

Stocks keep gaining

STAR BUSINESS REPORT

Dhaka stocks finished higher yesterday as investors showed higher interest in telecommunication, pharma and banking shares.

DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), ballooned 35.67 points, or 0.51 per cent to close at 7,055.27 yesterday.

The blue-chip index, DS30, and the Shariah-based index, DSES, also gained on the day.

Turnover, an important market indicator, edged up 12 per cent to Tk 1,686.7 crore yesterday from Tk 1,506 the previous day.

Large-cap sectors posted mixed performances, BRAC EPL Stock Brokerage Ltd said in its daily market update.

The telecommunication sector booked the highest gain of 0.80 per cent followed by pharmaceuticals with 0.39 per cent, and banking with 0.38 per cent, it added.

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Fuel and power experienced the highest loss.

At the DSE, Bangladesh Shipping Corporation was the most highly traded stock with shares worth Tk 131 crore changing hands. Saif Powertec was the second most highly traded script.

Union Insurance, Samorita Hospital and Orion Infusion topped the gainers list while Taufika Foods, RAK Ceramics and Prime Life Insurance were the biggest losers.

At the DSE, 173 stocks gained, 152 declined and 54 closed unchanged.

The Chittagong Stock Exchange also rose yesterday. The CASPI, the main index of the CSE, closed 83 points, or 0.40 per cent, higher at 20,650.



Coal is being loaded in a barge for transport through a river in Central Kalimantan province in Indonesia's Borneo island. PHOTO: AFP

Indonesia to improve coal delivery checks

REUTERS, Jakarta

Indonesia's state utility Perusahaan Listrik Negara (PLN) said on Friday that together with the energy ministry it was strengthening a coal delivery monitoring system to ensure enforcement of domestic sales rules and energy security.

The world's biggest thermal coal exporter introduced an export ban on Jan. 1 as coal inventories at local power plants were at critically low levels, amid low compliance with a so-called Domestic Market Obligation (DMO).

Under the DMO, miners must sell 25 per cent of their output to the local market with a price cap of \$70 per tonne for power plants, below the current market price.

Coal deliveries to local power plants will be monitored throughout the supply chain by PLN and the energy ministry's mineral and coal department, and miners would receive automated warnings for any late shipments.

"Hopefully this will help PLN coal supply security," chief executive Darmawan Prasodjo said.

A senior minister on Thursday said 37 export vessels loaded with coal would be allowed to leave and that miners who met their 2021 DMO would be prioritised for

exports.

Eighteen of those vessels have been given clearance by the energy ministry, carrying about 1.3 million tonnes of coal, according to a transport ministry document reviewed by Reuters.

That represents only a fraction of the normal export volume from Indonesia, which shipped 30 million tonnes of coal in the month of January in 2021 and 2020, energy ministry data showed.

Sixteen other vessels were carrying coals from miners who had not met the DMO and had therefore yet to be cleared, while three were still loading, the ministry document said.

"If the energy and mineral resources ministry haven't cleared them, there won't be port clearance," transport ministry official Mugen Suprihatin Sartoto said on Friday.

While Indonesia has started easing its coal export ban, the abrupt suspension may have already left a scar on the sector and the wider economy, highlighting the risk of regulatory uncertainty and impacting Indonesia's trade balance.

"The most important and immediate implication of the coal export ban relates to Indonesia's current account balance, which we already expect to shift to a deficit this year," Nomura said in a note on

Thursday.

Indonesia in the third quarter of 2021 posted a 1.5 per cent of gross domestic product current account surplus, the biggest in 12 years.

The central bank has estimated a full-year current account balance at between a surplus of 0.3 per cent of GDP, and a deficit of 0.5 per cent of GDP.

Coal comprised 14 per cent of total goods exports in 2021, so should the export ban apply during all of January, Nomura said, total goods exports could be reduced by around \$4 billion, enough to shift the trade balance to a deficit from a surplus.

"In addition, we think the concerns expressed by key trading partners Japan and Korea are also likely to carry significant weight, given the Indonesian government's efforts to attract foreign direct investment," Nomura said.

The ban easing would be a credit positive for miners that have likely complied with their DMO requirements, because they could sell coal overseas at prices 2.5 times greater than domestic prices, said Maisam Hasnain, an analyst with Moody's Investor Service.

Moody's has previously said that the ban "highlights the evolving regulatory uncertainty for the sector".

Most CEOs expect global growth to improve: PwC survey

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As many as 77 per cent of chief executive officers (CEO) expect global economic growth to improve this year while only 15 per cent anticipate weaker conditions, as per a PricewaterhouseCoopers (PwC) survey revealed yesterday.

The prevalence of positivity during the annual global CEO survey run in October and November of 2021 was "the highest figure on record since 2012, when we began asking CEOs how they felt about the economy's potential", said the PwC.

Optimism about the global economy trends higher compared to last year in India, Japan, United Kingdom, France and Italy and somewhat lower in the US, China, Brazil and Germany, said the report. The CEOs identified the US as the most important growth destination globally over the next 12 months, followed by China.

As a part of its survey, the PwC polled 4,446 CEOs, including around 22 from Bangladesh, across 89 countries and territories.

However, 49 per cent of the CEOs are most concerned about cyber risks while 48 per cent on the global health situation as the pandemic lingers.

With the exception of social inequality, the CEOs were most concerned about the potential of each threat to disrupt revenue, said the report.

Despite rising interest in environment, social and governance, most of the CEOs report only having non-financial outcomes closely related to business performance included in their long-term strategy. Much less well represented, in strategies and compensation, are targets related to greenhouse gas emissions and gender representation or racial and ethnic diversity.

For example, 13 per cent or fewer of the CEOs have such targets in their annual bonus or long-term incentive plan, the report said.

Around 22 per cent of global companies have made a net-zero commitment, said the PwC.

Unilever pursues GSK-Pfizer unit after huge bid rebuffed

AFP, London

Consumer goods giant Unilever on Monday revealed ongoing interest in a consumer health care unit owned by pharmaceutical groups GlaxoSmithKline and Pfizer after a bid of 50 billion (\$68 billion) was refused.

British group GSK said at the weekend that it had received three unsolicited offers from Unilever for GSK Consumer Healthcare, but were rejected for being too low.

The unit's products include Sensodyne toothpaste, pain relief drug Panadol and cold treatment Theraflu.

"GSK Consumer Healthcare would be a strong strategic fit," British company Unilever said in a statement as it unveiled a strategy update in the wake of the weekend's takeover news.

"Unilever's future strategic direction lies in materially expanding its presence in health, beauty and hygiene," it said.



A Rouf Chowdhury, chairman of Bank Asia, cuts a cake at Bank Asia Tower in Dhaka yesterday celebrating its "Agent Banking Day". Rumee A Hossain, chairman of board executive committee, Dilwar H Choudhury, chairman of board audit committee, Romana Rouf Chowdhury, Md Abul Quasem and Tania Nusrat Zaman, directors, and Md Arfan Ali, president and managing director, were present. Deputy managing directors and officials from the bank's agent banking division were also present.

PHOTO: BANK ASIA



Emranul Huq, managing director of Dhaka Bank Ltd, and Deepak Saluja, managing director of CASHe Alliance Ltd, exchange signed documents of a partnership agreement at the bank's head office in Dhaka recently. The deal will bring CASHe Alliances' financial wellness platform to Bangladesh and deliver financial access to under-served digital natives in the country. Jowher Rizvi, chairman of Alliance Holdings Ltd, Mohammad Abu Jafar, additional managing director of the bank, Israr Khosru Chowdhury, chief executive officer of CASHe Alliance, and Kazi Nasim Ahmed, chief operating officer, were present.

PHOTO: DHAKA BANK



Dewan Nazmul Hasan, acting CEO of Trust Axiata Pay (TAP), and Syed Moinuddin Ahmed, additional managing director of Green Delta Insurance Company Ltd, exchange signed documents of a partnership agreement at the latter's head office in Dhaka on Sunday. Md Moniruzzaman Khan, head of digital business at the insurer, and Shahjalal Uddin, vice-president of TAP, were present.

PHOTO: GREEN DELTA INSURANCE COMPANY

Singapore moves to discourage crypto trading

REUTERS, Singapore

The Monetary Authority of Singapore on Monday issued guidelines that limit cryptocurrency trading service providers from promoting their services to the general public, as part of a bid to shield retail investors from risks.

The new guidelines clarify the expectations of MAS that companies should not engage in marketing or advertising of DPT services in public areas in Singapore.

Ctg customs foil bid

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Bangla Progressive Enterprise was in charge of shipping the consignment on behalf of the exporting company, according to the shipment documents.

Customs authority physically examined the consignment at the KDS inland container depot and found 137,116 pieces of T-shirts in the consignment, which is 22 times or 131,030 pieces more than the announcement.

Customs authority suspected that the company has tried to launder \$161,166 or Tk 1.6 crore in the name of exporting goods.

Customs officials said that the money would not have come to the country if the consignment had been

shipped.

Export-oriented companies enjoy duty-free access for importing raw materials.

As a result, RM Sourcing did not have to pay any tax on the raw materials used to make these goods.

On the other hand, the money will not come to the country as these products are not exported on paper.

"Now we are collecting the detail list of the goods," said Md Sharfuddin Miah, deputy commissioner of Custom House, Chattogram.

He said the exporter declared around six thousand pieces of garments items, which were actually 1.37 lakh pieces.

"A money laundering case will be filed against the company soon."

They will also investigate whether there had been any similar irregularities by the company in the past, he added.

According to the National Board of Revenue (NBR), RM Sourcing Bangladesh is a 100 per cent export-oriented company.

The company has exported a total of 89 consignments of various garment products to six countries in 2021.

Most of the products have been exported to Malaysia and Venezuela. The company also has buyers in the Philippines, the United Arab Emirates, France and Australia, NBR data said.

The destination of the currently seized consignment was Royal Drone International Trading in Venezuela.

In addition to this company, RM Sourcing has exported their products to 12 other companies of the six countries in last year, according to the documents.

Talking to The Daily Star, Mohammad Rajib Ahmed, managing director of RM Sourcing Bangladesh, said, "I am not aware of this consignment as I am out of the country."

I came to the country a few days ago. I will be able to talk to the officers concerned and tell them the details."

He further said that it needs more time to say how it has happened.



PHOTO: BENGAL COMMERCIAL BANK

Morshed Alam, chairman of Bengal Group, cuts a ribbon to inaugurate the "Mujib Corner" at Bengal Commercial Bank's head office in Dhaka yesterday highlighting the life and history of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman and the Liberation War of Bangladesh. Md Jashim Uddin, chairman of the bank, and Tarik Morshed, managing director, were present.