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Stocks break four-day gaining streak

STAR BUSINESS REPORT

Stocks in the Dhaka bourse dropped yesterday after a four consecutive days' rise as profit-taking tendencies prevailed among investors.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), fell 12 points, or 0.17 per cent, to 7,051.

The losers took a strong lead from the gainers, as out of 380 issues being traded, 133 advanced, 192 declined and 55 remained unchanged on the DSE floor.

The stocks opened on an upbeat note but it could not hold the trend till the end and the market showed a reversal sign after the previous four days' winning streak, said International Leasing Securities in its daily market review.

Profit booking tendency of the investors caused the broad index to come down to the red zone, it said.

Among the major sectors, service and real estate rose 2.5 per cent and general insurance 2 per cent whereas food and allied fell 2.2 per cent.

The market's movement is quite good now as the index rose for several days and then it fell, says a stockbroker

The investors' activity was mostly concentrated on miscellaneous (14.2 per cent), chemical & pharmaceuticals (12.2 per cent) and general insurance (10.6 per cent) sectors.

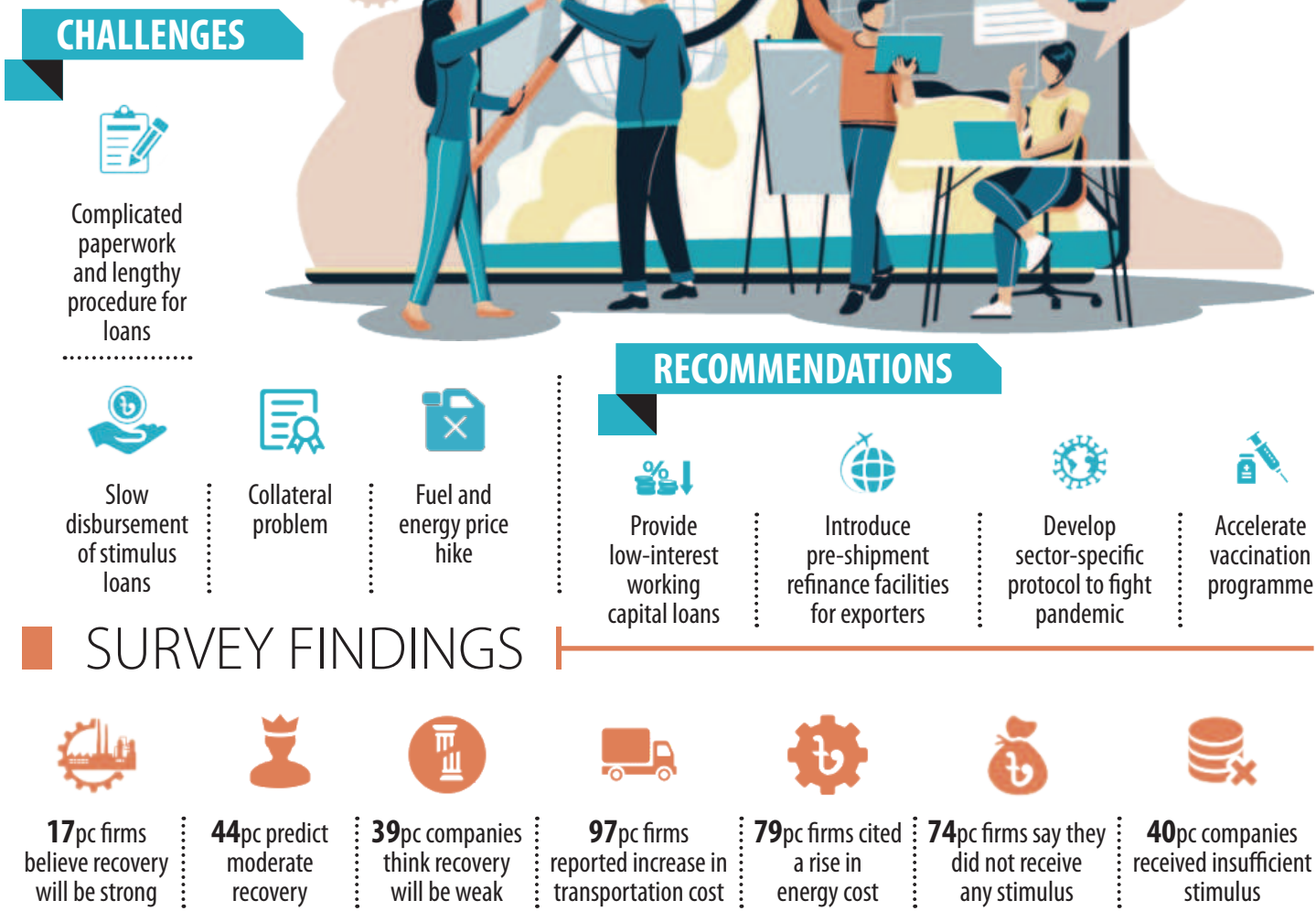
Turnover of the DSE rose 6.89 per cent to Tk 1,427 crore.

Bangladesh Shipping Corporation ranked as the top stock to undergo trade, worth Tk 123 crore, followed by Fortune Shoes, Beximco, Saif Powertec, and Islami Bank.

Yeakin Polymer topped the gainers' list, rising 9.95 per cent, followed by Union Insurance, BD Thai Food, Takaful Insurance, and Summit Alliance Port.

Bangladesh Building Systems shed the most, 6.18 per cent, followed by BD Welding, Queen South

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Business confidence takes a hit from Omicron

Says Sanem in latest survey

STAR BUSINESS REPORT

Firms in Bangladesh feel that the economic recovery will be weaker than they had perceived earlier due to the adverse impacts of Omicron and the fuel price hike that raised the cost of doing business, according to a survey.

The survey, carried out by the South Asian Network for Economic Model (Sanem), found that about 17 per cent firms believe there will be a stronger recovery and 44 per cent expect a moderate turnaround, down from 21 per cent and 52 per cent in October last year, respectively.

The survey also found that overall business confidence for January-March 2022 dropped in comparison to the level of the October-December quarter of 2021.

Measured on a scale of 0 to 100, the Business Confidence Index (BCI) declined to 54.99 in January-March this year from 60.67 in October-December last year.

"Most of the sectors have expressed lesser confidence for the upcoming quarter, reflecting their growing concern about the advent

of Omicron," said Sanem Executive Director Selim Raihan, while sharing the findings of the survey during a webinar yesterday.

This was the seventh round of the survey that the Sanem carried out on 502 firms nationwide from January 3 to 24. The research organisation has been conducting the



survey since July 2020 to track the situation of the economy and the sentiment of businesses during the pandemic.

In relation to the impact of Omicron, the dominant coronavirus 19 variant at the moment, 71 per cent of firms reported a decrease in export order/sales, followed by 79 per cent of firms reporting additional health measures

and associated cost increase and 82 per firms reporting a rise in input costs.

Omicron has also raised the risk of a decrease in exports as reported by 89 per cent of firms. The risk of additional health measures and associated cost increase was reported by 90 per cent of firms and the risk of increase

in input cost was reported by 91 per cent of firms.

Apart from Omicron, the fuel price hike in November was the major reason behind the weaker recovery perception and the drop in business confidence.

The survey found that 97 per cent of firms reported a rise in transportation cost and 79 per cent of firms highlighted a jump in energy cost. Besides,

94 per cent of firms reported the risk of an increase in transportation cost and 81 per cent of firms reported the risk of an increase in energy cost.

However, firms recovered 60.6 per cent of their business during October-December last year, up from 56.8 per cent in the previous quarter.

The Present Business Status Index (PBSI) was 59.20 per cent in October to December from 56.79 per cent in the preceding quarter.

"It indicates a continuation of improvement. Over the quarters, there has been a gradual recovery in business activities," said Raihan, a professor of the economics department at the University of Dhaka.

The improvement is visible in all sub-indicators. Faster recovery has been observed in the garment, textile, restaurant, food processing, and pharmaceuticals sectors.

Large firms (57 per cent) and exporter firms (56 per cent) have higher business confidence compared to the small, micro and medium firms (54-55 per cent) and non-exporter firms (54 per cent).

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Salary hike to bring intangible benefits for banks: ABB chair

AKM ZAMIR UDDIN

The Association of Banks, Bangladesh (ABB) thinks that the latest pay fixed by the central bank for entry-level officials will also bring intangible benefits for banks.

"We welcome the latest salary structure as this will motivate our staff members, create a feeling of ownership, and energise them to work harder," said ABB Chairman Selim RF Hussain during an interview with The Daily Star yesterday.

"It will also bring intangible benefits for banks."

"Why will we raise any question if our colleagues get better pay? This will help them lead a better life."

The ABB, an association of managing directors of banks, can't comment on the salary

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HC questions BB stance on minimum salary

STAFF CORRESPONDENT

The High Court yesterday questioned the Bangladesh Bank's decision on fixing Tk 28,000 as the minimum monthly salary for private banks' entry level officials.

The court issued a rule asking the authorities concerned of the BB and government to explain in a week why the BB's circular concerned should not be declared illegal.

It also asked four senior lawyers to place expert arguments as amici curiae (friends of court) on the rule on February 15.

The amici curiae are Attorney General AM Amin Uddin, Ajmalul Hossain, QC, Rokonuddin Mahmud and Prabir Neogi, Deputy Attorney General Bepul Bagmar told The Daily Star.

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STOCKS		
	DSEX	CSCX
	0.17% 7,051.80	0.21% 12,420.80

COMMODITIES		
	Gold ▲	Oil
	\$1,814.33 (per ounce)	\$91.81 (per barrel)

CURRENCIES				
	₹ USD	€ EUR	£ GBP	¥ CNY
	85.05	96.55	114.18	13.13
	86.05	100.35	117.98	13.81

ASIAN MARKETS				
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
	1.75% 57,621.19	0.70% 27,248.87	1.05% 3,366.48	2.03% 3,429.58

Team Group targets \$1b export by 2026

Ships garments, medicines

REFAYET ULLAH MIRDHA

Team Group, a leading garment exporter, has targeted to export goods worth \$1 billion by 2026, when Bangladesh is scheduled to officially make the United Nations status graduation from a least developed to a developing country.

To put this into perspective, Bangladesh earned \$4.85 billion from merchandise exports in January with apparel shipments accounting for about 85 per cent of it.

Apart from manufacturing textile and clothing, the conglomerate has a garment buying house, a pharmaceutical company and real estate development firm.

Among the ventures, the garment buying house's exports last year stood at \$270 million, said Abdullah Hil Rakib, managing director of Team Group, during a conversation at his factory on Saturday.

Exporting pharmaceuticals over the last couple of years on initially catering to local demand, the group sold medicine worth nearly \$15 million locally and \$600,000 abroad last year, he said.

Last year, the group's 4A Yarn Dyeing exported garment items worth \$36 million and at the end of the current year, Rakib expects to attain \$70 million.

"I am very much hopeful that both the pharmaceuticals and buying house would be very important components in achieving the \$1 billion," he said.

The group has already been preparing to address the graduation challenges, such as erosion of trade preferences, so that its exports maintain robust growth.

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The 4A Yarn Dyeing Ltd, a factory of Team Group at Baipail in Savar under Dhaka district, last month received the United States Green Building Council's Leadership in Energy and Environmental Design certification of platinum standard.

PHOTO: COLLECTED

CTG-ITALY SHIPPING Songa Cheetah leaves Ctg port

STAFF CORRESPONDENT, Ctg

A small sized container vessel, MV Songa Cheetah, left the Chattogram port for Italy's Port of Ravenna yesterday afternoon with 952 TEUs of export-laden containers, marking the first round trip in container shipping service between Bangladesh and Europe.

Officials of the ship's local agent said the Liberian-flagged vessel was expected to reach the Italian port within 16 days.

Chittagong Port Authority (CPA) Chairman Rear Admiral M Shahjahan termed the new service as a milestone in the history of the country's container transport on sea routes since this was the first container vessel taking export cargo from

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