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 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

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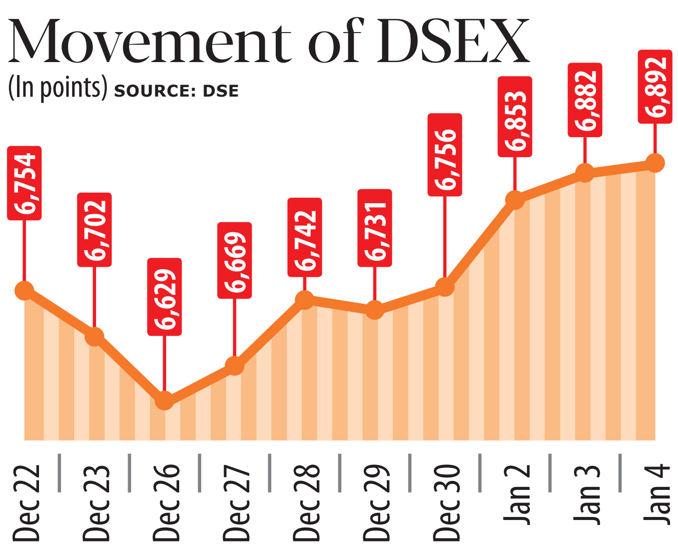
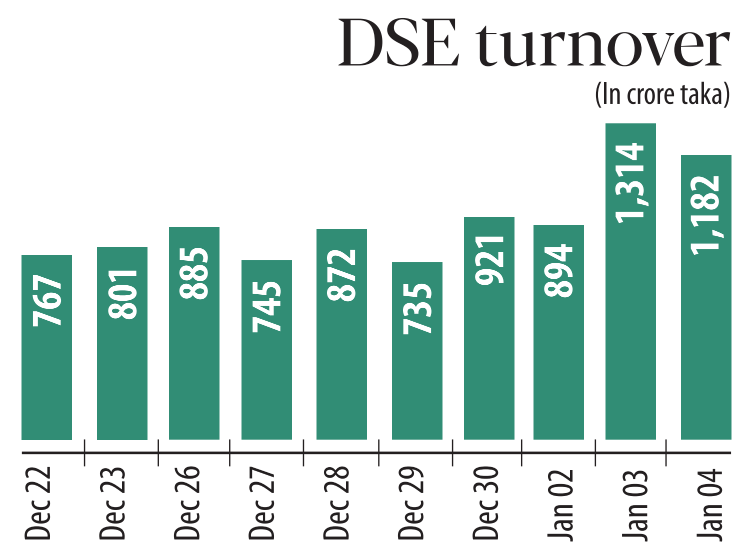
Stocks rise for fourth day

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





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 Perusahan 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.

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

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.

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.