংগ্রাহক/দস্তুরের নাম	বক্ষব্যাহি হাসপাতাল, ফৌজদারহাট, চট্টগ্রাম।
০৪	ক্রম/সংগ্রাহক/জেলার নাম	চট্টগ্রাম।
০৫	দরপত্র আহ্বানকারীর নাম	ডাঃ এস. এম নূরুল করিম।
০৬	দরপত্র আহ্বানকারীর পদবী	চিকিৎসা তত্ত্বাবধায়ক (সহকারী পরিচালক সমমান)।
০৭	দরপত্র আহ্বানকারীর ঠিকানা	বক্ষব্যাহি হাসপাতাল, ফৌজদারহাট, চট্টগ্রাম।
০৮	দরপত্রের/কাজের নাম	এম.এস.আর (ইউসিএল বহির্ভূত) ঔষধ সামগ্রী ও অন্যান্য এম.এস.আর সামগ্রী) ও পথ্য, স্টেশনারী এবং লিনেন সামগ্রী যৌতকরণ।
০৯	ক্রম/সংগ্রাহের পদ্ধতি	উন্মুক্ত দরপত্র পদ্ধতি (Open Tender Method)।
১০	বাজেট ও তহবিলের উৎস	রাজস্বখাত (২০২১-২০২২ইং অর্থবছর)।
১১	দরপত্র বিক্রয়ের তারিখ ও সময়	বিজ্ঞপ্তি প্রকাশিত তারিখ হইতে ০৪/০১/২০২২ইং তারিখ সকাল ১০.০০ ঘটিকা হইতে ০১.০০ ঘটিকা পর্যন্ত।
১২	দরপত্র গ্রহণের শেষ তারিখ ও সময়	০৬/০১/২০২২ইং তারিখ ১১.০০ ঘটিকা পর্যন্ত।
১৩	দরপত্র খোলার শেষ তারিখ ও সময়	০৬/০১/২০২২ইং তারিখ ১১.৩০ ঘটিকা পর্যন্ত।
১৪	দরপত্র বিক্রয়ের অফিস/দপ্তর	চিকিৎসা তত্ত্বাবধায়কের কার্যালয়, বক্ষব্যাহি হাসপাতাল, ফৌজদারহাট, চট্টগ্রাম।
১৫	দরপত্র গ্রহণ ও খোলার অফিস	চিকিৎসা তত্ত্বাবধায়কের কার্যালয়, বক্ষব্যাহি হাসপাতাল, ফৌজদারহাট, চট্টগ্রাম।
১৬	দরপত্র দপ্তরের মূল্য ও নিরাপত্তা আমানত	দরপত্র সংযুক্ত

সমূহ	সিডিউলের মূল্য	নিরাপত্তা জামানত (ফেরতযোগ্য)
ক. গ্রুপ-ঔষধ সামগ্রী (EDCL বহির্ভূত)	= ৭৫০/- (অফেরতযোগ্য)	= ৩৫,০০০/-
খ. গ্রুপ(১)-যন্ত্রপাতি	= ৪০০/- (অফেরতযোগ্য)	= ১৫,০০০/-
গ. গ্রুপ(২)-ক্যামিকেল-রি-এজেন্ট	= ৪০০/- (অফেরতযোগ্য)	= ১০,০০০/-
ঘ. গ্রুপ(৩)-আসবাবপত্র	= ৪০০/- (অফেরতযোগ্য)	= ১৫,০০০/-
ঙ. গ্রুপ(৪)-লিনেন	= ৪০০/- (অফেরতযোগ্য)	= ৫,০০০/-
চ. গ্রুপ(৫)-গজ, ব্যান্ডেজ ও তুলা	= ৪০০/- (অফেরতযোগ্য)	= ৫,০০০/-
পথ্য সামগ্রী সরবরাহ	= ৭৫০/- (অফেরতযোগ্য)	= ১,০০,০০০/-
স্টেশনারী/বিবিধ সামগ্রী সরবরাহ	= ৪০০/- (অফেরতযোগ্য)	= ১০,০০০/-
লিনেন সামগ্রী যৌতকরণ	= ৪০০/- (অফেরতযোগ্য)	= ২৫,০০০/-

১৭ কাজের বর্ণনা: গ্রুপওয়ারী সিডিউলে বর্ণনা মতে।

১৮ দরদাতার যোগ্যতা ও দরপত্র ক্রম পদ্ধতি এবং প্রাক পরিচিতি: \* হালনাগাদ ট্রেড লাইসেন্স (২০২১-২০২২) এবং লাইসেন্সের ব্যবসায়ের স্বরন পদ্ধতি উল্লেখসহ, \* বিন ও টিন সনদ, \* আয়কর জমা প্রদানের রশিদসহ ২০২১-২০২২ইং অর্থ বছরের পরিশোধকৃত আয়কর প্রত্যয়ন সনদ, \* সরকারি-আধা সরকারি ও স্বায়ত্তশাসিত ১০০ শতাংশ প্রতিষ্ঠানের স্ব-স্ব কাজে পথ্য সরবরাহে এক বছরের এবং এমএসআর সরবরাহে এক বছরের বাস্তব অভিজ্ঞতার প্রত্যয়ন, \* কর্তৃপক্ষ কর্তৃক মুদ্রক নং উল্লেখসহ ভাট কর্তন প্রত্যয়ন, \* কমপক্ষে ১০ (দশ) লক্ষ টাকা পর্যন্ত মালামাল সামগ্রী সরবরাহ করিয়াছেন মর্মে প্রত্যয়নপত্র, \* বাংলাদেশ চেয়ার এন্ড কমার্স কর্তৃক প্রতিষ্ঠানটির সদস্যভুক্ত সনদ, \* ব্যাংক কর্তৃক ২০ (বিশ) লক্ষ টাকা লেনদেন করিতে সক্ষম মর্মে আর্থিক স্বচ্ছলতার সনদ, \* ২০২১ইং সালের নভেম্বর মাস পর্যন্ত ব্যাংক স্টেটমেন্টের হার্ড কপি ০১/০১/২০২১ইং হইতে ০৪/০১/২০২২ইং পর্যন্ত কমপক্ষে ১০ (দশ) লক্ষ টাকার স্থিতি, \* প্রতিষ্ঠানের মালিকানার স্বপক্ষে এফিডেভিট সনদ, \* প্রতিষ্ঠান মালিকের জাতীয় পরিচয়পত্র, \* সত্যায়িত পাসপোর্ট সাইজের রশিদ ছবি, \* প্রতি গ্রুপের জন্য সিডিউল ক্রমে নির্ধারিত অংকের টাকা সোনালী ব্যাংকের যেকোনো শাখায় ট্রেজারী চালানের মাধ্যমে কোড নং-১-২১১১-০০০০-২৩৬৬-এ জমাদানপূর্বক চালানের মূলকপি প্রদর্শন বা দেখাইয়া কার্যালয় হইতে সিডিউল ক্রম করিতে হইবে। প্রত্যেকটি কাগজপত্র ১ম শ্রেণীর গেজেটেড কর্মকর্তার নামমুক্ত সীল, কোড নং, মোবাইল নম্বর ও কর্মস্থলের ঠিকানাসহ সত্যায়িত করিয়া দরপত্রের সহিত সংযুক্ত করিতে হইবে। সিডিউলে বর্ণিত অন্যান্য শর্তাবলী যথারীতি অপরিবর্তিত থাকিবে।

বিঃ দ্রঃ-ঔষধ সামগ্রী সরবরাহ দরপত্রে অংশগ্রহণকারীকে ঔষধ গুস্তকারী লাইসেন্স এবং সরবরাহকারী/টিকাদার প্রতিষ্ঠানের হালসন পর্যন্ত ড্রাগ লাইসেন্স থাকিতে হইবে। স্টেশনারী/বিবিধ সামগ্রী ও লিনেন সামগ্রী যৌতকরণের বেলায় শর্তাবলী আংশিক শিথিলযোগ্য।

১৯ মালামাল সংক্রান্ত কাজের বর্ণনা: গ্রুপওয়ারী সিডিউলে বর্ণনামতে ও সরকার নির্ধারিত স্পেসিফিকেশন অনুযায়ী।

২০ প্রকাশিত এবং উপরের উল্লেখিত শর্তসমূহ ছাড়াও পিপিআর-৮ এবং পিপিআর-৬ এর বিধিসমূহ সর্বক্ষেত্রে মানিয়া চলিতে বাধ্য থাকিবেন।

২১ ক্রয়কারী কর্তৃপক্ষ কোন কারণ দর্শানো ব্যতিরেকে যে কোন দর বা আবেদন বা সম্পূর্ণ দরপত্র গ্রহণ বা বাতিল করার ক্ষমতা সংরক্ষণ করেন।

ডাঃ এস. এম নূরুল করিম  
 চিকিৎসা তত্ত্বাবধায়ক  
 বক্ষব্যাহি হাসপাতাল, ফৌজদারহাট, চট্টগ্রাম  
 মোবাইল নং-০১৮১৯-৯৫৬৬৪৬

জিডি-২৩৪৫

## Bangladesh Lamps declares 20pc cash dividend

STAR BUSINESS DESK

Bangladesh Lamps Ltd, authorised manufacturer and distributor of Transtec lighting products, including smart LED bulbs and Tube lights, declared a cash dividend of Tk 2 per share at its 60th annual general meeting held virtually yesterday.

Shahnaz Rahman, chairperson of the company, presided over the meeting, according to a statement.

Simeen Rahman, managing director and CEO of Bangladesh Lamps Ltd, conducted the meeting, which was attended by a large number of shareholders.

The meeting also approved the annual report and financial statements of the company for the year ended on June 30, 2021.



**Shahnaz Rahman, chairperson of Bangladesh Lamps Limited, virtually presides over the company's 60th annual general meeting held yesterday. Simeen Rahman, managing director and CEO of the company, Arshad Waliur Rahman, Shahzoh Huq, Atiqur Rahman, Shamsur Rahman, directors, Akhtar Ahmed, independent director, Arshad Huq, chief operating officer, Mohammed Shakil Choudhury, chief financial officer, and Mohammad Ruhana Miah, company secretary, also attended the meeting.**

# Omicron scrambles anew US firms' in-person aspirations

AFP, New York

Major US companies are having to reassess their return-to-office plans and getting tough on vaccine or mask requirements as the Omicron Covid variant looks set to extend pandemic-induced work-from-home culture.

A resumption of pre-virus workplace norms was only partially moving forward in the United States when the fast-spreading new variant arrived and provoked fresh concern.

Legal challenges have made the future of President Joe Biden's vaccine mandate for companies with over 100 workers uncertain, and firms have been pursuing their own requirements.

Tech giant Google has been notably uncompromising in warning employees of lost pay or even dismissal if they do not report their vaccination status by a particular deadline, according to an internal document viewed by CNBC.

"We firmly believe that our vaccination requirements are one of the most important ways we can keep our workforce safe and keep our services running," Google told AFP.

The search engine giant has also postponed indefinitely the return to the office of its engineers and developers, originally scheduled for January.

For its part, Facebook parent Meta was offering its employees the opportunity to choose between home and office work.

Amazon, which had suggested a return of its face-to-face office workers at least three days a week in early 2022, was expected to make further announcements in January, the company told AFP.

Warehouse employees and drivers are not affected by these arrangements.

Apple has reinstated the mandatory wearing of masks in all its US stores after making it optional in November at some 100

points of sale. The iPhone maker also temporarily closed stores this week in Florida and Maryland as well as in the Canadian province of Ontario.

Wall Street has also been forced to adjust to the rising number of Covid cases in New York City and other financial centers.

As of Tuesday, JPMorgan was restricting access to nine of its buildings in Manhattan to vaccinated people, who are not required to wear masks once inside.

"We are taking this step because we have very high rates of vaccination amongst our employees," the bank said in an internal memo seen by AFP.

"With rates well above 90 per cent, it seems unfair to require our vaccinated employees to wear masks all day at their desks."

Unvaccinated employees must work from home.

Despite the desire for a return to normalcy, JPMorgan had to

back out of a health conference in California the bank plans to host in January that was originally scheduled to be held face-to-face.

Under pressure from several attendees concerned about the risk of infection and "out of an abundance of caution," the bank moved the event to a virtual format.

Other big names in American finance, such as Citigroup and Morgan Stanley, were encouraging their employees to work from home as much as possible over the next few weeks.

In the retail sector, companies were also getting tough on Covid shots. For example, the Kroger supermarket chain will suspend Covid special sick leave for unvaccinated employees, according to several US media reports.

Un-jabbed workers will also have to pay a \$50 premium starting in January to remain on the company's health insurance.



**Bazlul Haque Rana** **Moniruzzaman Tipu**

## Rana, Tipu elected president, secretary of Bpra

STAR BUSINESS DESK

Bazlul Haque Rana, ex-director of public relations at Power Development Board, and Moniruzzaman Tipu, head of marketing and brand communication at Social Islami Bank Ltd, have been elected as president and secretary general of the Bangladesh Public Relations Association (Bpra) for the next two years.

Abdur Rashid, chief election commissioner, declared the names of the elected members of the biannual (2022-2023) working committee of the Bpra at the end of an annual general meeting recently, a press release said.

The elected members of the newly formed committee are: Abul Kashem Shikder, ex-director of public relations at BOU; Shah Alam Chowdhury, director of RAJUK; Nazma Binte Alamgir, general manager for public relations at BEPZA; Tarikul Islam Khan Robin, deputy general manager for public relations at Petrobangla; Uday Hakim, executive director of Walton; Sheikh Khayruzzaman, assistant general manager of Jibon Bima Corporation; Sohel Ahsan Nipu, deputy registrar for PR at Bangladesh University; Anwar Hossain, in-charge PR & brand management at NCC Bank Ltd; AHM Bazlul Rahman, CEO of BNCRC; Shujon Mahmud, chief executive officer of Vaishob Media; Monirul Islam Rintu, PR and admission director of the Canadian University of Bangladesh; Pasha Mostofa Kamal, senior information officer of PID; and Gazi Ahmed Ullah, director for PR of Amin Mohamamd Group.

Badrul Haider Chowdhury, director for Chattogram at BOU; Mir Mohammad Morshed, general manager for public relation and publication at BTCL; AKM Shamsul Arefin, director for public relation and publication at UGC; Syed A Momen, public relation officer of NBR; Amir Hossain Jony, public relation officer of National Life Insurance; Kamrul Islam, general manager for public relation at US-Bangla Airlines; Md Haider Ali, public relation officer of LGRD Ministry; Nazrul Islam, vice-president of Islami Bank Bangladesh Ltd; Din Mohammad, deputy director for public relation at BAU; Abu Sadat, deputy director for public relation at United University; Hasan Mahmud, public relation officer of Bangladesh Shilpakala Academy; Rezaul Karim Shammi, assistant director of ISPR; Wahid Murad, assistant general manager for media and public relation at Runner Group; and Rukhsana Mily, manager for public relation and corporate communication at bKash, are the other elected members of the committee.



STANDARD CHARTERED BANGLADESH

**Naser Ezaz Bijoy, chief executive officer of Standard Chartered Bangladesh, hands over a laptop to Korvi Rakshand, executive director of Jaago Bangladesh, at the bank's head office in Dhaka recently. The bank donated 25 laptops to Jaago Bangladesh to support the education of the underprivileged children. Bitopi Das Chowdhury, country head of corporate affairs, brand and marketing at the bank, was present.**

## Phase out interest caps

FROM PAGE B1

The most important thing now is understanding how Covid-19 impacts the countries that are trading partners of Bangladesh," Anand said.

"Containment measures taken by those countries may have a big impact on the export earnings of Bangladesh and so, anything can go wrong," he added.

There will be domestic risks as well if Omicron causes a new round of infections. Besides, the price of oil and commodities has gone up in the global market, which may put pressure on the economy.

Reflecting non-food price inflation, which rose a 62-month high in October, and the recent hike in fuel prices, inflation is projected to be slightly higher than the central bank's target.

So, the central bank should keep a close watch on the inflationary pressure, said the IMF. The IMF division chief went on to say that providing general forbearing during the peak of the pandemic was appropriate to support businesses as it helped spur economic recovery.

"Our advice is an orderly exit from all these relaxations that were given to the banks as well as corporations," he said.

In addition, proper identification of problem assets in the banking sector, which are mostly concentrated in the state-owned lenders, is highly important.

Bangladesh needs lots of investment but the high rate of non-performing loans has increased the cost of lending and hindered the smooth disbursement of funds.

In terms of corporate governance and other reforms, the authorities are now giving effort to amend five relevant laws, including the Banking Companies Act.

The IMF's advice aims to help align the

best international practices while amending the five acts, according to Anand.

"This will strengthen the financial sector, which will play a major role in upgrading the country to middle-and-higher income status."

Meanwhile, interest rate caps on lending and deposit limit the policy space so they should be phased out to strengthen market-based pricing and improve credit allocation and monetary transmission.

Greater exchange rate flexibility together with safeguarding foreign exchange reserves will help buffer external shocks as well.

He also touched upon Bangladesh's tax to GDP ratio, which is one of the lowest in the world.

"We have been discussing the issue with relevant authorities, who are very keen to fix the problem to raise revenue," Anand said. As Bangladesh grows and becomes more integrated with the rest of the world, investors compare the country with other nations before making any investment.

So, Bangladesh should give emphasis attracting FDI as it is highly important in the context of gaining technology and integrating with the global value chain, said the IMF.

The country is now considered a success story as it made substantial progress in the last 50 years.

Bangladesh was once one of the poorest nations in the world but has since graduated from the situation, Anand said.

"This is a great achievement for the country, which is now fulfilling a good number of the Sustainable Development Goals." However, a major portion of Bangladesh's export earnings still comes from garments and so, it is time to diversify the export basket, he added.

## Ctg port's container handling hits record high

FROM PAGE B1

Business leaders say container movement through the port is experiencing higher growth because of the sharp rise in imports and exports. With the reopening of factories following the second wave of Covid-19 since April this year, industrial production has increased.

The import of industrial raw materials, especially for the garment sector, has gone up to meet the increased industrial production. Finished goods exports also rose.

Syed Nazrul Islam, first vice-president of the BGMEA, appreciated CPA's efficient management for keeping the port operations uninterrupted during countrywide lockdown, helping accelerate import-export activities and sending container handling to a record high.

CPA Chairman Rear Admiral M Shahjahan thanked all stakeholders for their contribution that allowed the port to achieve the record container throughput.

He says the port authority has closely monitored the activities of private ICDS and took steps, including giving encouragement to the shipping lines for common carrier agreement, to avoid congestion.

He said the port was continuously enhancing yard spaces to increase container storage capacity and started a process to purchase 104 types of equipment.

A major portion of imported goods are now directly delivered from the port yards after unstuffing from containers, while only 38 types of inbound goods are sent to the private ICDS for delivery, Shahjahan said.

If all types of import-laden containers are sent out of the port for delivery, the port, amid its current capacity, would be able to handle up to 4 million TEUs of containers annually.

Once the under construction Patenga Container Terminal starts operation, the port would be capable to handle an additional 0.5 million TEUs containers per year.

## Yuletide spirit comes to town

FROM PAGE B1

"We witness good sales during this time," he added. Surovi Rozario, a resident of Dhaka's East Rajabazar, said she bought new dresses and ornaments to celebrate Christmas. "Besides, we decorate our house with different traditional themes," Rozario added.

Although there is no estimation on Christmas sales in Bangladesh, it is the biggest sales season in the US, EU and many other countries as it is observed as a religious and cultural celebration among billions of people worldwide.

Christmas retail sales in the US were forecast to grow more than 10 per cent this year to about \$843.4 billion dollars, compared with a previous high of \$777.3 billion last year, according to global data firm Statista.

The Christmas season accounts for over 30 per cent of apparel shipments from Bangladesh to the US, UK and EU, said SM Khaled, managing director of Snowtex.

"From Thanksgiving Day, which was November 25 this year, to Christmas, this one month is the biggest selling season in the EU and US," he added.

Snowtex's local retail brand SaRa, which has seven outlets, has also started showcasing some items for Christmas. In Bangladesh, much of the exuberance of Christmas is seen at top hotels.

Pan Pacific Sonargaon Dhaka will host a "fun-filled" Christmas party on December 25, where customers can choose from barbecue items including beef steak, lamb chops, beef ribs, and king prawns. Interested parties can purchase an entry ticket for Tk 4,500 while select debit and credit cardholders can avail buy-one-get-one offer.

With an entry fee of Tk 1,500 per person, InterContinental Dhaka is throwing a Christmas Kids' Party, which includes activities such as cutting a cake, meeting Santa Claus, a live-action Farmville, magic show, ball pool, and so on.

Radisson Blu Dhaka Water Garden, Lakeshore Hotel Gulshan and other hotels are organising different parties on the occasion as well.

## Walton launches e-commerce company Walcart

FROM PAGE B1

State minister for information and communication technology Zunaid Ahmed Palak opened the e-commerce platform.

Walcart, with the slogan of Shohoje, Sobkhane, Nirapode (Easy, Everywhere, Safely), is a business-to-business and business-to-customer e-commerce platform through which the company is providing countrywide delivery services of the products and services in more than 30 categories, including Walton products.

In the press release, Palak said Walton has hired 5,000 new employees during the coronavirus pandemic and did not sack a single employee.

"Walton is the pride of Bangladesh. The company is now producing and exporting digital devices."

"Our aim is to generate \$5 billion worth of export revenue from the ICT sector by 2025. It is expected that one-fifth of that

revenue will come from Walton itself," Palak said.

"Walcart will work according to the trust of the people, taking the red-green flag of Bangladesh to the global arena," said Golam Murshed, managing director of Walton Hi-Tech Industries.

Shomi Kaiser, president of the e-Commerce Association of Bangladesh, Syed Almas Kabir, president of the Bangladesh Association of Software and Information Services, Shahid-Ul Munir, president of the Bangladesh Computer Samity, and Wahid Sharif, president of the Bangladesh Association of Call Center and Outsourcing, attended the opening ceremony.

S M Nurul Alam Rezvi, chairman of Walton Hi-Tech Industries Ltd (WHIL), SM Shamsul Alam, vice-chairman, SM Rezaul Alam and Tahmina Afrose Tanna, directors, and SM Manjurul Alam Ove, chairman of the Walcart, were also present.

## NBR eases bonded warehouse rules to boost exports

FROM PAGE B1

Under such circumstances, raw materials imported to make exportable products become liabilities for exporters and they have to sell the items in the local market after paying duty and taxes to the NBR.

There is no benefit if the products are not made and exported, he said.

Hassan, also managing director of Giant Textiles Ltd, said the NBR's latest decision will be instrumental to increase exports.

In general, the NBR grants a 24-month time to the export-oriented factories to hold raw materials to make products and exports.

The permission to retain raw materials for additional six months comes from the Customs Bond Commissioners (CBCs)—one in Dhaka and another in Chattogram—and from the NBR, said an

official of the tax administrator.

In its latest order issued last week, the NBR said it will consider granting additional bonding period for raw materials if the exporters apply.

Export-oriented firms in the export processing zones, economic zones and hi-tech parks will also get scope to apply for time extension if bonding period expires.

The NBR will consider the applications case to case basis, according to the notification.

"We have done it to facilitate exports," said the NBR official.

Md Saiful Islam, president elect of the Metropolitan Chamber of Commerce and Industry, termed the NBR decision timely.

"The latest decision will not affect revenue. If such flexibility on the basis of reality continues, exports will grow," he said.

## Stocks nosedive on BB-BSEC tension

FROM PAGE B4

SS Steel shed the most, dropping 8.84 per cent, followed by Armit Cement, Fortune Shoes, Beach Hatchery, and Aziz Pipes.

At the DSE, 87 stocks advanced, 266 fell and 25 remained same.

The prime bourse suffered yet another setback as investors' mounted sell-offs in all major sectors, including banks and financial institutions, International Leasing Securities said in its daily market review.

The DSEX plummeted 85 points as the current market scenario failed to offer any clear indication of recovery for investors. However, several small-caps from

various sectors and the general insurance sector remain in the investors' good grace, it added.

Among major sectors, based on market capitalization, financial institutions the dropped most followed by food and allied, and bank.

Investor activity was mostly concentrated on the bank, general insurance and miscellaneous sectors.

The Chittagong Stock Exchange (CSE) also fell yesterday as the CASPI, the main index of the port city bourse, dropped 336 points, or 1.67 per cent, to 19,738.

Among 285 traded stocks, 63 rose, 204 fell and 18 remained unchanged.

# Stocks nosedive on BB-BSEC tension

STAR BUSINESS REPORT

Dhaka stocks took a steep dive yesterday as investors continue to suffer from a confidence crisis amid growing tension between Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC).

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), nosedived 84 points, or 1.23 per cent, to 6,873.

Turnover, an important indicator of the market, stood at Tk 786 crore, down 2 per cent from Tk 807 crore the day before.

"Investors are suffering from a confidence crisis due to the deteriorating situation between two

regulators regarding some issues," said a top official of a merchant bank preferring anonymity.

A few weeks back, the BSEC ordered all listed companies, including banks and non-bank financial institutions (NBFI), to deposit their undistributed dividends to the stock market stabilisation fund.

It also allowed banks and NBFI to declare dividends from the current year's profits despite having cumulative losses. However, the central bank ordered them to disregard BSEC's orders.

The dispute arose when, after a meeting with Bangladesh Bank, the BSEC said the central bank would change its bank exposure policy by allowing cost-based exposure instead of market value.

However, the central bank refuted this, saying no such decision was taken at the meeting.

In such a situation, the fight took a new turn as the BSEC curtailed banks' power to cancel payments to perpetual bond holders.

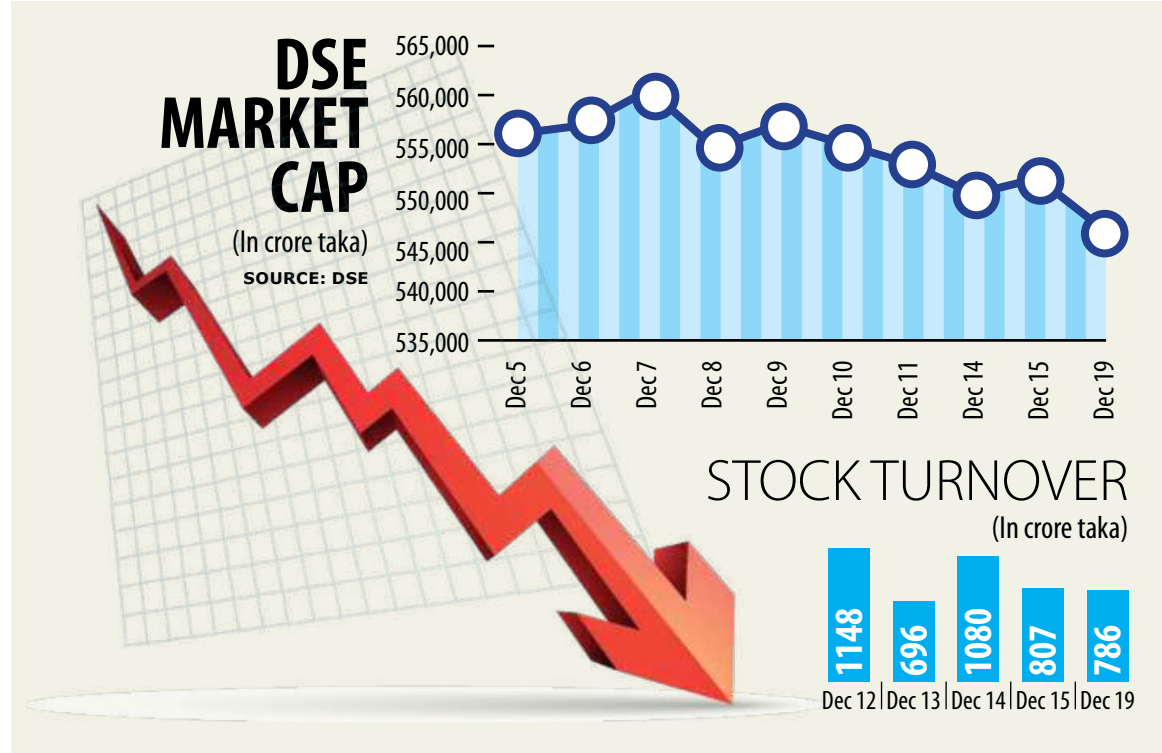
In protest, Bangladesh Bank sent a letter to lenders in the country, saying the BSEC's condition is at odds with central bank guidelines on risk-based capital adequacy.

Such a tussle between the two regulators is badly affecting the market, the merchant banker added.

Eastern Insurance topped the gainers list yesterday, rising 10 per cent, followed by Asia Insurance, Bangladesh National Insurance, Khan Brothers PP Woven Bag, and Shurub Industries.

Stocks of Beximco Ltd traded the most, worth Tk 73 crore, followed by One Bank, Sonali Paper, Fortune Shoes, and Active Fine Chemicals.

READ MORE ON B3



# DAP will push up flat prices

Real estate firms say



STAR/FILE

**If the housing sector moves forward, so too will backward linkage industries such as cement, paint, steel and ceramics, said Alamgir Shamsul Al-Amin, president of REHAB.**

STAR BUSINESS REPORT

Real estate developers are concerned about the increasing cost of building materials as well as the proposed Detailed Area Plan (DAP), which will guide future constructions in Dhaka city, according to the Real Estate and Housing Association of Bangladesh (REHAB).

"I fear the price of flats will go up in the future if the cost of construction materials, especially rod and cement, continues to rise and the proposed DAP is implemented," said Alamgir Shamsul Al-Amin, president of REHAB.

As such, a basic human need such as housing could go beyond the reach of middle-class people if these issues are not addressed.

Al-Amin made these comments while discussing the upcoming REHAB Fair during a press conference at Sonargaon Hotel in Dhaka yesterday.

"So, this year's fair could be a golden opportunity for buyers as various companies will be offering relatively special prices for flats from previously initiated projects," he said.

Besides, if the housing sector moves forward, so too will backward linkage industries such as cement, paint, steel and ceramics, Al-Amin added.

In light of the new DAP being prepared by Rajdhani Unnayan Karttripakkha for the 2017-

35 period, the Dhaka Building Construction Rules 2021 are also being framed.

If these rules are finalised, the size of buildings approved for construction will shrink by at least 33 per cent to 53 per cent compared to current standards while the price of flats will increase 50 per cent.

Opposing the proposed guidelines, REHAB wrote a letter to Prime Minister Sheikh Hasina detailing these issues in the first week of December.

The REHAB Fair 2021, a five-day event where members of the REHAB will showcase their housing solutions, is set to begin on December 23 after a two-year hiatus.

The fair, to be held at the Bangabandhu International Conference Center in Agargaon, will feature 220 stalls with building material suppliers and financial institutions also taking part.

Commerce Minister Tipu Munshi is scheduled to participate in the inaugural ceremony as chief guest.

Like every year, visitors who attend the fair will have the chance to win attractive prizes from a raffle draw with their entry tickets. REHAB first started hosting the fair back in 2001 and has since handed over more than 2.25 lakh apartments from the annual event.

With a current membership of 1,191 companies, REHAB is the only trade organisation of real estate developers in the country.

# Summit shuts another power plant

Awaits extension of deal to resume operations

STAR BUSINESS REPORT

Summit Power has shut down its gas-fired Madhabdi Power Plant Unit-2 as the factory's power purchase agreement with the government has expired.

In a disclosure posted on the Dhaka Stock Exchange website yesterday, the listed power company said the 24.30 megawatt plant's agreement to supply electricity to the Power Division had expired on December 15 this year.

On February 18, Summit Power

had applied for an extension of its government contract from the Ministry of Power, Energy and Mineral Resources.

However, this request is still under active consideration, the company said in its disclosure.

It also informed that the plant has been shuttered since midnight on December 15 and will remain as such until receiving further instructions from the ministry.

As a result, Summit Power's share value fell 2.26 per cent to Tk 38.90. Earlier, Summit Power shut down its gas-fired Summit Chandina Power

Plant Unit-2 due to the same reason. The unit had a power production capacity of 13.5 megawatts.

The company's Madanganj Power Plant, which has the capacity to produce 102 megawatts, also saw its government contract expire and subsequently halted operations.

Swapon Kumar Pal, company secretary of Summit Power, said operations at all three power plants were suspended due to the same reason, which is the expiry of their government purchase agreements.

Although the company is yet to get extensions for the two plants

that were closed previously, they are hopeful of a positive decision from the relevant authorities.

"We are working on it," Pal added.

Meanwhile, the owners of many quick rental power plants have been lobbying the government to extend the tenure of their purchase agreements.

The Bangladesh Securities and Exchange Commission also lobbied government high-ups to grant these extensions considering the interest of general stock investors as many of these plants are listed.

# 'Super Saturday' set to lure last-minute shoppers in US

REUTERS, New York

US retailers opened their doors on Saturday to what they hope will be swarms of shoppers searching for last-minute holiday gifts, despite surging cases of the coronavirus, including the new, highly-contagious Omicron variant.

The last Saturday before Christmas dubbed 'Super Saturday' is typically one of the busiest shopping days of the year, marked by a rush to buy last-minute gifts to tuck under the Christmas tree.

The risks to shoppers this year, however, are not just that merchandise might be out of stock, but also that in-person shopping could trigger more coronavirus infections - making Super Saturday a super-spreader event.

Toy store owner Katherine Nguyen says she anticipates more people to shop in person at her three Chicago-area locations compared to the last Saturday before Christmas 2020, or even the last Saturday before the pre-pandemic Christmas of 2019.

"It's like the new variant is the new normal the environment has gotten a little used to that," she said. Foot-traffic tracking firm Placer.ai said it expects more people to visit stores this weekend than on the same weekend last year.

Sensormatic Solutions, a data firm that measures store visits, cited a nearly 48 per cent increase in foot traffic on the Friday

after Thanksgiving compared to a year earlier as a sign that people would want to shop in-person.

A supply chain logjam has left many people also feeling nervous about not getting merchandise ordered online in time for the December 25 holiday.

"Consumers have been bombarded with messages about the impact of supply shortages on the availability of holiday gifts," said David Berson, chief economist at Nationwide in Columbus, Ohio.

Nguyen said her three stores never received shipments of merchandise for about 15 per cent of their toy catalog. The toys, she says, are "sitting on a container in Long Beach, California, outside of the water waiting to come in."

FedEx and the US Postal Service set December 15 as the deadline for ground deliveries to reach homes in time for Christmas, which means that shoppers still in search of gifts may have little choice but to shop in stores if they want to avoid fees for expedited shipping.

FedEx and rival United Parcel Service each say they have hired enough workers to manage the holiday peak, when the number of daily packages they handle easily doubles. Unlike last year, many consumers heeded advice from retailers to shop early - easing pressure on carriers by spreading demand over a longer period of time.

# China to tighten antitrust legal enforcement

REUTERS, Beijing

China's antimonopoly bureau will step up legal enforcement against monopolistic behaviour and push forward the amended antimonopoly law to improve the regulatory framework, said Gan Lin, chief of the national antimonopoly bureau.

China last month elevated the seniority of the market regulator's antitrust unit, the National Anti-Monopoly Bureau, and appointed Gan as chief, a move which would help antitrust investigators gain resources when examining mergers and acquisitions.

Gan said China still faces "insufficient punishment" for some monopolistic activities, while some antitrust regulations remain at the elementary level.

"With the rapid development of the digital economy, and new industries and business models emerging one after another, there are great differences in competition modes between the new and the traditional economy," Gan said in an interview published on the official website of State Administration for Market Regulation (SAMR) on Sunday.

"There's an urgent need to further improve the anti-monopoly legislation and industry regulation."

China shed its once relatively laissez-faire approach to market regulation of the internet sector in dramatic fashion this year, blocking mergers and imposing a record \$2.75 billion fine on e-commerce giant Alibaba Group Holding for abusing its market position.

## GLOBAL BUSINESS

# China's property distress sours steel sector

REUTERS, Beijing

Debt problems at a major Chinese property developer have now spilled over into a vital artery of the nation's industrial engine - the steel sector - and started to ripple through to other critical parts of the world's second-largest economy.

The spreading balance-sheet crisis at real estate firms is a warning for policymakers as a swing in the fortunes of the steel industry would have significant repercussions for China's economy, with cement, glass, and household appliances all vulnerable to demand drops.

Already, steel prices are down from their record highs seen earlier this year due to easing demand from construction activities, which account for over half of the metal's consumption, while steelmakers' share prices have also been hurt.

Steel's acute sensitivity to the ebbs and flows in construction and manufacturing makes it a closely-tracked bellwether for China's economy, which has started to slow down from the second quarter. Steel firms are also massive employers that support a vast supply chain.

Hitting steel operations, real estate developers have dialled back investment in projects to conserve cash in a sector squeezed by tighter borrowing regulations that have engulfed indebted companies, most notably China Evergrande Group.

"We normally stockpile steel products in winter at relatively lower prices and sell them after the new year holidays when consumption resumes. But we are holding off this year," said Qi Xiaoliang, a Beijing-based steel trader.

"There's still uncertainty in the real estate market for 2022 and the situation is not expected to be fully reversed for another six to 12 months," he added.

In the final quarter of 2021, the property market took a further hit as the ease in the sector shook already weak buyer sentiment, with unsold housing stock in China's



REUTERS/FILE

**Labourers work at a steel plant of Shandong Iron & Steel Group in Jinan, Shandong province, China.**

100 biggest cities reaching a five-year high in November.

Demand for homes is expected to ease further in 2022, hitting downstream manufacturers of household products.

Cement production, another construction material, was down around 16 per cent for September-November year-on-year, and was lower versus the same period between 2017 and 2019. Demand for earth excavators has also dropped off in recent months.

The broadening spillover impact of the property downturn was also seen elsewhere. In the appliances industry, for example, monthly refrigerator output has been falling since May through to November on an annual basis.

Steel producers were among the best performers of the entire Chinese economy over the first

three quarters of 2021, with China's 28 major listed mills pocketing over 106 billion yuan (\$16.61 billion) in net profits, up 174 per cent year-on-year and 129 per cent higher than in pre-pandemic 2019.

But the boom times in the steel sector are over. The paralysis that has struck China's mammoth construction industry is triggering a rare contraction in building activity across the country.

New construction starts by floor area have contracted from a year earlier since July - their longest stretch of declines since 2015.

The slowdown in the real estate sector has dented China's monthly crude steel output by more than 20 per cent since September.

The closely-tracked steel equity instruments and commodities futures have captured the reversal of fortunes.

After gaining roughly 90 per cent through mid-September, the CSI steel equities index has plunged 27 per cent since, while futures prices for construction materials rebar and wire rod have tumbled 24 per cent and 31 per cent respectively from their historical highs to erase almost all their gains this year.

As steel producers hit the brakes, the key inputs used in steelmaking have also taken a shellacking, with Dalian Commodity Exchange iron ore futures down more than 45 per cent from their record in May.

Gross profits for steel rebar have started to trend down from the peak seen in late September.

Property-related sectors are the single biggest contributor to China's economy, accounting for 28 per cent of GDP in 2021, down from a recent peak of 35 per cent in 2016.