

Brac Bank, UCB Asset sign custodial services deal

STAR BUSINESS DESK

Brac Bank recently signed an agreement with UCB Asset Management to provide custodial services to the United Commercial Bank (UCB) subsidiary for running a new open-ended mutual fund, "UCB Taqwa Growth Fund".

Tareq Refat Ullah Khan, deputy managing director of Brac Bank, and SM Rashedul Hasan, managing director of UCB Asset Management, signed the agreement at the latter's head office, said a press release.

ATM Tahmiduzzaman, deputy managing director of UCB, Md Sekander-E-Azam, executive vice president, Mohammed Rahmat Pasha, managing director of UCB Stock Brokerage, Tanzim Alamgir, managing director of UCB Investment, Khan Muhammad Faisol, senior manager of Brac Bank, and Md Azzul Hasan Jahid, associate relationship manager, were present.

Fed could raise rates

AFP, New York

The US Federal Reserve is not ruling out raising rates by half a percentage point if inflation remains high, Fed official Raphael Bostic said in an interview with the Financial Times.

The chair of the US central bank, Jerome Powell, signaled this week the Fed plans to hike interest rates in March, telling reporters the recovery in the world's largest economy is strong enough that it can handle higher borrowing costs.

Powell declined to give details on the size of the planned increase, saying only that the Fed would be flexible. It typically raises rates by a quarter of a percentage point; a half-point increase would be uncommon.



Female workers get Tk 10,000 to Tk 15,000 a month working on putting machine-recycled discarded cement bags out in the open to dry to be sent to Dhaka for the manufacture of different plastic items. The photo was taken at Rupatoli Gas Turbine area of Barishal town two weeks ago.

PHOTO: TITU DAS

India sees GDP growth slowing to 8-8.5pc

REUTERS, New Delhi

India has forecast its economy will grow 8 per cent to 8.5 per cent for the fiscal year starting in April, down from 9.2 per cent projected in the current year, as it fights a spike in Covid-19 cases and rising inflationary pressure.

At that pace, India's economic growth next fiscal year will still be the fastest among major economies.

All macro indicators indicated Asia's third-largest economy was well placed to face challenges, helped by improving farm and industrial output growth, the government's annual economic survey said on Monday.

The report, tabled by finance minister Nirmala Sitharaman in parliament ahead of the annual budget on Tuesday, warned about risks from global inflation and pandemic-related disruptions.

"India does need to be wary of imported inflation, especially from elevated global energy prices," said Sanjeev Sanyal, principal economic

adviser at the finance ministry and the lead author of the report.

India, which meets nearly 80 per cent of its oil needs from imports, faces the risk that inflation will hit consumer demand as global crude prices hover near a 7-year high at more than \$90 a barrel.

"The global environment still remains uncertain," the report said citing planned withdrawal of monetary support by major central banks including the US Federal Reserve. Higher rates elsewhere could lead to capital outflows for India.

The growth projections assumed a normal rainfall and an orderly withdrawal of global liquidity by major central banks, the report said.

Private economists said the government and central bank would have to balance their efforts to support economic growth considering rising inflationary pressures and sluggish domestic demand.

"With the rising pressure to tighten the monetary stance, policymakers will have difficulty in calibrating policy choices to balance between growth and

(price) stability objectives," said Rumki Majumdar, economist at Deloitte India.

The report said the government had fiscal space to provide additional support if necessary, citing a 67 per cent increase in revenue receipts during the April-November period from a year earlier.

India's economy has been on the mend after the government lifted mobility measures in June to curb the spread of coronavirus, after contracting 7.3 per cent in the previous fiscal year.

But after a surge in Omicron cases early this month, many private economists and the International Monetary Fund (IMF) have cut growth estimates to 9 per cent from an initial 11 per cent estimate.

The annual report, which presents a report card of India's economic achievements and provides new estimates, has often missed targets.

Last year it forecast annual economic growth of 11 per cent, that was later revised down by the statistics ministry to 9.2 per cent, after economic activity was hit hard by the Omicron variant.

Olympic earnings fall to 6-year low

SOHEL PARVEZ

Olympic Industries, a leading biscuit maker, said its earnings slumped to the lowest in six years, suffering an increase in the cost of raw materials.

The maker of popular biscuit brands such as Energy Plus and Tip registered Tk 72 crore in net profits in the July-December period of 2021, down 33 per cent year-on-year, according to its half-yearly financials.

"Cost of raw materials has increased a lot," said Company Secretary Md Nazimuddin.

The company said its revenue from sales rose 11 per cent year-on-year to Tk 1,035 crore in the July-December period of 2021.

Cost of sales of the biscuit and confectionery maker shot up 18 per cent to Tk 786 crore in six months to the end of December 2021 from that in the previous year.

Besides, the Olympic's administrative and sales expenses rose 23 per cent during the period, which altogether affected its operating profit. The company also incurred losses of Tk 3.27 crore from investments in shares during the period.

Shares of the Olympic, however, edged up 1.7 per cent to Tk 161.7 yesterday at the Dhaka Stock Exchange (DSE).

The company in November last year announced that it would invest Tk 25.65 crore to expand its production capacity to meet growing demand.

Its earnings in the October-December period of 2021 declined 39 per cent to Tk 30.45 crore from that a year ago.

The company also recorded a 27 per cent decline in its net operating cash flow per share to Tk 4.13 in the July-December period of 2021 from Tk 5.67 a year ago.

Mahbubur PDB's new chairman

STAR BUSINESS REPORT

Md Mahbubur Rahman became the chairman of the Bangladesh Power Development Board (PDB) yesterday.

He replaced Md Belayet Hossain, the former chairman of the PDB, a press release said.

Mahbubur, who joined the PDB on September 1, 1986 as an assistant engineer at Siddhirkhan Power Station, had been serving as a company affairs member of the board.

He worked as a sub-divisional engineer and executive engineer on Siddhirkhan Thermal Power Station Construction Project.

Mahbubur also served as the director, IPP Cell 1 and IPP Cell 3 and multiple other posts.

He obtained BSc Engineering (Civil) degree from the Bangladesh University of Engineering (BUET) in 1986.

He received his MSc in Engineering (Hydro-Power) degree from the Norwegian University of Engineering and Technology in 1995.



Mohammed Rabiul Hossain, managing director of Uttara Bank Ltd, inaugurates the bank's Dhaperhat sub-branch at Dhaperhat, Sadullapur in Gaibandha on Sunday. Md Ashraf-uz-Zaman, deputy managing director, and Madhu Sudan Sardar, deputy general manager, were present.

PHOTO: UTTARA BANK

AB Bank, Grameenphone in service exchange deal

STAR BUSINESS DESK

AB Bank Limited and Grameenphone recently signed a memorandum of understanding (MoU) over providing digital services to each other.

Mahmudul Alam, the lender's deputy managing director, and Kazi Mahboob Hassan, the mobile operator's chief business officer, inked the deal at the bank's head office in Dhaka, said a press release.

Masood Parvez, head of emerging business of the mobile operator, was present.



Kazi Mahboob Hassan, chief business officer of Grameenphone, and Mahmudul Alam, deputy managing director of AB Bank, exchange signed documents of the agreement at the bank's head office in Dhaka recently.

PHOTO: AB BANK



SM Muzibur Rahman, senior general manager of Meghna Group of Industries, and Babla Basu, general manager for accounts, hand over scooty and motorbikes to the top three winners of Fresh Premium Tea Consumer Promotional Programme at the group's head office in Dhaka on Sunday. Mohammad Ali, from Chattogram, won a scooty, while Harunur Rashid (Gazipur) and Mamunur Rashid (Chapainawabganj) won motorbikes.

PHOTO: MEGHNA GROUP OF INDUSTRIES

Stocks plunge on Covid scare

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International Leasing Corporation of Bangladesh, Robi Axiata, and British American Tobacco collectively brought the DSEX down by 25 points, according to amarstock.com, a stock market related data provider.

Investor activity was mostly concentrated on the engineering (13.9 per cent), pharmaceuticals (12.4 per cent) and textile (12.2 per cent) sectors, it added.

The Chittagong Stock Exchange (CSE) also dropped yesterday. The Caspi, the main index of the port city bourse, fell 190 points, or 0.93 per cent, to 20,298.

Among 305 traded stocks, 54 rose, 228 fell and 23 remained unchanged.



Md Ahsan-uz Zaman, managing director of Midland Bank, virtually inaugurated an "Annual Manager's Conference-2022" recently. Md Zahid Hossain, deputy managing director, and Md Ridwanul Hoque, head of retail distribution division, attended the virtual event.

PHOTO: MIDLAND BANK