

Brac Bank boasts 705 agent banking outlets

STAR BUSINESS DESK

Brac Bank now has 705 agent banking outlets across the country thanks to a rapid network expansion drive.

They serve 1.40 lakh unbanked people, mostly in rural and semi-urban parts of the country, says a press release.

This banking channel accounts for over 186,000 transactions per month worth more than Tk 1,600 crore while 77 per cent of it is at the upazila level.

People use the outlets to open accounts, withdraw cash and remittance, avail loans having equal monthly instalment facilities and pay utility bills.

The bank expects to have 1,000 outlets by December 2022. The service was launched in October 2018.



A staff member works at a gas station in Chuo district of Tokyo on January 18.

PHOTO: AFP

Oil hits seven-year high

AFP, New York

Oil prices hit their highest levels in more than seven years Tuesday, driven in part by hopes of a global economic recovery that would ramp up demand.

Stock markets however headed south, with US Treasury yields surging on expectations the Federal Reserve will have to unveil several interest rate hikes to tackle a worrying spike in inflation, leading the Dow to finish 1.5 per cent lower on its first day back after a long holiday weekend.

European crude benchmark Brent North Sea reached \$88.13 per barrel, while the US West Texas Intermediate contract hit \$85.74 – the highest levels since October 2014 – before easing slightly in later trading.

Expectations of Fed tightening continued to support the dollar. A drone attack on Monday in Abu Dhabi claimed by Yemen's Huthi rebels, which triggered a fuel tank blast that killed three people, also supported prices.

The group warned civilians and foreign firms in the United Arab Emirates to avoid "vital installations," raising concerns about supplies from the crude-rich region.

"The suspected drone attack in Abu Dhabi underscores the ongoing threat against civilian and energy

infrastructure in the region amid heightened regional tensions," said Torbjorn Soltvedt at risk intelligence company Verisk Maplecroft.

"Reports of damage to fuel trucks and storage will concern oil market watchers, who are also keeping a close eye on the trajectory of ongoing nuclear talks between the US and Iran," he added.

OANDA analyst Craig Erlam said OPEC nations and other key producers were struggling to meet targets to lift output by 400,000 barrels a month, which added to the upward pressure.

"The evidence suggests it's not that straightforward and the group is missing the targets by a large margin after a period of underinvestment and outages," he noted.

"That should continue to be supportive for oil and increase talk of triple-figure prices."

Hopes for more monetary easing by major consumer China to reinforce its stuttering economy were also seen as a key support for the oil market.

Following an almost uninterrupted rally since the early days of the pandemic, stock markets are showing signs of levelling out as global finance chiefs shift from economy-boosting largesse to measures aimed at reining in inflation.

Those fears drove global bond yields

up on Tuesday, with German bund yields coming close to touching zero percent, their highest level since 2019.

"The move higher also raises the prospect that the European Central Bank won't be able to hold its line of no rate rises this year," said CMC Markets analyst Michael Hewson.

Still, equities are expected to enjoy further gains in 2022 as countries reopen and people grow more confident about travel, assuming concerns ease over the Omicron coronavirus variant.

Analysts are also watching the corporate earnings season that is underway, with hopes that firms can match their stellar performances from last year.

Shares in video game publisher Activision Blizzard, maker of blockbuster titles including "Call of Duty", closed 25.9 per cent higher after Microsoft announced a \$69 billion buyout.

Shares in Microsoft slid 2.4 per cent by the end of trading.

"This is a big step up with Microsoft getting in on the ground floor when it comes to creating as well as overseeing content on its own gaming platform," said Hewson.

Microsoft's Xbox console makes it a major player in the gaming industry, even if it trails far behind Sony's PlayStation.

KFC brings in two new items

STAR BUSINESS DESK

KFC, the global brand well-known for its fried chicken, recently added a couple of new items to their menu which will surely mesmerise everyone in a single bite.

Amit Dev Thapa, chief executive officer of Transcom Foods Ltd who operates the brand in Bangladesh as a master franchise, unveiled the new items recently.

Thapa hopes that everyone will embrace the new magical taste KFC presented to all.

The first item is the KFC Peri Peri Grilled Chicken, which is bathed in peri peri marinade to give it depth flavour after being grilled to perfection. It is layered with the peri peri glaze to seal in the flavours and finally, topped with special herbs and spices to give it a fresh zing.

The second item, the Moroccan Zinger Burger, is a hot and crispy chicken fillet immersed in a spicy marinade lying between two fluffy buns.

The fillet is layered with a veggie mix, comprising freshly chopped lettuce and diced tomatoes, and finally topped off with Dynamite Mayo and cheese.

Muradul Mustakin, head of Marketing, is hopeful that customers will be enchanted with the magic of KFC with the new items arriving in 2022.

Mozaffar Hossain Spinning sees jump in profits

STAR BUSINESS REPORT

Profits of Mozaffar Hossain Spinning Mills rose to Tk 9.79 crore in the July-December period of the ongoing fiscal year (FY) while it had incurred losses of Tk 3.93 crore in the same period in FY2020-21, according to data from the Dhaka Stock Exchange (DSE).

The spinning company's earnings per share stood at Tk 0.73 in the second quarter (October-December) of FY2021-22, up from Tk 0.03 in the same period a year ago.

Its net asset value per share was Tk 19.13 as of December 31 while it was Tk 18.16 six months ago.

"The effect of production and sales from the new ring spinning unit and full capacity utilisation at the rotor unit as well as the current price hike of yarn helped the company make positive changes in all indicators," the company said in a disclosure posted on the DSE website yesterday.

However, its share price eroded 2.22 per cent to Tk 30.80. "We set up a ring spinning unit at a cost of around Tk 250 crore and production started from last January," said Haris Alam, company secretary of Mozaffar Hossain Spinning Mills.

About 50 per cent of the rotor unit's capacity was closed for construction work that began last April, he said. "What is more, we got extra mileage with the higher price of yarn as we had a good stock of it so we got a good price on cotton," he added.

A week ago, the widely consumed 30-carded yarn was selling for \$3.60 to \$3.75 per kilogramme (kg) whereas it was \$2.60 to \$2.80 per kg two months ago, according to knitwear manufacturers and suppliers.

Amazon reconsiders ban on UK Visa card payments

AFP, London

US online retail giant Amazon is reconsidering a decision to ban payments in the UK made with Visa credit cards, as the pair seek to resolve a dispute over fees.

Amazon's plan to begin the ban from Wednesday because of "high" fees has been put on hold.

"The expected change regarding the use of Visa credit cards on Amazon.co.uk will no longer take place on January 19," Amazon said this week.

"We are working closely with Visa on a potential solution that will enable customers to continue using their Visa credit cards on Amazon.co.uk."

Pakistan's economic woes put PM Khan's future in doubt

AFP, Karachi

Housewife Maira Tayyab has considered begging for money to feed her family in inflation-hit Pakistan, while shop owner Mohammad Hanif finds his thoughts turning to crime.

They're too proud and honest to act on the impulse, but their woes are shared by millions of Pakistanis whose disgruntlement threatens Prime Minister Imran Khan's chances of re-election next year. "We cannot beg as we are white-collar people," Tayyab, 40, told AFP in Karachi, a bustling port city that is Pakistan's financial capital.

But, she said: "We don't know how we make ends meet."

Inflation hit about 10 per cent last year, according to the World Bank. The cooking oil price is up 130 per cent since Khan took power and the cost of fuel has risen 45 per cent to 145 rupees (\$0.82) a litre in a year.

Tayyab's sentiments are echoed by Kursheed Sharif, a 50-year-old mother of

five, who unleashes a slew of curses as she describes her family's woes.

"Only death seems an alternative to survival under this government," she told AFP, close to tears, outside her unplastered rental shack.

Khan promised to sweep away decades of entrenched corruption and cronyism when his Pakistan Tehreek-e-Insaf (PTI) party swept to power in 2018.

But his failure to deliver is already being felt at the polls, and last month the PTI was soundly thrashed in provincial elections in its Khyber Pakhtunkhwa stronghold.

"The government boasts about its economic feats, but in reality it has lost its ground and credibility," said Tauseef Ahmed Khan, a rights activist and political commentator.

Khan had campaigned on a platform of creating an Islamic welfare state, with efficient taxation on businesses and individuals funding social projects to benefit the poor.

LafargeHolcim's aggregate

FROM PAGE B4

LafargeHolcim has set up the crushing unit with ancillary equipment on the premises of its existing integrated clinker and cement manufacturing plant in Chhatak, Sunamganj in January last year.

It has the approval to bring in limestone through a cross-border conveyor belt from India for the purpose of manufacturing cement and clinker.

But in September this year, the industries ministry directed LafargeHolcim to stop producing aggregates by crushing the same raw material and marketing them locally as it had no legal layout plan and approval, according to a letter of the ministry.

LafargeHolcim had filed a writ petition, challenging the ministry's instruction. On October 11, the High Court issued a rule. On January 5, the Division Bench delivered judgment making the rule absolute.

LafargeHolcim has the capacity to produce 12 lakh tonnes of clear-sized graded aggregate per annum. It invested Tk 40.1 crore.

The annual demand for clear-sized aggregate is around 1.5 crore tonnes and Bangladesh relies on imports from the countries such as India, Bhutan, Vietnam, Oman and the UAE for supply.

Thanks to the unit, LafargeHolcim will capture about 2 per cent share of the aggregate market in the country.



M Kamal Hossain, managing director of Southeast Bank, received an ISO certification from Sohail Azad, country manager of Bureau Veritas Bangladesh, and Mohammad Golam Kibria, founder of Iota Consulting BD, at the bank's head office in Dhaka recently.

PHOTO: SOUTHEAST BANK

Asian markets track Wall St losses as crude extends latest rally

AFP, Hong Kong

Growing fears about the US Federal Reserve's plans to fight surging inflation by ramping up interest rates hit Asian markets again Wednesday following a hefty sell-off on Wall Street, while oil prices extended their rally after a blast at a key pipeline.

A rise in prices since early 2021 has forced central banks around the world to start winding back the colossal financial support put in place at the start of the pandemic, with many warning that failure to act could see them run out of control.

Finance chiefs in several countries – including at the Bank of England – have already put the wheels in motion, but the main focus is on the Fed – the central bank of the world's biggest economy – which has so far refrained from lifting rates, until now.

Officials are currently reining in their massive bond-buying programme and aim to hike borrowing costs in March.

But while Fed boss Jerome Powell has said the policy board will be careful in its approach and mindful not to jeopardise the economic recovery, there is a worry it will have to be more aggressive than initially thought to bring inflation down from four-decade highs.

Some commentators are predicting a 50 basis point rise in March – which would be the first that big since 2000 – having initially estimated 25 points.

Expectations for a quick run-up in costs has sent Treasury yields rocketing and caused near-panic on equity markets, with all three main indexes on Wall Street deep in the red so far this year, having hit multiple records in 2021.

US Treasury yields were pushing closer towards two percent and on Wednesday, German Bund yields passed into positive territory for the first time since May 2019.

The stock market losses in New York continued in most of Asia on Wednesday.

Tokyo shed 2.8 per cent, compounded by steep falls in

market heavyweights Sony and Toyota.

Sony collapsed almost 13 per cent – its biggest drop since 2008 – on news that rival Microsoft would pay \$69 billion for US gaming giant Activision Blizzard, betting big on the sector.

Toyota dived five percent after warning that it expected to miss its production target for this fiscal year. Sydney, Seoul, Singapore, Wellington, Taipei, Manila and Jakarta were also in retreat.

"Generally, we do expect to see that the bond market is going to drive volatility, more broadly based, across the equity markets and other markets as well," Winnie Cisar, at CreditSights, told Bloomberg Television.

However, Hong Kong edged up by the end following remarks from the Chinese central bank hinting it would unveil fresh economy-supporting measures, having cut interest rates on Monday for the first time since the start of the pandemic.

Shanghai closed in negative territory.