



Investment scenario

- Tk **5,970cr** invested in **26** new spinning mills
- Total investment in spinning **\$11b**
- Investment in primary textile so far **\$15b**
- Total investment in primary textile to reach **\$20b** by **2025**
- Man-made fibre getting more investment



Spinning sector: by the numbers



26 new spinning mills set up in 2021



Total spinning mills in Bangladesh 500



Annual yarn production 1.8m tonnes



Spinners meet 90% demand for knitwear sector



Capacity 15m spindles



2.5m spindles to be added in 2 years

INVESTMENT GALORE in spinning despite Covid

REFAYET ULLAH MIRDHA

The spinning sector in Bangladesh witnessed a major jump in investment last year as entrepreneurs set up 26 new mills to meet rising demand despite uncertainty in the global apparel supply chain owing to the pandemic.

Entrepreneurs invested Tk 5,970 crore in the new manufacturing plants, adding more than 745,400 new spindles to their combined capacity, according to data from the Bangladesh Textile Mills Association (BTMA).

Mondol Group, one of the leading garment exporters, has invested Tk 450 crore to establish a spinning mill at Mirzapur in Tangail.

The plant went into production on December 15 and is producing 50 tonnes of cotton yarn per day. The raw material is used in manufacturing garments items for international buyers.

The company now plans to expand the production capacity to 75 tonnes with an investment of another Tk 300 crore this year. It has installed

77,000 spindles through the first investment and another 40,000 spindles will be added this year.

"I have a lot of demand for garments from international clothing retailers and brands. So, I invested in the spinning sector so that I need not to rely on others or on imports for fabrics," said Abdul Momin

artificial fibre yarn. The demand for man-made fibre garment items is rising worldwide, he added.

Israaq Textiles Ltd, a Shreepur based spinning mill, invested \$20 million to set up a factory to produce 50 tonnes of yarn a day. Currently, it produces 120 tonnes of cotton yarn.

the spinning sector as apparel shipment from Bangladesh is growing.

Garment shipment rose 28.02 per cent year-on-year to \$19.9 billion between July and December. Of the sum, \$11.16 billion came from knitwear sales, which was up 30.91 per cent, and \$8.73 billion from woven items, an increase of 24.50 per cent.

"The upward trend of the garment export will continue up to June this year as we have received plenty of orders," said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association.

The volume has risen by 15 per cent in the last few months. So, the investment is increasing in the primary textile sector to meet the growing demand from garment exporters, he said.

In Bangladesh, there are 500 spinning mills.

"Majority of the existing mills are expanding their capacity almost every month because of higher demand from local garment manufacturers and exporters," said Monsoor Ahmed, chief executive officer

of the BTMA.

Moreover, manufacturers prefer locally made yarn to reduce long lead-time as they find it difficult to supply garment items on time when they are manufactured from imported yarn and fabrics, said Ahmed.

Mahin Group, one of the leading woven fabrics makers, is constructing a spinning mill at a cost of Tk 500 crore.

The plant, located at Narsingdi, will have 55,000 spindles and will produce 35 tonnes of yarn for woven fabrics.

It is expected to go into production by the end of 2023 and will meet its own demand.

Currently, the group consumes 50 tonnes of yarn a day to produce woven fabrics but it has to buy yarn as it has no spinning mill.

"Even if I produce 35 tonnes of yarn in my spinning mills, I will have to procure 15 tonnes of yarn from other mills if I consume at the current pace," said Abdullah Al Mahmud Mahin, chairman and managing director of the group.



Mondol, managing director of Mondol Group.

The new factory may sell 30 per cent of the yarn to others.

Eighty per cent of the yarn produced at the mill is purely cotton yarn, while the remaining 20 per cent is of mixed yarn from cotton and

"The additional investment and production will not create any surplus yarn in the local market as demand is rising and new garment ventures are coming up every year," said Fazlul Haque, managing director of Israaq Textiles.

He sees a lot of potential for

Dhaka airport gets 2 scanners Dedicated for perishable goods

RASHIDUL HASAN

Two new state-of-the-art dual view X-ray machines have been installed at the export cargo village of Hazrat Shahjalal International Airport to exclusively screen perishable items, finally materialising a long time demand of exporters.

Such items used to be screened with regular cargo with six machines.

Exporters have long been demanding separate machines, alleging that they were missing flights due to examination delays.

They claimed that when several flights were due to depart in quick successions, it was inevitable for at least a couple of tonnes to be left behind for the delays.

Perishable goods such as vegetables, fish, crabs, flowers and fruits are exported to countries, including the UK, Canada, Saudi Arabia, Oman, Kuwait, Dubai, Singapore, Malaysia, Thailand, Qatar and ones in Europe.

Some 2,106.4 tonnes were sent off from the airport in October last year whereas 1,729 tonnes in November, said the airport's executive director, Group Captain AHM Touhid-ul Ahsan.

He inaugurated the installation of the two US-manufactured machines on Monday night.

The country earned Tk 1,200 crore in 2019 exporting perishable items, according to sources at the airport.

"With this activity, it will be possible to export over one and a half times more...perishable goods," he said in a message.

He also said the two machines would give priority to the growing demand for Bangladesh's products abroad and would also increase the interest of local farmers in export-oriented farming.

Asked, Mohammed Mansur, general secretary of the Bangladesh Fruits, Vegetables & Allied Products Exporters' Association, said more dedicated X-ray machines were required for screening perishable items.

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STOCKS	
DSEX ▲	CSCX ▼
0.15%	Flat
6,892.99	12,104.25

COMMODITIES	
Gold ▼	Oil ▲
\$1,803.13	\$76.85
	(per barrel)

CURRENCIES				
	USD	EUR	GBP	JPY
BUY TK	84.85	94.84	113.43	0.72
SELL TK	85.85	98.64	117.23	0.75

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 1.14%	▲ 1.77%	▲ 1.05%	▼ 0.20%
59,855.93	29,301.79	3,181.13	3,632.33

Mirsarai economic zone's cost up 74pc To take another 2 years to complete

MD ASADUZ ZAMAN

The estimated expenditure for the under-construction Mirsarai economic zone has spiralled by about 74 per cent due to changes for further development works and increase in the number of industrial plots.

Moreover, it will take another two years, meaning until June 2023, to complete the project, which was first approved in September 2018 and due to be complete by June 2021.

The Executive Committee of the National Economic Council yesterday approved the project's first revision, increasing the cost to Tk 1,303 crore from Tk 750 crore.

That means, around Tk 552 crore of additional taxpayers' money will have to be pumped into the project.

According to Planning Commission documents, one of the major reasons for the implementation time period and cost hikes is the increase in the number of industrial plots from 250 to 539, increasing the cost of land development and construction works.

Each plot is of 3,600 square feet.

The changes are to 61 components, with some 34 increasing costs and 27 enabling reductions.

Cumulatively, they increase the project cost by Tk 369 crore.

Other developments are purchase of fire station equipment, construction of factory buildings, footpaths and three residential buildings and repairs of vehicles, increasing costs by Tk 182 crore.

This is yet another example of improper projections of

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The census that was supposed to be held in January last year will provide complete data on the overall population, its composition, workforce, density, housing and other socioeconomic indicators vital for formulating policies.

PHOTO: STAR/FIELD

Shadow forces behind

Mannan says on delay in buying tabs for census

STAR BUSINESS REPORT

Many "shadow forces" are working from behind the scenes delaying the purchase of tablets that would be used in conducting the country's population census, said Planning Minister MA Mannan.

The minister, however, said that he would try his best to complete the process fairly and properly even though it requires more time.

He said while responding to a query at a press briefing after the meeting of the Executive Committee of the National Economic Council (Ecnc) yesterday.

"We have the rules and regulations to tackle the forces. The focal point of these rules and regulations is the government's

READ MORE ON B3



A customer exits after picking up Apple's new 5G iPhone 12 that went on sale, as the coronavirus disease outbreak continues, at an Apple Store in Brooklyn, New York.

PHOTO: REUTERS/FILE

Apple becomes 1st US company to reach \$3t valuation

AFP, New York

Apple became the first US company to hit \$3 trillion in market value, briefly reaching the landmark on Monday in the latest demonstration of the tech industry's pandemic surge.

The iPhone maker scaled the record level near 1845 GMT, reaching \$182.88 a share before slipping back slightly.

The tech giant also was the first US company to hit \$2 trillion in August 2020, during the Covid-19 pandemic that stoked demand for personal electronics and digital services, such as Apple's streaming and smartphone app store.

And it likewise was the first American firm to overtake \$1 trillion in August 2018.

The surge marks the latest accomplishment for Tim Cook, who became chief executive of

the Cupertino, California giant in 2011 shortly before the death of the company's visionary cofounder, Steve Jobs.

While the top tier of US stock markets are dominated by Silicon Valley companies, Microsoft is the only other American company worth more than \$2 trillion.

In October, Apple reported net income of \$20.5 billion on revenue of \$83.4 billion, a record high for the quarter ending in September.

The company's fiscal 2021 revenues were \$365.8 billion, more than triple the level of a decade ago.

But as with many other tech giants, Apple has seen pressures in recent months due to supply chain problems, including a global shortage of semiconductors and Covid-related manufacturing

disruptions in Southeast Asia. Apple shares tumbled following that October earnings report, but rallied thereafter, winning nearly 20 per cent in the final two months of 2021.

Some 45 years after its establishment that helped make personal computers a mainstream profit, Apple's revenues today are mostly closely tied to the iPhone, which was first unveiled in 2007.

But increasingly smartphones are also crucial gateways to services revenue, an increasingly pivotal component of Apple's prowess.

Revenues for services, which includes the Apple TV streaming product and the Apple Pay services have tripled over the last five years.

This business has taken off under Cook, who initially faced

questions about his ability to navigate and create the technology frontier as ably as the charismatic Jobs.

But Cook has won over Wall Street with clear communication and effective execution as he has helped build new business, including wearables, which accounted for more than \$38 billion in sales last year.

Like other Big Tech honchos, the Apple CEO has parried lawmakers on Capitol Hill.

While Apple's image has arguably emerged less bruised than some Big Tech names, it is hardly free of controversy.

The tech giant has clashed in court with Fortnite creator Epic Games, which has sought break Apple's grip on the App Store, accusing the iPhone maker of operating a monopoly in its shop for digital goods or

services.

A federal judge in November ordered Apple to loosen control of its App Store payment options, but said Epic had failed to prove that antitrust violations had taken place.

Apple has also recently sparred with regulators in Europe.

In November, Italy's competition watchdog imposed fines totaling over 200 million euros (\$225 million) on Amazon and Apple, saying a 2018 deal between the two giants had "barred official and unofficial resellers of Apple and Beats products from using Amazon, allowing the sale of those products in that marketplace only to Amazon and to selected parties in a discriminatory manner".

Apple shares finished up 2.5 per cent at \$182.01.

German unemployment declines in December

AFP, Frankfurt

Germany's joblessness rate fell slightly in December despite the return of health restrictions to tackle a new wave of coronavirus cases, official figures published Tuesday showed.

The seasonally adjusted rate dropped to 5.2 per cent from 5.3 per cent the previous month, the BA federal labour agency said, the equivalent of 23,000 fewer unemployed people.

"The recovery seen in recent months continued in December," agency head Detlef Scheele said in a statement.

In raw figures, the number of unemployed sat just under 2,330,000, down around 378,000 since December 2020.

Unemployment in Europe's top economy climbed as high as six per cent in the months following the rapid spread of the coronavirus through Europe in the first half of 2020.

Germany has relied heavily on subsidised short-term work schemes to help businesses and workers weather the pandemic storm, with nearly six million Germans placed on reduced hours at the peak of the crisis in April 2020.

The scheme was still supporting some 710,000 people according to the latest available figures from October, the BA said.

Evergrande shares rise after day-long trading suspension

AFP, Hong Kong

Shares in embattled Chinese property giant Evergrande rallied on Tuesday after a day-long suspension, as the company confirmed it had been ordered to demolish part of a resort in Hainan province.

China's property firms have struggled in the wake of Beijing's drive to curb excessive debt in the real estate sector as well as rampant consumer speculation.

Evergrande confirmed on Tuesday that it had received orders to tear down 39 buildings at the Ocean Flower Island development in the southern Chinese province. The decision came from authorities on December 30 and only affected one plot of land under development, the company said in an announcement to the Hong Kong stock exchange.

"The company will actively communicate with the authority in accordance with the guidance of the decision letter and resolve the issue properly," the announcement read.

The company's shares climbed as much as 10 per cent soon after opening for the afternoon session in Hong Kong before settling back to end 1.26 per cent up at HK\$1.61.



Shamima Nargis, chairman of Bangladesh Development Bank Ltd, and Kazi Alamgir, managing director, cut cakes to celebrate its 12th founding anniversary at the lender's head office in Dhaka recently. Md Abu Hanif Khan, Subhash Chandra Sarker, Md Abu Yusuf and Quazi Shairul Hassan, directors, were present.

PHOTO: BDBL

Algeria energy firm to invest \$40b in five years

AFP, Algiers

Algeria's state-owned hydrocarbon firm Sonatrach will invest \$40 billion into oil exploration, production and refinement as well as gas prospecting and extraction between 2022 and 2026, CEO Toufik Hakkar said Monday.

"Our investment plan between 2022 and 2026 is approximately \$40 billion, including \$8 billion in 2022," Hakkar said on state television, noting that a third of investments will involve foreign partners.



Khwaja Shahriar, managing director of LankaBangla Finance Ltd, receives a letter of appreciation from Fazole Kabir, governor of Bangladesh Bank, at the central bank headquarters in Dhaka recently. The non-bank financial institution achieved the target on disbursing stimulus loans among the cottage, micro, small and medium enterprises in the last fiscal year.

PHOTO: LANKABANGLA FINANCE



Gazi Golam Ashria, chairman of Jamuna Bank, inaugurates the bank's annual business conference at the lender's under-construction Old Home building in Keraniganj, Dhaka on Sunday. Md Tajul Islam, minister for local government and rural development and a shareholder of the bank, Md Sirajul Islam Varosha and Md Ismail Hossain Siraji, directors, Nur Mohammed, chairman of the executive committee, and Mirza Elias Uddin Ahmed, managing director, were present.

PHOTO: JAMUNA BANK

Spain's jobless number posts record fall

AFP, Madrid

The number of registered jobless in Spain posted a record drop in 2021 as the relaxation of pandemic restrictions boosted its key tourism sector, official statistics showed Tuesday.

The number of people registered as being out of work dropped by 782,232 last year over 2020 to stand at 3.1 million at the end of December, the labour ministry said.

That is the biggest drop since the current statistical series began in 1996 and the lowest number of jobless in the month of December since 2007, it added.

The number of registered jobless fell by 2.4 per cent, or 76,782 people, in December from November – the 10th consecutive month of falling unemployment figures.

"The date once again reflects the progress of Spain's recovery," Socialist Prime minister Pedro Sanchez tweeted.

Spain's tourism-dependent economy contracted by 10.8 per cent in 2020, one of the worst results among industrialised countries.

But the eurozone's fourth-largest economy returned to growth in the second quarter of this year as global tourism picked up.

DSE app download up 51pc in pandemic

FROM PAGE B4 during the pandemic due to bourse activities still being mainly done manually, it damaged the country's image abroad, said Rozario, also managing director of Global Securities.

The app's use should be simplified and it should provide more data to attract investors, he added.

"I availed the app for one of my two beneficiary owner accounts to trade shares," said Masum Ahmad, who is employed at a private company.

When market starts going up, trading through the app become difficult, he said, adding that this discouraged him from opening a second app for the other account.

The DSE should take proper steps so that investors can conduct trade smoothly with the app, he added.

The DSE had initially in 2018 decided to impose a monthly fee of Tk 150 for using the app, saying the bourse pays \$1 per month to the app developer for each user.

However, it backtracked from its decision following protests of stock investors.

"We want to see higher use of the app as it is necessary in the digital era," said Shaikh Shamsuddin Ahmed, a commissioner of the Bangladesh Securities and Exchange Commission (BSEC).

Everything depends on demand, on whether it has been rising, he said, adding that the bourse can work on developing peoples' capacity on using the app.



Kabir Ahmed re-elected BAFFA president

STAR BUSINESS REPORT

Kabir Ahmed has been re-elected as the president of the Bangladesh Freight Forwarders Association (BAFFA) for a two-year term until 2023.

The election was held both in Dhaka and Chattogram on December 30 to elect directors, the association said in a statement yesterday.

The elected directors later elected Ahmed as the president of the association.

Amirul Islam Chowdhury has been elected as the senior vice president, and Nurul Amin and Khairul Alam (Suzan) as vice presidents for Dhaka and Chattogram respectively, according to the statement.

Tesla criticised for opening showroom in Xinjiang

REUTERS, Shanghai

Tesla's announcement that it has opened a showroom in Xinjiang has attracted criticism from US rights and trade groups, making it the latest foreign firm caught up in tensions related to the far-western Chinese region.

Xinjiang has become a significant point of conflict between Western governments and China in recent years, as UN experts and rights groups estimate more than a million people, mainly Uyghurs and members of other Muslim minorities, have been detained in camps.



Sugarcane farmers say their losses could have been averted had the mills procured their crops on time.

PHOTO: STAR

Mills to produce less sugar

OUR CORRESPONDENT, Dinajpur

Two sugar mills, one in Thakurgaon and the other in Joypurhat, are set to produce a lower amount of sugar this year compared to last season as they have cut the volume of sugarcanes to be crushed, officials said.

Thakurgaon Sugar Mills started sugarcane crushing on December 24, while the crushing at Joypurhat Sugar Mills began on December 30.

Initially, the production at the Thakurgaon factory was hampered for technical glitches. It returned to operation after experts from Dhaka fixed the glitches. Officials say glitches are common for the outdated machinery at the factory.

Authorities have set a target to crush more than 50,000 tonnes of sugarcane at the factory.

Some 36,000 tonnes of sugarcanes will come from the district, while the rest would be sourced from Dinajpur and Panchagarh. The quantity was



much higher compared to last year's, said Abu Raihan, general manager (agro) of Thakurgaon Sugar Mills.

Around 3,750 tonnes of sugar to be produced this season. The recovery rate is 7.50 per cent, which is higher than last year's, according to officials.

They, however, are apprehensive of attaining the production target this

year for the old machinery of Thakurgaon Sugar Mills as it hampers operation.

Joypurhat Sugar Mills will crush at least 30,000 tonnes of sugarcane this year, down from around 1.6 lakh tonnes last year. Around 1,800 tonnes of sugar will be produced this year with the recovery rate standing at 6.5 per cent.

Rabbik Hasan, managing director of Joypurhat Sugar

Mills, said the factory would crush the sugarcanes that have been produced in the district alone.

The factory is not taking sugarcane from the catchment areas of Shyampur Sugar Mills in Rangpur and Rangpur Sugar Mills of Gaibandha as per a decision of state-run Bangladesh Sugar & Food Industries Corporation, he said.

Farmers in Dinajpur, Thakurgaon, Panchagarh, Natore, Rangpur, Gaibandha and Pabna suffered massive losses after the government suspended the operation of six mills in the middle of 2020.

The mills are Setabganj Sugar Mills in Dinajpur, Panchagarh Sugar Mills, Shyampur Sugar Mills, Rangpur Sugar Mills, Kushtia Sugar Mills, and Pabna Sugar Mills.

Farmers say the losses could have been averted had the mills procured their crops on time.

Because of the factory closures, most farmers have cut sugarcane production and shifted to other crops.



Md Humayun Kabir Shah Md Abdul Bari

Exim Bank promotes 2 to additional MDs

STAR BUSINESS DESK

Exim Bank has recently witnessed the promotion of two of its deputy managing directors to the position of additional managing directors.

Before the new role, Md Humayun Kabir, had been serving the bank as a DMD and chief financial officer and Shah Md Abdul Bari as a DMD and head of the internal control and compliance division.

Kabir obtained BBA and MBA degrees in management from the University of Dhaka.

He started his banking career with National Bank as a probationary officer in 1984. He joined Exim Bank in 1999.

Bari joined Exim Bank as a senior assistant vice-president in 2001.

He also started his banking career with National Bank as a probationary officer in 1988. He previously worked at Prime Bank and Mercantile Bank.

Bari obtained bachelor and master's degrees from the Institute of Social Welfare and Research at the University of Dhaka.

China to order reviews for firms seeking overseas listings

REUTERS, Shanghai

China said on Tuesday it will put in force new rules to increase its oversight of plans by Chinese platform firms to list on overseas stock markets in the latest move to tighten its grip on its sprawling technology sector.

The Cyberspace Administration of China (CAC) said the new rules come into effect on February 15 and require platform companies with data on more than 1 million users to undergo a security review before listing their shares overseas.

"With stock market listings there is a risk that key information infrastructure, core data, important data or a large amount of personal information could be impacted, controlled or maliciously used by foreign governments," said the CAC in a statement, reiterating a concern flagged in July when the changes were first proposed.

UK tightens takeover rules

AFP, London

Britain on Tuesday rolled out new rules to make it harder for foreign firms to buy UK assets amid national security concerns surrounding proposed takeovers by Chinese and US groups.

The legislation will give ministers closer scrutiny of foreign approaches, allowing them to impose conditions on proposed deals or even block them, the government said in a statement.

Overseas investors and firms must now notify the government if they plan to buy any part of a UK business in sensitive sectors that could imperil national security — such as defence and energy.

Mirsarai economic zone's cost up 74pc

FROM PAGE B1 government projects costing time and money.

The project was taken mainly due to unavailability of industrial plots in the eight export processing zones (EPZs) run by Bangladesh Export Processing Zones Authority (BEPZA).

This prompted Bangladesh Economic Zones Authority to provide 1,150 acres of land of Bangabandhu Sheikh Mujib Shilpa Nagar to BEPZA Economic Zone, Mirsarai.

As of June last year, Tk 175 crore has already been spent behind the project.

Similarly, Ecneec gave

its approval to a third revision of another project that aims for the skills development of mobile game and application developers.

With a view to availing a bigger slice of the rapidly growing international mobile gaming market that is worth about \$90 billion, the government took up the project in 2016 with the cost at that time estimated at about Tk 282 crore.

In the past revisions, more time was sought but not funds. But this time, it received an additional Tk 49 crore and a two-year extension, meaning now it would be completed by June 2023.

At a briefing after the Ecneec meeting, Nasima Begum, a member of the Planning Commission, said the revisions were brought about for the growth of the global market instead of taking up a new project.

Besides, the pandemic has delayed the start of the project and stalled progress initially, she said.

The revision is needed due to new activities under the project, such as making a 10 episode animated movie titled "Khoka" on the childhood of Bangabandhu Sheikh Mujibur Rahman and making 12 games under the game-based web platform.

Shadow forces behind Dhaka airport gets 2 scanners

FROM PAGE B1

In the case of purchases, the purchase committee is a higher committee."

The committee has found various errors and sent back the proposal, he said. "It is not my responsibility to judge that."

"But as much as I know, there is no shadow forces in my place (ministry)."

Mannan said the prime minister would give him more time even if it was delayed for the sake of proper calculation and expenditure.

When asked whether there is any shadow force in the purchase committee, Mannan said, "No, no. I never said this. The shadow force can be anywhere in

the world." On December 20, the purchase committee, for the second time, turned down a tender proposal of the Bangladesh Bureau of Statistics (BBS) to buy 3.95 lakh tablets for conducting the sixth population census, citing a lack of details in the proposal.

Earlier, the BBS re-tendered its proposal to buy the tabs days after the cabinet committee had rejected the initial tender on August 25.

The census, which provides complete data on the overall population, its composition, workforce, density, housing and other socioeconomic indicators vital for formulating economic and other policies, was supposed to

be held in January last year. The first tender was floated on June 23, and the technical evaluation committee of the BBS picked the second-lowest bidder after the lowest bidder was disqualified.

Eight companies had bought bidding documents but only two local companies, which manufacture and assemble electronic items, took part in the bidding.

Earlier, the schedule for the census, which is conducted once a decade, was deferred by 10 months to October 25-31 due to the Covid-19 pandemic.

The last census was held in 2011, when the country's population stood at 15.17 crore.

FROM PAGE B1 He also said this development was not the solution to all their problems, one of which was a severe scarcity of space in the export cargo village.

"When two to three flights are scheduled to depart within a short period of time, many exporters miss sending their cargo items as there is not enough space at the cargo village for keeping the cargo items for screening," Monsur told The Daily Star yesterday.

He also said the exporters were not only losing business but also international buyers for the missed flights.



Monzurur Rahman, chairman of Pubali Bank Ltd, welcomes the New Year 2022 and celebrates the bank's 63 years of journey by cutting a cake with the members of the Board of Directors at its head office in Dhaka recently. Moniruddin Ahmed, Rumana Sharif, Azizur Rahman, and Rana Laila Hafiz, directors, Mohammad Naushad Ali Chowdhury, independent director, Safiul Alam Khan Chowdhury, managing director, Mohammad Ali, additional managing director, Zahid Ahsan, deputy managing director, and Mohammad Liton Miah, general manager, were present.

PHOTO: PUBALI BANK



Mohammed Monirul Moula, managing director of Islami Bank Bangladesh Ltd (IBBL), and Talukder Ziaur Rahman Sharif, general manager of Parkview Hospital Ltd, exchange signed documents of a memorandum of understanding over corporate facilities at the bank's Chattogram zone office recently. JQM Habibullah and Md Nayer Azam, deputy managing directors of the bank, and Mohammed Shabbir, senior executive vice-president, were present.

PHOTO: IBBL

DSE app download up 51pc in pandemic

AHSAN HABIB

Investors are apparently increasingly opting for executing trade through the

Dhaka Stock Exchange (DSE) mobile app as its download has soared by around 51 per cent during the last two years amidst the coronavirus pandemic.

At the end of 2021, it had been downloaded 77,064 times, up from 51,199 times on January 1, 2020.

In other words, the app has been opened for use by 77,064 beneficiary owner (BO) accounts.

The DSE launched the app on March 9, 2016 to bring ease to trading of stocks and give a boost to the market.

The app was developed by FlexTrade Systems. Apart from executing purchase and sale orders, the app features real time display of market and trading statistics, company and portfolio status, company news and purchase and sale alerts.

Due to the pandemic, many investors chose to conduct trade through the app staying back at home, so the figure could be inflated and not reflecting the real scenario, according to market analysts.

Turnover through the app in 2021 reached Tk 42,681 crore, which was 12 per cent of the total turnover worth Tk 354,052 crore, according to the DSE data.

There are some drawbacks that should be solved first, then use will soar and that is necessary, said Richard D' Rozario, president of the DSE Brokers Association of Bangladesh.

Every user is being tagged with an authorised representative of a brokerage house who would be responsible for the user's trade placements, he said.

This means any mistake of the user falls on the shoulders of the representative, for which many broker houses are reluctant to allow wholesale use of the app, he said.

Clients' knowledge of trade is still not up to the mark so it will take time for use of the app to be popularised, he added.

As the market trade was shut for over two months

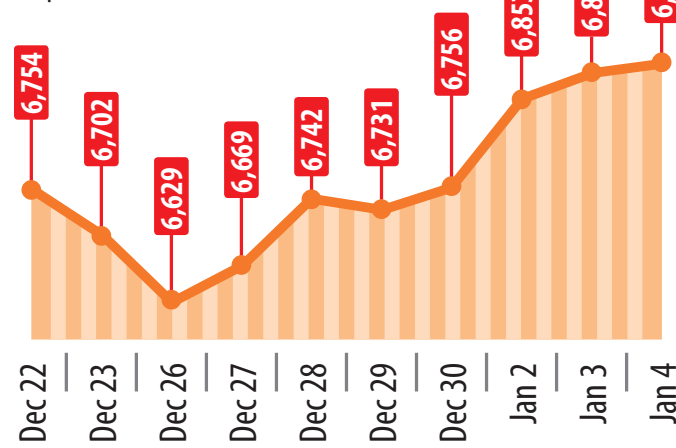
READ MORE ON B2

Stocks rise for fourth day

DSEX, the benchmark index of Dhaka Stock Exchange, rose 10 points or 0.15pc; but turnover fell 10pc to Tk 1,182cr; 167 stocks advanced, 180 fell and 31 remained same

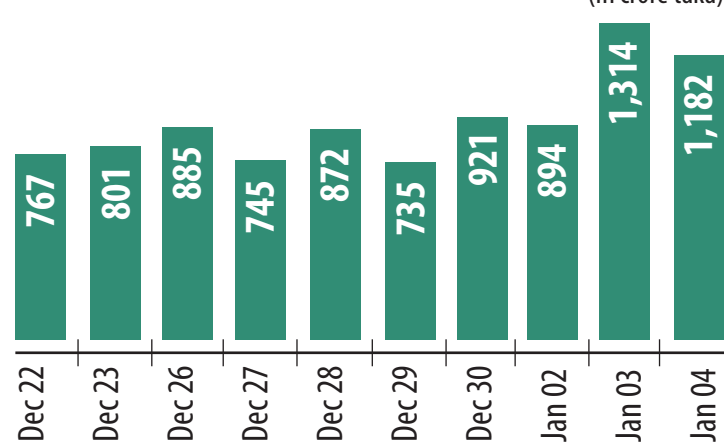
Movement of DSEX

(In points) SOURCE: DSE



DSE turnover

(In crore taka)



STAR BUSINESS REPORT

Dhaka stocks went up yesterday as investors continued pouring in their funds, putting their bet on hopes that the Omicron variant of Covid-19 would not be as threatening as many had previously thought.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), rose 10 points, or 0.15 per cent, to 6,892. This is fourth consecutive rise of the index through which it gained 161 points in total.

Investors were reluctant to park their funds over the past month mainly for three reasons, one of which was the spread of Omicron in European countries, said a top official of a stock brokerage firm.

If the spread of Omicron had a devastating effect, it could damage Bangladesh's economy and the stock market too, he said.

The other two reasons are discords between the Bangladesh Bank and the Bangladesh Securities and Exchange Commission on some issues and institutional investors opting to make lower investments in stocks in December, he added.

The BSEC ordered all listed companies, including banks and non-bank financial institutions, a few months back to deposit their undistributed dividend to the stock market stabilisation fund.

It also allowed the banks and NBFIs to declare dividend from the current year's profits even in cases where there were cumulative losses.

But the central bank told them not to abide by the BSEC order, which ultimately had an impact on stock investors.

At the DSE, 167 stocks advanced, 180 fell and 31 remained the same.

Meghna Life Insurance Company topped the gainers' list, rising 10 per cent, followed by Fareast Islami Life

If the spread of Omicron goes on, it could damage Bangladesh's economy and the stock market as well, says an official of a brokerage firm

Insurance Company, Rupali Life Insurance, Bangladesh Shipping Corporation, and Taufika Foods and Lovello Ice cream.

ICB AMCL Third NRB Mutual Fund shed the most, dropping 5.40 per cent, followed by Shepherd Industries, Sonargaon Textiles, Hamid Fabrics and Hwa Well Textiles.

Beximco stocks were traded the most, worth Tk 106 crore, followed by Bangladesh Shipping Corporation,

Fortune Shoes, Active Fine Chemicals, and Taufika Foods and Lovello Ice cream.

Turnover, an important indicator of the market, fell 10 per cent to Tk 1,182 crore.

Chittagong Stock Exchange (CSE), however, dropped. The CASPI, the main index of the port city bourse edged down 3 points, or 0.01 per cent, to 20,154.

Among 292 stocks to undergo trade, 130 rose, 128 fell and 34 remained unchanged.

The premier bourse of Dhaka ended up in the green in line with the last two consecutive sessions in the New Year, as optimistic investors showed interest in sector-wise share purchase, said International Leasing Securities in its daily market review.

The benchmark index fell down during the first hours of trade and then recovered gradually as the session progressed.

The investors' enthusiasm towards life insurance, cement and IT sectors helped the index remain in the green, it said.

However, the market faced some profit booking moves by some risk-averse investors, especially in the travel, miscellaneous and food and allied sectors, it added.

Among the sectors, life insurance went up 3.5 per cent, cement 2.3 per cent and IT 1.1 per cent whereas travel fell 2 per cent, miscellaneous 1.1 per cent and food & allied 0.6 per cent.

Indonesia warns coal supply crunch not over

REUTERS, Jakarta

Indonesia has warned that its coal supply situation remains critical, ahead of Wednesday's review of its export ban, unnerving global markets for the fuel used to generate most of the electricity that drives Asia's biggest economies.

Coal futures in China, the world's biggest consumer of the fuel, surged on Tuesday after Indonesia, the top exporter of the coal used in power plants and China's largest overseas supplier, on Saturday banned exports for January to avoid outages at the generators run by state-owned utility

Perusahaan Listrik Negara (PLN). The price rise is among the first signs of the impact of Indonesia's coal export ban, which threatens the energy security of some of the world's biggest economies such as China, India, Japan and South Korea.

China's benchmark thermal coal futures rose by as much as 7.8 per cent in the first day of trading since the policy was announced and were at 712.40 yuan (\$111.81) a tonne.

That is the highest since December 20 and futures are set for their biggest gain since October 19.

Late on Monday, PLN said it has secured 3.2 million tonnes of coal out of the 5.1 million tonnes of additional supply for January it needs to avoid widespread outages.

But, it warned that "this critical period is not yet over", adding that it continued to coordinate with the government and other coal suppliers.

At the same time, Indonesian President Joko Widodo said that coal miners, as well as liquefied natural gas producers, must prioritise domestic supply and ensure energy security in Indonesia before exporting.

He threatened to revoke the business permits of miners which failed to meet a so-called domestic market obligation (DMO) that requires them to sell 25 per cent of their coal output to the domestic market at a maximum price of \$70 per tonne.

Finance Minister Sri Mulyani Indrawati said the ban was enacted to avoid disrupting the recovery of Indonesia's economy, Southeast Asia's biggest, from the Covid-19 pandemic.

But the decision endangers Asia's economic powerhouses China, India, Japan, and South Korea, which together received 73 per cent of Indonesian coal exports in 2021, shiptracking data from Kpler showed.

Indonesian authorities are set to reexamine the export ban on Wednesday.

The logistics of re-routing coal cargoes to PLN's power stations will be challenging because it will require smaller barges rather than large carriers, said a Singapore-based coal analyst.

Pandu Sjahrir, chairman of the Indonesian Coal Miners Association, said as a "very short-term solution" the group's ten biggest members will help PLN close the supply gap.

On Tuesday, Indonesian State-Owned Enterprises (SOE) Minister Erick Thohir said in a statement the ministry is working to improve PLN's coal supply management and infrastructure.

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Sri Lanka unveils relief package as food prices soar

AFP, Colombo

Sri Lanka unveiled a \$1.1 billion targeted relief package Tuesday to help consumers pay soaring food costs as an economic crisis bites.

The island's tourism-dependent economy was hammered by the pandemic and rampant shortages have left its people struggling to buy essential goods.

Supermarkets have been rationing milk powder, sugar, lentils and other essentials, with food prices rising by a record 22 percent last month.

More than two million state employees and pensioners will be given a living allowance of 60,000 rupees (\$300) this year to deal with the rising cost of living.

Finance minister Basil Rajapaksa also announced subsidies for home gardens, with crop yields expected to fall further after a disastrous campaign to make Sri Lanka the world's first 100 percent organic farming nation.

"We want to encourage a big homegrown agriculture drive this year by encouraging people to grow their own food," he said.

Rajapaksa did not say how the government would finance the package of 229 billion rupees (\$1.14 billion), which comes two months after the unveiling of a drastic austerity budget designed to rein in a runaway deficit.

Last year's ban on agrochemical imports worsened food shortages by causing crop failures and prompting farmers to leave nearly a third of the island's agricultural fields dormant.

The policy was lifted after protests by farmers but its consequences have sparked discord in Sri Lanka's ruling coalition.



A street food vendor sets up his stall and waits for customers at Galle Face promenade in Colombo on January 1.

PHOTO: AFP

Oil prices steady ahead of Opec+ meeting

REUTERS, London

Oil prices were largely steady on Tuesday as investors expected major producers to agree to stick to their planned output increase at their meeting later in the day amid diminishing concerns over the spread of the Omicron variant of Covid-19.

Brent crude was up 22 cents, or 0.3 per cent, at \$79.20 a barrel at 0939 GMT, while US West Texas Intermediate (WTI) crude rose by 21 cents, or 0.3 per cent, to \$76.29 a barrel.

OPEC+ is expected to increase oil output for February as the group assesses only a short-lived impact on demand from the Omicron, read more

OPEC+, which groups producers from the Organization of the Petroleum Exporting Countries (OPEC) with others, has raised its output target each month since August by 400,000 barrels per day.