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More leeway for private ICDs

NBR frames new policy to boost export, import

DWAIPAYAN BARUA, Ctg

The National Board of Revenue (NBR) has formulated the country's first-ever comprehensive policy for private inland container depots (ICDs) in order to facilitate their operations and expand Bangladesh's foreign trade.

Owners of the private ICDs hailed the move, calling the policy comprehensive as it will help the sector get rid of the inconsistencies created by existing guidelines.

The Private Inland Container Depot (ICD) and Container Freight Station (CFS) Policy-2021, which was published by the NBR last week, has set clear guidelines on establishing private ICDs.

The policy has eliminated inconsistencies in the existing rules, made setting up scanners optional for ICDs, and given them power to fix tariffs on their own - changes that will attract investment to the sector.

At present, there are 19 private ICDs in Bangladesh, located in and around the port city.

More than 90 per cent of the total export-oriented goods are stuffed onto containers at the ICDs before they are shipped through Chattogram port.

Around 25 per cent of import load containers are sent from the port to the ICDs from where goods are delivered to importers after carrying out customs procedures. Currently, 38 types of imported goods are delivered by the ICDs.

Sometimes, the port sends inbound containers to the off-docks when they become empty after it releases goods directly to the importers.

In 2021, 19 ICDs handled 7.09 lakh TEUs (twenty-foot equivalent units) of export containers, 3.03 lakh TEUs of import containers, and around 13 lakh TEUs of empty containers, according to the Bangladesh Inland Container Depots Association (BICDA).

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REQUIREMENTS FOR BUILDING ICDs

- Minimum 4,500 TEUs storage capacity
- Local shareholding 51% for joint venture ICD
- ICD area to be at least 15 acres
- ICD gates must be at least 200 metres away from highways
- 5-year experience in export-import, or container, cargo handling
- Environmental clearance before construction
- ICDs to be built minimum 20km away from port
- Connectivity with one or more transport networks



AT A GLANCE

Total private ICDs in Chattogram: 19

Export container handled in 2021: 709,196 TEUs (93% thru Ctg port)

Import container handled in 2021: 303,016 TEUs (25% thru Ctg port)

Empty container handled in 2021: 13 lakh TEUs

FOR INQUIRIES CALL US AT 16704

10 Minute School raises \$2m seed funding

MAHMUDUL HASAN

Online educational platform 10 Minute School has raised \$2 million in seed funding from Surge, Sequoia Capital India's rapid scale-up programme, to increase investment in product and technology.

The EdTech company is the first in Bangladesh to secure funding from Surge. Sequoia Capital India is a venture capital firm which backs early-stage startups focusing on technology, healthcare and other sectors.

The development gives hope amidst local education startups turning unsuccessful in attracting global investors despite the huge potential created by the pandemic.

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STOCKS		WEEK-ON WEEK
DSEX ▲	CSCX ▼	
0.43%	0.25%	
7,017.23	12,342.34	

COMMODITIES		AS OF FRIDAY
Gold ▼	Oil ▲	
\$1,817.43	\$84.32	
(per ounce)	(per barrel)	

CURRENCIES					AS ON THURSDAY
	USD	EUR	GBP	CNY	STANDARD CHARTERED BANK
BUY TK	85.05	96.29	115.82	13.13	
SELL TK	86.05	100.09	119.62	13.81	

ASIAN MARKETS					FRIDAY CLOSINGS
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI	
▼ 0.02%	61,223.03	▼ 1.28%	28,124.28	▲ 0.76%	3,281.97
				▼ 0.96%	3,521.26

Geyser market heats up as winter bites

QUAMRUL ISLAM RUBAIYAT and MD ASADUZ ZAMAN

Geyser, once thought to be a luxury item afforded only by the wealthy, is increasingly gaining popularity among lower and middle-income groups in Bangladesh as they heat water to beat winter.

Besides, it is no longer an urban-centric product. Rather, demand is growing rapidly across the country, particularly in the north, a region that witnesses lower temperature during winter than other parts.

Rising income, changes in lifestyle, electricity availability and infrastructure development have contributed to the upward growth of geysers in rural areas.

The size of the overall market would be nearly Tk 200 crore, according to Khondaker Ashiqul Hasan, brand manager of Walton Home Appliance, one of the major local producers.

"The market is growing," he added.

All of Walton Home Appliance's stocks for this year are sold out.

The families of non-resident Bangladeshis are at the forefront of using the water-heater. Divisional cities are major markets for water heating items.

Newly built houses are keeping the options for installation of geysers, according to Hasan.

Kamruzzaman Kamal, director for marketing of Pran-RFL Group, another major producer, says the sales of geysers have gone up in recent years due to the increasing affordability of lower and middle-class people.

"Along with the rising demand in urban areas, people in rural areas such as the country's northern part are also using it."

Imported brands still dominate the promising market although local producers are establishing

their footprint thanks to lower prices.

Locally made geysers can be bought at Tk 3,500 to Tk 6,500 while the imported brands are costing Tk 9,000 to Tk 11,500.

Around 13 types of geysers are available in the market, with the capacity ranging from 20 litres to 90 litres. The season runs from November to February. Annual growth rate is 30 per cent, said industry operators.

Nazmun Nur, a headmistress of a primary school in Thakurgaon sadar upazila, has purchased an imported geyser for his family recently. It has a capacity of 30 litres and is priced at Tk 11,500.

Ranjeet Barman, a technician in the district, says he has set up 17 geysers this season, while Kabir Mia, a technician in Dhaka's Kazipara area, says he installed 100 geysers, all of them foreign brand, this winter.

READ MORE ON B3



A retailer has put geysers on display at a shop on Green Road in Dhaka. Water-heaters are increasingly getting popular as people, thanks to rising incomes and changing lifestyles, use it to heat water, mostly during winter. The photo was taken recently.

RASHED SHUMON

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Global crypto funds post sharp gains

REUTERS, New York

Global cryptocurrency funds racked up steep gains last year after most digital currencies soared in price, led by bitcoin and ether amid strong institutional interest and greater acceptance from regulators worldwide, according to BarclayHedge, a division of Backstop Solutions.

The BarclayHedge cryptocurrency traders index was up 138.1 per cent for 2021, according to data the firm posted on Friday, showing results for about 39 funds, or less than 50 per cent of the digital asset management firms it tracks.

That followed record gains of 173 per cent in 2020, as crypto funds benefited from extreme volatility that the coronavirus pandemic stoked across financial markets.

Bitcoin gained 60 per cent in 2021 as it hit a record peak of \$69,000 in November, while ether, the token used for the Ethereum blockchain, surged roughly 400 per cent.

"There is an air of legitimacy now. Bitcoin is no longer viewed as an esoteric digital currency used only on the fringes by techies and cypherpunks," according to CoinDesk's annual crypto and blockchain review for 2021.

For the month of December, however, crypto funds showed losses of around 11 per cent, as bitcoin and ether slumped as well.

Bitcoin dropped 19 per cent last year, while ether fell 20 per cent.

"Crypto was the only sub-sector that didn't make money in December, as many of the industry's headline assets suffered whiplash from a sharp price downturn," said Ben Crawford, head of research at BarclayHedge.

Crypto's more traditional cousin, foreign exchange, on the other hand, turned in modest returns in 2021.



People carrying shopping bags walk inside the King of Prussia shopping mall in Pennsylvania, as they show up early for the Black Friday sales.

PHOTO: REUTERS

US retail sales plunge in December

REUTERS, Washington

US retail sales dropped by the most in 10 months in December, likely the result of Americans starting their holiday shopping in October to avoid empty shelves at stores.

Economists cautioned against reading the unexpected plunge in retail sales last month reported by the Commerce Department on Friday as a sign of weakness.

Consumer spending remains underpinned by huge savings, rising wages as companies scramble for scarce workers as well as soaring household wealth.

Still, the report and news of an unexpected decline in production at factories in December suggested the economy lost momentum at the end of 2021.

That trend likely persisted into January amid spiraling Covid-19 infections, driven by the Omicron variant, which have disrupted businesses and schooling.

"It is clear that most shoppers heeded the advice to get holiday shopping done early and that, combined with a massive surge in goods spending earlier in the year, conspired to pull sales sharply lower to end the year," said Tim Quinlan, a senior economist at Wells Fargo in Charlotte, North Carolina.

"We do not view today's drop in retail sales as a sign that consumer spending is coming unglued."

Retail sales fell 1.9 per cent last month, the largest decline since February 2021, after rising 0.2 per cent in November. Economists polled by Reuters had forecast retail sales unchanged.

Estimates ranged from as low as a drop of 2.0 per cent to as high as a 0.8 per cent increase. Retail sales, which are mostly goods, increased 16.9 per cent year-on-year in December.

Unadjusted sales rose 10.0 per cent last month after gaining 2.5 per cent in November.

Bottlenecks in the supply chains caused by the pandemic have led to shortages of goods, including motor vehicles.

The pulling forward of sales also likely impacted the so-called seasonal factor, the model that the government uses to strip out seasonal fluctuations from the data.

The online sales category was hardest hit by the drag from the seasonal factor, plunging 8.7 per cent.

Receipts at auto dealerships slipped 0.4 per cent after rising 0.2 per cent in

November. Automobiles remain scarce because of a global semiconductor shortage. Motor vehicles could remain in short supply for while.

A separate report from the Federal Reserve on Friday showed a 1.3 per cent drop in production at motor vehicle plants helped to pull down manufacturing output 0.3 per cent in December.

Production at factories increased 0.6 per cent in November. Economists had expected output to rise 0.5 per cent.

Economists still expected the Fed to start raising interest rates in March, against the backdrop of high inflation.

"The level of nominal and real goods spending remains elevated, and we do not think today's reading will have a significant impact on the Fed's decision to liftoff rates, likely in March, which will depend more heavily on inflation than activity data," said Andrew Hollenhorst, chief economist at Citigroup in New York.

"The seasonal adjustment factor turns highly positive in January suggesting that online sales and overall retail sales will bounce back strongly."

Stocks on Wall Street were lower. The dollar rose against a basket of currencies. US Treasury prices fell.

Teletalk, Summit sign tower-sharing deal

STAR BUSINESS REPORT

Summit Towers Limited (STL) has signed an agreement with Teletalk Bangladesh for sharing cell sites under government guidelines.

Md Arif Al Islam, managing director and chief executive officer of Summit Towers, and Md Shahab Uddin, managing director of Teletalk Bangladesh, signed the deal at the network provider's head office in Dhaka on Wednesday, according to a press release.

Muhammad Farid Khan, chairman of Summit Communications Limited, a key shareholder of Summit Towers, and top officials from both companies were also present on the occasion.

Addressing the programme, Shahab Uddin said the state-owned mobile network operator has taken a mega plan to set up 2,500 base stations to expand its fifth generation (5G) services across the country.

Teletalk was the first carrier to launch 5G services in Bangladesh. The operator has been continuously expanding its network to meet the demand of its growing customer base.

Besides, Teletalk has been working relentlessly to expand the network system. Meanwhile, all 64 districts, 402 upazilas and most of the highways have been brought under the coverage of the state-owned carrier.

"A project is also underway to ensure uninterrupted connections all over the country," Shahab Uddin added.

Muhammad Farid Khan said the collaboration with the state-owned operator and working together for improving the service is a matter of pride for Summit Towers.

"Summit Towers has built 700 towers across 56 districts in the country. The expansion of towers in other districts is progressing rapidly," he added.

Over the last decade, Teletalk has been strengthening its network through Summit Communications' fibre optic infrastructure, the press release said.

STL has been constructing telecom tower infrastructures for mobile network operators ever since it received a licence in this regard from the Bangladesh Telecommunication Regulatory Commission in 2018, it added.

Google buys London office complex for \$1b

AFP, London

Google on Friday agreed to buy a central London building complex for \$1 billion, but stressed it remained committed to new hybrid working patterns in the wake of Covid.

The tech titan will purchase the Central St Giles office site, where it is a tenant, for the equivalent of 872 million euros.

Google said it would give the site a multi-million-pound overhaul for flexible working patterns, including outdoor work spaces.

"This investment represents Google's continued confidence in the office as a place for in-person collaboration and connection," the group said in a statement.



Md Nazmul Hassan, chairman of Islami Bank Bangladesh Ltd, attended the bank's two-day Business Development Conference 2022 at the Pan Pacific Sonargaon Dhaka yesterday. IBBL has reached a deposit milestone of Tk 138,300 crore by adding more than Tk 20,000 crore as on December 31, 2021. Mohammed Monirul Molla, managing director of the bank, Muhammad Qaisar Ali, and Md Omar Faruk Khan, additional managing directors, were present.

PHOTO: IBBL

US inflation slowing Says Fed official

AFP, Washington

The wave of US price increases that have battered consumers in recent months should slow this year, as supply and transportation issues are resolved, a top Federal Reserve official said Friday.

New York Federal Reserve Bank President John Williams said he sees inflation falling to 2.5 per cent this year, but cautioned that the ongoing Covid-19 pandemic means any forecast faces high uncertainty.

Given the rapid recovery, improving labor market and high inflation, he said the Fed is "approaching a decision" on raising lending rates.

Inflation in 2021 hit its highest rate in nearly 40 years, and the Fed already has begun to remove the massive stimulus pumped into the world's largest economy during the pandemic to aid in the recovery.

What is your risk appetite

FROM PAGE B4

Even if the same investor invests in a term deposit scheme at any commercial bank for a year or two, they are happy with an interest rate of 5 per cent to 6 per cent. Unfortunately, when they invest in the capital market context, the expectation is sky-high, and even a 20 per cent to 30 per cent return, which is very lucrative if you're a rational investor, doesn't satisfy their needs.

As an investor, you have to be rational. As the number of irrational investors is higher in the market, riskiness increases, and from past bitter experiences, many investors lose their equity and become penniless. The blame eventually goes with our market because nobody goes deeply enough to understand how you would have lost your hardest money.

As a new investor, that negative feedback will buzz in your ears. From 1996

to 2010, the blame game had been going on. As far as my concern goes, the regulators are responsible for creating the platform (market). However, it's not their responsibility to advise you on the instruments in which to invest.

DON'T PUT ALL YOUR EGGS IN ONE BASKET

This is the famous quote from Warren Buffet that we all know. The exciting part is: how many people follow this theory while investing in the market?

The investment decision is yours, and the profit and loss all belong to you. You have to measure your riskiness and how much risk you can absorb as per your financial conditions. Understanding your risk tolerance enables you to make sound financial decisions.

Investors can apply various models that are risk-adjusted return models. One of them is the capital asset pricing

model, which will adjust the expected return with respect to the total risk that a particular investor has undertaken.

AVOIDING SYSTEMATIC RISK

Systematic risk, also known as undiversifiable risk, affects the overall market, and we can't avoid it. For example, in the 2010's market crash, there was a systematic risk that investors would not save their investments through diversified portfolios. However, we can avoid the unsystematic risk by building a diversified portfolio.

If you want to know how much systematic risk a particular security, fund, or portfolio has, you can look at its beta, which measures how volatile that investment is compared to the overall market. A beta of greater than one means the investment has more systematic risk than the market, while a beta of less than one means less

systematic risk than the market.

A beta equal to one means the investment carries the same systematic risk as the market. For example, an investor who is looking to invest in high beta stocks is generally expecting a higher rate of return to compensate for higher systematic risk.

An investor who is looking to invest in a lower beta stock is generally expecting a lower rate of return to compensate for the lower systematic risk. Hence, it can be said that investors should apply a risk-adjusted model in order to derive the expected returns when they are investing in the capital markets.

BEEFING UP DUE DILIGENCE

Another risk, especially one that most brokerage houses face, is that investors tend to have more leverage when investing in the market. Due to extreme market volatility and by

nature, there is a high risk of not adjusting the margin loan accordingly when the market falls. As a result, when we have a prolonged bearish market, investors' equity depreciates day by day, and later on, the equity of the portfolios becomes negative, which makes both investors and institutions vulnerable.

Many brokerage houses don't even have any risk management tools to control the high margin loan exposure. Here, the institutions should be stricter in implementing the rules and regulations, especially the margin rules of 1999. In addition, we need an updated margin rules policy to string the due diligence in line with the present market scenario.

The author is the head of internal control and compliance at UniCap Securities Limited. He can be reached at shahriar@unicap-securities.com. Views are personal.



Md Arfan Ali, president and managing director of Bank Asia Ltd, presides over the bank's day-long BAMLCO Conference 2022, which took place virtually, yesterday.

PHOTO: BANK ASIA

Bank Asia holds confce on anti-money laundering efforts

STAR BUSINESS DESK

Bank Asia Ltd organised a daylong "BAMLCO Conference 2022" for branch anti-money laundering compliance officer (BAMLCO) through digital platform yesterday.

Kazi Aktarul Islam, deputy head of the Bangladesh Financial Intelligence Unit (BFIU), was present as the chief guest, according to a press release.

Raaj Kumar Khetan, regional KYC policy head of Citibank NA in

Singapore, and Md Rokon-Uz-Zaman, joint director of the BFIU, were the special guests.

Md Arfan Ali, president and managing director of Bank Asia, presided over the programme, while Mohammad Ziaul Hasan Molla, Shafiuzzaman and Alamgir Hossain, deputy managing directors of the bank, were present. Around 2,000 employees of the bank, including heads of departments, branches and Islamic windows, attended the conference.



Md Mahub Ul Alam, chairman of Social Islami Bank Ltd, attended the bank's two-day Annual Business Conference-2022 at Le Meridien Dhaka. Md Kamal Uddin, Md Jahangir Hossain and Jebunnessa Akbar, directors, Zafar Alam, managing director, and Abu Reza Md Yeahia, additional managing director, were also present at the conference that ended yesterday.

PHOTO: SIBL



High-yielding hybrid rice saplings being nurtured under an initiative of the Department of Agricultural Extension at Rakudia village in Barishal's Babuganj upazila. Researchers have found 17 ecotypes of rice for the country's different ecosystems. The photo was taken recently.

PHOTO: TITU DAS

Garment exports to EU soar 24pc in Jul-Dec

Shipment to other major markets also strong

REFAYET ULLAH MIRDHA

Garment shipments to the European Union, including the UK, Bangladesh's single largest export destination, rose 23.83 per cent year-on-year to \$12 billion in the current fiscal year's first half.

And this came about in spite of the pandemic's fallout in the global apparel supply chain.

With the reopening of the economy, garment shipments to the EU started rebounding strongly, notably from June last year. Shipments to other major export destinations also grew significantly.

For instance, garment export to the US market grew 45.91 per cent year-on-year to \$4.23 billion between last July and December, according to data from the Export Promotion Bureau (EPB).

Bangladesh's garment shipments to the US have been witnessing a massive growth mainly for three important reasons - its competitive prices, the Biden administration's stimulus cheques for Americans which propelled demand in the economy and the US-China tariff war.

Meanwhile in the neighbouring North American country of Canada, apparel shipments from Bangladesh have witnessed a major growth of 23.78 per cent year-on-year to \$0.60 billion.

Of the non-traditional markets, Bangladesh has been staging a strong performance in India, China and Japan.

Garment export also increased by 24.26 per cent year-on-year to \$3.05 billion in the non-traditional markets during the same period, the data also said. Except for the EU, Canada and the US, all markets are considered non-traditional.

"I am hopeful that both the EU and the US markets will continue to perform strongly in the near future," said MA Jabbar, managing director of DBL Group, a leading garment exporter.

"The international retailers and brands have been coming up with loads of work orders with the strong reopening of their economies," he said.

DBL Group witnessed a 39 per cent year-on-year growth in export in 2021 and Jabbar expects to achieve the same this year.

Of the shipments, a majority were to

the EU as the world's largest trade bloc is the main export destination for his products. Jabbar declined to mention the exact amount of export earnings by his company.

However, he is expanding his production capacity, which he said was for an abundant inflow of work orders to his factories.

Regarding Omicron and the markets, Jabbar said the retailers and brands want a continuous supply of goods as they were running their outlets in full swing.

"That means we also need to run our factories," he said.

Omicron might not have any serious negative impact on the shipments of goods to the major markets as this virus has so far not caused any massive loss of lives, he added.

AK Azad, chairman and chief executive officer of Ha-Meem Group, another leading garment exporter, said his group exported \$750 million worth of garments and fabrics last year.

Of the amount, some \$550 million is garment items, 95 per cent of which went to the US markets. Azad is expecting

to ship \$650 million worth of garment items at the end of the current year.

"The responses from the US retailers and brands are still very positive and I hope that it will continue to grow," Azad told The Daily Star over the phone.

Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, said the exports would continue to grow in the near future as retailers and brands still had high confidence in the global supply chain.

"We have been running the factories following the health protocols," he said.

"The overall situation is still very good and it is expected that the same condition will prevail as we have booked a lot of work orders from our retailers and brands," Hassan told The Daily Star over the phone.

Usually, the sale of clothing items is a bit slow in December and January as people in the Western world check their spending after Christmas celebrations, he said.

Even during such a time, the export order inflow is better than what it was during this time last year, Hassan said.

VAT benefit for mobile makers in economic zones, hi-tech parks

STAR BUSINESS REPORT

Mobile phone manufacturing or assembly plants in hi-tech parks and economic zones will get VAT benefits, according to a recent notification from the National Board of Revenue (NBR).

The companies have to obtain registration as manufacturers from the Bangladesh Hi-Tech Park Authority (BHPTA) and Bangladesh Economic Zones Authority in order to avail the value-added tax benefits.

The NBR offered VAT exemption to facilitate domestic manufacturing of mobile handsets in 2019.

At the time, it said manufacturers would require to be registered with the Bangladesh Investment Development Authority (BIDA) and Bangladesh Telecommunication Regulatory Commission to get the privilege.

However, it did not mention anything for factories established under the BHPTA.

To get full VAT exemption, manufacturers have to attain the capacity of manufacturing printed circuit boards, chargers, batteries, housings and casings of mobile sets.

Local handset production has made impressive strides in recent years, aided by the government's huge tax benefits unveiled in fiscal 2017-18. Since then, 14 plants have been set up while another four are in the pipeline, creating jobs for around 15,000 people.

Currently, about 58 per cent tariff is imposed on smartphone imports whereas the tax on locally assembled and manufactured handsets is about 15 per cent.

Recently, two companies started manufacturing Nokia and Maximus-branded mobile phones at the Bangabandhu Hi-Tech City in Gazipur.

Unilever eyes GSK's consumer goods arm in possible £50b deal

REUTERS

Consumer goods giant Unilever said it had approached Glaxosmithkline about buying the pharmaceutical group's consumer goods arm, after a newspaper reported that a 50 billion-pound (\$68.4 billion) bid it made had been rebuffed.

Unilever, which has been under fire from some investors for the group's underperforming share price, confirmed the approach about a potential acquisition of the business in a statement on Saturday.

"GSK Consumer Healthcare is a leader in the attractive consumer health space and would be a strong strategic fit as Unilever continues to re-shape its portfolio," it said.

"There can be no certainty that any agreement will be reached."

GSK declined to comment on the approach.

Earlier, Britain's Sunday Times said the Unilever bid for the business made late last year was worth roughly 50 billion pounds, and had been rejected as too low by GSK and Pfizer, which owns a minority stake in the division.

More leeway for ICDs

FROM PAGE B1

The policy comes as businesses are calling for setting up more depots in line with the increasing volume of the country's foreign trade, which stood at over \$100 billion in the last fiscal year.

According to the policy, a proposed ICD needs to have a storage capacity of 4,500 TEUs containers. It needs to have a five-year experience of handling export and import containers and cargoes and be located over an area of at least 15 acres.

The NBR adopted the policy to resolve the problems faced by the ICD operators due to the inconsistencies in the two separate guidelines, issued by the NBR in 1998 and by the shipping ministry in 2016.

According to the guidelines of the NBR, ICDs needed to be established

within 20 kilometres of the port. But the shipping ministry directed that ICDs should be located beyond 20km from the port in order to reduce traffic congestion.

BICDA Secretary Md Ruhul Amin Sikder said due to the differences in the guidelines, they had frequently faced problems as authorities several times directed the existing ICDs located near the port to relocate.

Under the new policy, proposed ICDs have to be built at a distance of at least 20km from the port. It says nothing about the existing ICDs.

"This shows that the new policy has more practical approach for the sector," said Sikder.

The ICD Policy 2021 has said nothing about tariffs which seems to be a positive approach for the sector as well, he said.

The shipping ministry's

2016 guideline directed that tariffs needed to be fixed by a committee of the ministry. Such condition caused them many hassles, according to Sikder.

The new policy also has made it optional for ICDs to set up of scanners. It was mandatory under the previous guidelines.

It, however, states that operators with scanners would get extra facilities like the scope to handle higher volume of imported goods.

"Such a facility will surely encourage ICDs to invest," Sikder said.

ICD users, however, were not pleased.

Bangladesh Freight Forwarders Association Vice President Khairul Alam Sujan said the NBR should have discussed with all the stakeholder before formulating the policy.

"The new policy allows ICD operators to fix tariffs at their will," he said.

10 Minute School

FROM PAGE B1

Although local startups received at least \$163 million in foreign funding in 2021, only Shikho's \$1.3 million seed money can be deemed a notable investment in the online learning segment.

On the other hand, Indian online learning platforms received billions of dollars in 2021.

"Logistics and fintech has so far attracted global investors. But, I think 2022 will be the year for online education platforms as the pandemic has proved the importance of online education," Ayman Sadiq, founder and CEO, 10 Minute School, told The Daily Star.

"We have experienced an unprecedented twelfold business growth in our platform in 2021 during the pandemic. And the number of our employees now stands at 300, up from 60 in the end of 2020," he said.

The past year marked a significant year of growth for 10 Minute School, with more than 9 million new learners joining the platform, 8 million learning hours delivered and over 17,000 new videos added to its learning ecosystem.

The app (10ms.app) has recently surpassed 3 million users, making it the largest learning app in the country.

"The growth is a strong validation from our users who experienced our learning contents," said Sadiq.

"Sequoia Capital India's Surge joining us as

our first investor is a very humbling experience for the team, and it further validates our vision for democratising access to high quality education for all in Bangladesh," he said.

"We want to double down on our growth trajectory this year while creating an unparalleled learning experience for our students," he added.

Jointly founded by Sadiq and Abdullah Abyad Raied in 2015, 10 Minute School, in a statement, said it was on a mission to democratise education for all in Bangladesh.

The platform, which has now over 25,000 classes and skills courses, wants to launch live coaching classes for students from classes V-XII and test paper courses for HSC and SSC examinees.

It also seeks to offer complete admission and BCS programmes, a whole series of interactive academic books for classes III to XII and 25 more sought after upskilling courses in the first quarter of 2022.

The 10 Minute School sees an immense opportunity to help support the existing education system of the country, which has 43 million students today, the statement added.

The team also aspires to contribute to the upskilling of its significant youth population of 5 million, leading to increased employment and demographic dividends for the country.



A delegation of the Association of Bankers Bangladesh Ltd (ABB) led by its newly elected Chairman Selim RF Hussain greets Bangladesh Bank Governor Fazle Kabir with a bouquet at the central bank's head office in Dhaka recently. Khondoker Rashed Maqsood, secretary general of the ABB, and the board members of the association were also present.

PHOTO: BRAC BANK



Abdur Rahman, deputy managing director of AB Bank Ltd, and Christopher Baker, general manager of Hotel Amari Dhaka, exchange signed documents of an agreement at the bank's head office in Dhaka recently. The deal will give the opportunity to the lender's debit and credit cardholders to enjoy discounts on the rents of hotel room, convention halls, fitness centre, cafés and bakery items.

PHOTO: AB BANK

Geyser market heats up

FROM PAGE B1

However, sales of geysers in the Rangpur region have slightly dropped this season in comparison to the previous years due to the late arrival of winter.

Mohammad Sohag, owner of Sohag Sanitary at Thakurgaon bus stand area, says he has sold about 50 geysers so far this year. Of them, seven to eight were locally made, while the rest were imported.

The retailer sold 80 geysers last year.

Anisur Rahman, owner of Manjeel Sanitary in Thakurgaon town, sold around 100 geysers this season, down from about 200 last year.

He blamed the late arrival of winter for the lower sales. "The cold in the northern part of Bangladesh is less severe this year than usual," he said.

Md Abdul Matin, owner of Matin Enterprise at Mosjidpara in Panchagarh town, sells geysers of various brands. Usually, customers of the district choose locally made products for water heating.

He has sold about 70 geysers in the current winter season priced between Tk 6,000 and Tk 7,000.

Golam Mortuza, zonal sales manager of Butterfly

Marketing Limited, says sales have dropped in the current season in comparison to previous years.

Butterfly has sold about 280 geysers of Eco+ brand worth about Tk 28 lakh through its showrooms in eight northern districts in the Rangpur division in the current season, which was around 300 last year.

In December, Walton sold 92 units of geysers worth Tk 8 lakh through its 43 sales centres in the division while sales executives of Pran-RFL say the company has sold about 750 units worth Tk 60 lakh through their showrooms in the region.

Investors wary on bank growth

REUTERS, Washington

While big US bank bosses were optimistic on the economic outlook on Friday, pointing to an uptick in some lending businesses and a jump in consumer spending, investors were skeptical on the growth outlook for the sector.

JPMorgan Chase & Co, Citigroup Inc and Wells Fargo & Co, bellwethers of the US economy, reported combined profits of \$19 billion for the fourth quarter, each comfortably beating

analyst estimates.

However, analysts noted that the beats were helped by reserve releases and other one-off items and that underlying performances were less compelling.

Bank shares across the board were down 2.1 per cent, with only Wells Fargo bucking the trend amongst the top six, amid worries over a decline in trading revenues and loan growth. "Investors are concerned about where growth is going to come from," said Viola Risk Advisors bank analyst David Hendler.



Farmers are seen picking potatoes as harvesting is going on in full swing in the Thakurgaon and Panchagarh districts. The photo was taken recently.

PHOTO: QUAMRUL ISLAM RABAIYAT

Potato growers in a panic for price slump

Aiming to make a quick buck, growers cultivate early varieties of the tuber crop that usually sell for between Tk 25 and Tk 40 per kilogramme during the initial harvesting period from late November to mid-January

QUAMRUL ISLAM RABAIYAT,
Thakurgaon

Potato growers of Thakurgaon and Panchagarh districts are distraught over apprehensions of incurring huge losses for a second year in a row as the market has seen a sharp fall in prices.

Aiming to make a quick buck, growers cultivate early varieties of the tuber crop that usually sell for between Tk 25 and Tk 40 per kilogramme during the initial harvesting period from late November to mid-January.

But amid the ongoing harvesting season, farmers are having to sell each kilogramme of potato for about Tk 6 to Tk 10, which is lower than the production cost.

The growers cultivate BARI Alu-7 (diamond), BARI Alu-13 (granula), BARI Alu-25 (Esterik) and Cardinal for early harvest to reap extra profits, said sources.

Market experts said the situation had stemmed from a lack of buyers from southern districts, including Dhaka and Narayanganj.

Besides, an abundant supply of other winter vegetables at fair prices has led to decreasing demand for the freshly harvested potatoes, leading to lower prices.

During a recent visit to different villages in the two districts, this correspondent saw that harvests were bringing little



cheer to growers struggling to recover production costs due to the drastic fall of prices.

Samsher Ali of Fakhdanpur village in Thakurgaon sadar upazila said he cultivated the BARI Alu-13 (granula) variety on one bigha of land at a cost of about Tk 22,000.

His efforts yielded 2,100 kilogrammes of potato that sold for Tk 7 per kilogramme. As such, he earned Tk 14,700, incurring a loss of Tk 7,300. However last year, he had made a profit of Tk 20,000.

Makbuler Rahman of Salondar village said he cultivated the diamond variety on six bighas of land investing

Tk 1.28 lakh.

He was able to harvest 3,900 kilogrammes of potatoes from two bighas, which sold at Tk 6.50 per kilogramme.

If the current price trend continues for two more weeks, Rahman worries he will incur huge losses this season.

Several other farmers said they had to sow potato seeds two times this season as the first batch had rotted away due to uneven rainfall.

Makbul Hossain, a potato trader of Thakurgaon, said as the demand for the vegetable in Dhaka and other southern districts was very little this time of the season, prices have

dropped.

Abu Hossain, deputy director of the Department of Agricultural Extension (DAE) in Thakurgaon, said growers cultivated the tuber crop on 27,677 hectares of land against a target of 28,515 hectares with a production target of 679,798 tonnes.

Of the total land being used, early variety potatoes are being grown on about 8,000 hectares, with 102,713 tonnes of the crop having already been harvested from 5,478 hectares.

Last year, growers produced 741,226 tonnes by cultivating potatoes on 28,515 hectares of land.

In Panchagarh, the DAE set a target to cultivate potatoes on 9,950 hectares of land to produce 207,259 tonnes.

Growers have cultivated the tuber crop on 9,870 hectares of land in the area and harvested 8,555 tonnes of potatoes from 455 hectares already.

Last year, 206,734 tonnes of potatoes were produced by cultivating 9,950 hectares of land, sources said.

Abu Hossain said the market price of potato would increase once last year's stocks were consumed.

"If potato export is increased, it would have a positive impact on the country's economy along with changing farmers' fate as well," Hossain added.

What is your risk appetite in the capital market?

M SHAHRIAR AZAD BHUIYAN

In the capital market, the risk is defined as the willingness to accept the possibility of losses, the ability to admit market fluctuations, and the inability to forecast what will happen next. Technically, risk appetite refers to the maximum amount of risk that you, as an investor, are willing to take to achieve your goals before the risk outweighs the benefits.

We all face some level of risk in our daily lives, whether it's simply walking down the street or investing in the stock market. Your risk appetite is influenced by your age, income, and investment goals, and it is subject to change over time.

For example, when you are young, it is obviously true that you don't bother to take higher risks, but if you are a bit older, then you will think of so many pros and cons of the outcomes.

The capital market is a financial market segment that offers investors the opportunity to invest in long-term securities like stocks and bonds. However, for short-term investments like day trading, every investment involves some level of risk by nature.

Here it shows you lucrative gains within a day. However, 70 per cent to 80 per cent of the day trading ended with losses. As a result, investors should understand the total amount of risk they are undertaking and must adjust the total amount of return accordingly. Otherwise, the investment decision would not be fruitful.

Over the years, I have seen that when a new investor comes to invest in Bangladesh's capital market, a majority of investors tend to hurry up. The tendency is to feel as if this is the last chance to become rich. The psychology is that the stock market will shut down in the next month, so I have to make the most of it to become rich. However, the reality is a bit harsher and different from people's perceptions.

Due to this perception, investors' objective becomes to make a quick gain from the market despite any risk appetite. Thus, investors themselves become risky investors when they invest in risky companies, obviously increasing the market's volatility.

The capital market in Bangladesh is indeed very volatile compared to other frontier markets around the world. The idea is that here, investors tend to do more day trading than invest for a certain period.

It's not wrong to have a day trading; it's happening all over the world. The wrong idea is that you can't expect a miracle overnight to double or triple the capital gain from your initial investment within a couple of days.

When an investor comes to the market with such an appetizer or need, it apparently becomes high-risk for the market. In various cases, I have seen that those investors don't even have any financial literacy to invest in which companies or not.

In most cases, they go after rumours or follow gamblers' traps. They don't even hesitate to purchase junk shares. The shares were purchased at high prices, and when the price fell, they blamed the regulators and the government, which is totally unacceptable. As a result, I think, it will take a long time to break the shackles of the investors and face reality.

Many brokerage houses don't have any risk management tools to control the high margin loan exposure. Here, the institutions should be stricter in implementing rules and regulations

READ MORE ON B2



China's economy grows 8pc in 2021

AFP, Beijing

China's economy expanded at its fastest pace for 10 years in 2021, according to an AFP poll of analysts, but its strong recovery from the Covid-19 pandemic is threatened by Omicron and a property sector slowdown.

The eight per cent growth would be well above the government's target of more than six per cent, and comes on the back of a strong start to the year as a "zero-Covid" policy allowed the country to lead the global economic recovery.

China's exports surged nearly 30 per cent last year on solid global demand as countries reopened from pandemic lockdowns, boosting its stuttering economy.

But the country's recovery in the second half of 2021 was hobbled by a series of outbreaks -- with officials reimposing strict containment measures -- as well as power outages caused by an emissions-reduction drive, supply chain problems and surging energy costs.

While the forecast marks a healthy annual tick -- up from 2.3 per cent in 2020 -- those issues put a dampener on factory activity and led to businesses shuttering.

They were compounded by a crackdown on debt in the property sector, which accounts for a huge part of the economy. "Key factors... were the impact of power shortages, the residential construction sector slowdown and moderating retail sales," said Rajiv Biswas, Asia-Pacific chief economist at IHS Markit.

The analysts tipped growth of just 3.5 per cent on-year for the fourth quarter, down from 4.9 per cent the previous three months and 7.9 per cent from April-June.

And headwinds from the construction sector slowdown, as well as the impact of Covid measures on consumer spending, will likely pose a "significant drag" on growth this year, Biswas added.



Female workers produce solar photovoltaic modules used for small solar panels at a factory in Haian in China's eastern Jiangsu province.

PHOTO: AFP

US industrial output slows in December

AFP, Washington

A downturn in the US manufacturing sector in the final month of 2021, notably the hard-hit auto sector, caused overall industrial output to dip in December, the Federal Reserve said Friday.

Industrial production slipped 0.1 per cent, surprising economists expecting a modest increase, as manufacturing fell 0.3 per cent in the month, according to the data.

Amid the ongoing shortage of key computer chips that has hampered auto manufacturing, motor vehicles and parts fell 1.3 per cent in December and was about six per cent lower than a year earlier, the Fed said.

That decline ended a two-month streak of gains and offered "a sign that the sector's travails are far from over," said Kathy Bostjancic of Oxford Economics.