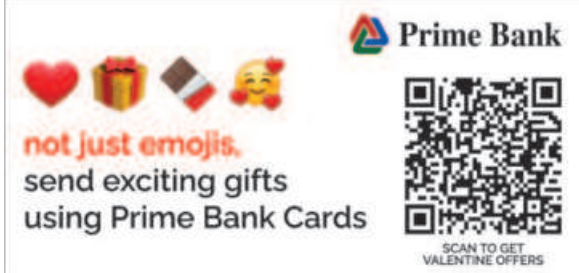
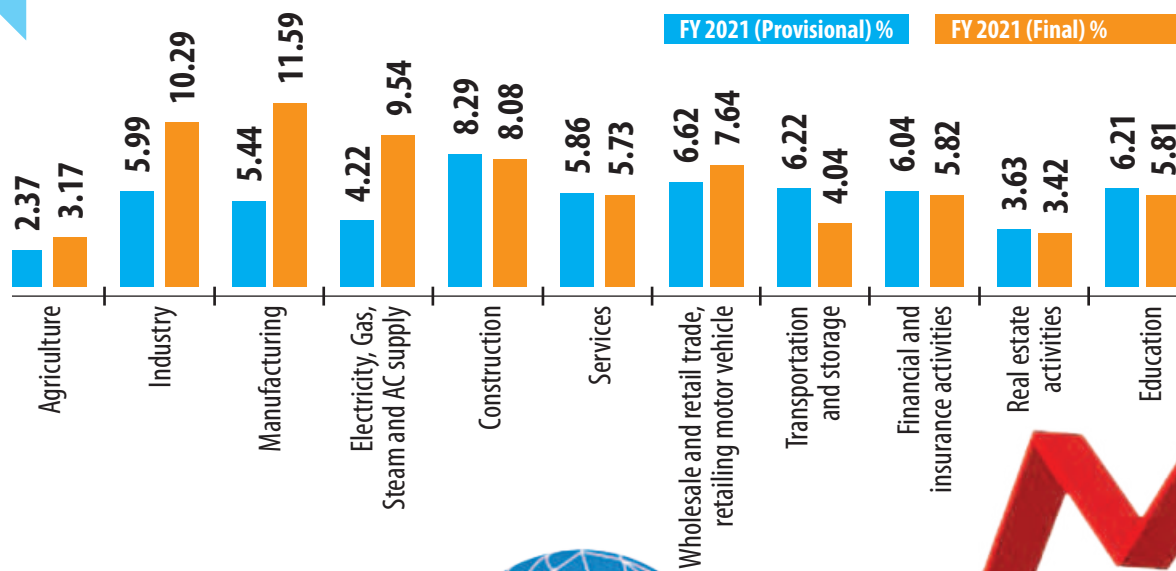


Star BUSINESS



Sectoral GDP Growth in FY21



GDP size

\$416 billion (Current Price)
Per capita income - \$2,591

Investment GDP ratio

31.02 (FY21) Private : Public
23.70 : 7.32

31.31 (FY20) Private : Public
24.02 : 7.29

Spike in GDP growth: hard to fathom



ZAHID HUSSAIN

There was no doubt that the growth in gross domestic product (GDP) in FY21 was better than the growth in FY20 even though the pandemic was present with all its ferocity in both years.

When the Bangladesh Bureau of Statistics (BBS) came up with its preliminary estimate of 5.4 per cent growth based on data for the first 6-7 months of FY21, this seemed quite reasonable.

But the second wave of Covid-19 struck Bangladesh in the second half of the year, forcing the government to impose a prolonged lockdown to contain the spread of the virus.

The lockdown disrupted the entire economy except the production for export as factories were allowed to stay open. We, therefore, saw an improvement in export growth in the second half of FY21.

Can this export turnaround explain the difference between the preliminary and final estimate of GDP growth?

The answer is a clear negative because what matters in the growth calculation is the balance of exports and imports described as "resource balance" in the BBS's GDP estimate from the expenditure side.

READ MORE ON B3

Economy posts blistering growth in FY21

Govt reveals final figure of 6.94pc

STAR BUSINESS REPORT

Despite the second wave of the coronavirus pandemic, Bangladesh's economy pulled off a stunning 6.94 per cent growth in the last fiscal year, way higher than the initial estimate.

The final figure is up 1.51 percentage points compared to the provisional estimate, thanks to the rebound of the industrial sector, especially the cottage, small, medium and large industries, according to the Bangladesh Bureau of Statistics (BBS).

The provisional estimate was 5.43 per cent. Planning Minister MA Mannan yesterday disclosed the final figures of the gross domestic product (GDP) after the meeting of the Executive Committee of the National Economic Council.

Calling the growth "a miracle" amid the pandemic, the minister said, "It's a miracle that our GDP growth surged to nearly 7 per cent while many other countries took a hit."

He said that the prime minister was very happy because of the achievement and she has dedicated this to the countrymen.

The economic growth figure is

much higher than the projections made by the international organisations.

The World Bank (WB) had projected that Bangladesh would have a GDP growth of 5 per cent by the end of FY2021. The International Monetary Fund (IMF) said it would be 4.6 per cent and the Asian Development Bank (ADB) put the figure at 5.5 per cent.



Mannan said that the WB, the ADB and the IMF naturally do their projection. "But, this year, the World Bank has corrected its own projections. They have finally raised it. Our final growth is almost equal to the World Bank's projection."

"I repeatedly say: it is our product that has been achieved by our people. We have full confidence in it. It's open to analysis," he said.

State Minister for Planning Prof Shamsul Alam said, "We count this GDP system according to the

United Nations' procedures and our national technical expert committee has overseen it."

"The IMF and the World Bank don't collect the data in the way we collect from the local level. They do it depending on some assumptions and international trade flows that are subjective. Lastly, they have used our data and updated them."

Prof Alam said the growth in national GDP was an indication that the economy had bolstered on the back of export and remittance.

"Additionally, revenue collection improved last fiscal year, indicating that businesses recovered, allowing them to pay more value-added tax and tax."

Contacted, Prof Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, said the economic growth has been better as Bangladesh has been able to take the opportunity amid the pandemic instead of going into lockdown.

"As a result, the economy was functional with the help of some stimulus packages. There was domestic demand and external factors were also in favour of Bangladesh."

According to the BBS, the industrial sectors boomed, the

READ MORE ON B3

BPC counts Tk12cr loss daily for higher diesel price

MD NAZRUL ISLAM, Ctg

The government is counting a loss of Tk 12.40 crore per day in selling diesel to customers as the price of the most-consumed fuel in Bangladesh is on the rise in the global markets.

State-run Bangladesh Petroleum Corporation (BPC), the lone importer, processor and supplier, loses Tk 8.72 while selling each litre of diesel.

The price of diesel has been going up in the global market for about a month now.

Diesel was sold at \$87.95 per barrel on freight on board basis on January 3 in the Arab Gulf market. It rose to \$108.24 per barrel on February 7.

Not only diesel fuel, but the price of all other petroleum products is also showing an upward trend.

Many countries are stockpiling diesel because of the recovery in demand as the impacts of the coronavirus pandemic are fading away, as well as the Russia-Ukraine tension, said analysts.

READ MORE ON B3

Premier Cement to raise Tk 310.75cr

To issues preference shares

STAR BUSINESS REPORT

Premier Cement Mills yesterday received permission from the stock market regulator to raise Tk 310.75 crore by issuing preference shares.

The Bangladesh Securities and Exchange Commission (BSEC) gave the approval.

Preference shares provide dividends to shareholders before common stock dividends are issued. Most have a fixed dividend, while common stocks generally do not.

Holders of preference stocks also typically do not have any voting rights but common shareholders usually do.

The cement maker would raise the funds through issuing fully redeemable, non-convertible, non-participating and cumulative preference shares.

Of it, preference shares of around Tk 235.75 crore of tenures of five years will be issued to

READ MORE ON B3

STOCKS		
	DSEX ▲	CSCX ▲
	0.29% 7,072.78	0.18% 12,444.34

COMMODITIES		
	Gold ▲	Oil ▼
	\$1,818.12 (per ounce)	\$89.80 (per barrel)

CURRENCIES				
	\$ USD	€ EUR	£ GBP	¥ CNY
BUY TK	85.05	96.56	114.26	13.14
SELL TK	86.05	100.36	118.06	13.81

ASIAN MARKETS				
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
	▲ 0.33% 57,808.58	▲ 0.13% 27,284.52	▲ 1.05% 3,401.74	▲ 0.67% 3,452.63

READ MORE ON B3

BSEC orders selling Tamha Securities assets

Aims to refund investors whose funds were embezzled

AHSAN HABIB

The Bangladesh Securities and Exchange Commission (BSEC) has ordered the managing director and directors of Tamha Securities to sell its assets and deposit the proceeds at Dhaka Stock Exchange (DSE) by May 31.

The BSEC passed the directive through a letter in a bid to ensure reimbursement of funds of general stock investors which were embezzled by the broker.

Recently, a group of investors who fell victim urged the BSEC to take action immediately, citing that they were passing days in peril losing their hard-

READ MORE ON B3



Pumpkins harvested fresh off the field and heading for the market. On the spot at Savar's Bhakurta union they sell for Tk 25 a piece whereas once they reach the capital just over 20 kilometres away, the price doubles. The photo was taken yesterday.

PHOTO: RASHED SHUMON

Debt Capital Market Transaction

AKU/RESOURCES LIMITED

has acquired 100% shares of

HRML

Hashem Rice Mills Ltd.

Prime Bank

Acquisition Advisor and Financing Arranger

FINANCING PARTNERS

Bank Asia

BASIC Bank Limited

Prime Bank

SABINCO

Trust Bank

The announcement appears as a matter of record only