Workers unload sand off a barge at Jambudwip in Banaripara upazila of Barishal, earning Tk 600 for their labour from dawn till dusk. The photo was taken on Sunday.

PHOTO: TITU DAS

INVESTORS IN THE DARK
on China industrial transport amid data curbs

REUTERS

A wave of Covid-19 lockdowns in Shanghai presents the biggest test yet for investors, trading companies and logistics managers trying to follow China's economy after the government restricted firms from releasing real-time data.

As China's most populous city struggles to emerge from weeks of crippling coronavirus curbs, companies can no longer see how goods are moving in and out of the key port as a result of a recent data law that cracked down on data sharing.

Industrial barometers from crude oil inventories at import terminals to high-frequency container throughput at ports were widely available previously, offering a real-time window on the world's second-biggest economy unhampered by the delays and possible distortions of official economic data.

But since China's Personal Information Protection Law went into effect in November, crucial sources of information about the world's biggest exporting nation have gone dark.

Shipping companies and brokers have resorted to less accurate satellite-based tracking to monitor port delays. Traffic data to gauge truck shipping and commerce is no longer available. Traders track port activity by phone calls or even hand-counting ships.

That lack of visibility will affect every other link in China's globe-spanning supply chains as work gradually resumes, the flow of goods picks up and shippers seek to clear traffic jams off China's east coast.

"We are no longer able to obtain some of the high-frequency data, like daily cargo turnover at ports, railway and air traffic passenger data," said Dong Chen, head of Asia macroeconomic research at Pictet Wealth Management.

"Some of the data became monthly basis only," Chen said. "We just have to deal with what it is."

The Cyberspace Administration of China and the Ministry of Transport did not respond to requests for comment on the impacts of the data law.

The data law is the latest in what accountancy PwC calls "one of the most stringent regulatory regimes many multinationals will encounter." The measures limit how domestic and foreign organisations can collect and use data, affecting every company operating in China.

Organisations monitoring industrial or commercial activity in China must comply with strict rules on data classification, storage, cross-border transfers, transparency and user consent management before they may publish such data to clients.

As a result, some data providers have suspended or ceased publishing data or moved it behind pay walls.

"Everyone is writing and talking about the port congestion in China due to recent wave of Covid, but we cannot find much authentic data to assess the actual situation," said a Beijing-based oil trader.

Two years ago when Covid swept through China at the start of the pandemic, analysts, investors and journalists turned to traffic data by Dutch mapping firm TomTom to see how lockdowns stifled mobility across major cities in the world's most populous country.

Not now. Chinese cities are not available on the company's free international traffic congestion page, which continues to track data for dozens of other locations globally.

"We have made the business decision to discontinue the historical and live traffic feed for Chinese cities through our TomTom Move Portal and Traffic Index website, as Chinese law on the sharing and disclosing of GPS data has been tightened recently," TomTom spokesman Ivo Bokkerink said by email.

TomTom continues to provide data to subscribers in China, he said.

After shipping companies stopped publishing Automatic Identification System (AIS) feeds on ships in Chinese waters, traders and others who track ship movements have used satellite-based positioning data that can be less accurate than ship-to-shore AIS signals.

"Id say last year we were talking to people a few times per month" to supplement data on supply chain developments, said Ivan Lam, senior analyst at Counterpoint Research. "But the past few weeks its been daily." Others have gone more old school.

"Real-time data-driven decision making is at the heart of what we do for a living these days, especially with supply chain issues stoking inflation fires," said Stephen Innes, managing partner at SPI Asset Management.

"Now we are reduced to relying on folks to manually count ships outside of Shanghai and Ningbo Ports again at 7 pm daily for reference points."

EDUCATION ASSISTANCE

Brac Bank donates 5pc of CSR fund to PM's trust

STAR BUSINESS DESK

Brac Bank has contributed 5 per cent of its total corporate social responsibility (CSR) budget for 2022 to the Prime Minister's education assistance trust (EAT).

The bank handed over a cheque equivalent to Tk 11,517,754 to the PM's EAT on April 20, 2022, a press release said.

"We should thank Bangladesh Bank for this timely initiative allowing banks to contribute to building an educated nation. The trust has done remarkably well in only a few years to support the education of the underprivileged," said Selim RF Hussain, managing director of Brac Bank.

"As we continue supporting the trust, the result, in the long run, will have the upper hand in developing our country," he added.

In addition, the Prime Minister's education assistance trust is a government trust fund under the ministry of education responsible for providing scholarships to underprivileged students based on merit.

An advisory council headed by the PM manages the trust.

City joins Net-Zero Banking Alliance

STAR BUSINESS DESK

City Bank has recently joined Net-Zero Banking Alliance, a platform of banks worldwide representing almost 40 per cent of global banking assets and committed to align lending and investment portfolios with net-zero emissions by 2050.

The alliance is convened by the United Nations Environment Programme Finance Initiative, said a press release.

The alliance has over 100 members from 40 countries and recognises the role of banks in supporting the global transition of the real economy to a low-carbon, sustainable, and inclusive economy.

Rouble firms past 74 vs dollar

REUTERS

The Russian rouble opened stronger on Monday, firming past 74 against the dollar, helped by tax payments that companies are due to make this week and as the market looked ahead to a central bank rate decision on Friday.

At 0726 GMT, the rouble was 2.2 per cent stronger against the dollar at 73.80, hovering around levels seen before February 24, when Russia sent tens of thousands of troops to Ukraine.

It had gained 2.6 per cent to trade at 78.01 versus the euro . Trading activity remains subdued compared with levels seen before February 24.

Indonesia's ban leaves

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Vegetable oil prices have already risen more than 50 per cent in the past six months as factors from labour shortages in Malaysia to droughts in Argentina and Canada - the biggest exporters of soyoil and canola oil respectively - curtailed supplies.

Buyers were hoping a bumper sunflower crop from top exporter Ukraine would ease the tightness, but supplies from Kyiv have stopped because of what Russia calls its "special operation" in the country.

This had prompted importers to bank on palm oil being able to plug the supply gap until Indonesia's shock ban delivered a "double whammy" to buyers, said Atul Chaturvedi, president of trade body the Solvent Extractors Association of India (SEA).

Importers such as India, Bangladesh and Pakistan will try to increase palm oil purchases from Malaysia, but the world's second-biggest palm oil producer cannot fill the gap created by Indonesia, Chaturvedi said.

Indonesia typically supplies nearly half of India's total palm oil imports, while Pakistan and Bangladesh import nearly 80 per cent of their palm oil from Indonesia.

"Nobody can compensate for the loss of Indonesian palm oil. Every country is going to suffer," said Rasheed JanMohd, chairman of Pakistan Edible oil Refiners Association (PEORA).

In February, prices of vegetable oils jumped to a record high as sunflower oil supplies were disrupted from the Black Sea region.

The price rise raised working capital requirements for oil refiners, who were holding lower inventories than normal in anticipation of a pullback in prices, said a Mumbai-based dealer with a global trading firm.

Instead, all oil prices have rallied further.

"Refiners have been caught on the wrong foot. Now they can't afford to wait for a few weeks. They have to make purchases to run plants," the dealer said.

As Indonesia has allowed loading until April 28, consuming countries will have enough supply for the first half of May, but could face shortages from the second half, said a refiner based in Dhaka.

South Asian refiners will only slowly release oil into the market as they know supplies are limited, he said.

In India, the world's biggest vegetable oil importer, palm oil prices rose by nearly 5 per cent over the weekend as industry prices in shortages in the coming months. Prices also rose in Pakistan and Bangladesh.

Ha-Meem Group eyes

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The conflict has dealt a fresh blow to the global clothing supply chain, which has already been severely affected by the fallout of Covid-19.

"If the war prolongs, the garment export may come under pressure as European consumers will face more inflationary pressure and may cut consumption. This may hit the global clothing supply chain and our garment industry," said Azad.

Ha-Meem Group exports 95 per cent of garment items to the US and the rest to Europe.

Currently, high-end garments fetch about $500,000 a year for the group. And the industrialist plans to concentrate on improving productivity and efficiency after 2024 with a view to making the group's businesses more sustainable.

Stocks break gaining

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drop. Gemini Sea Food, JMI Hospital Requisite Manufacturing, Paper Processing & Packaging, and Bangladesh Investment and Finance Company were among those suffering heavy losses.

IPDC Finance became the stock to be traded the most with shares worth Tk 33 crore changing hands followed by Beximco, Orion Pharma, Bangladesh Shipping Corporation and Square Pharmaceuticals.

Chittagong Stock Exchange (CSE) also fell yesterday. The CASPI, the main index of the CSE, dropped 46 points, or 0.23 per cent, to close the day at 19,599.

Of the 276 stocks to undergo trade, 99 rose, 147 fell and 30 did not see any price movement.

Tarique Afzal, managing director of AB Bank, inaugurates an awareness programme on Automated Challan at a local hotel in Bogura recently. Members of the senior management team and all managers of the bank's northern region were present.

PHOTO: AB BANK

Twitter reexamining Musk's takeover offer

AFP, *Washington*

Twitter is reconsidering Elon Musk's buyout proposal, with discussions between the two camps ongoing Sunday, The Wall Street Journal reported, after the billionaire said Thursday he had secured the necessary funding.

"Twitter is taking a fresh look at the offer and is more likely than before to seek to negotiate," the business daily reported, citing sources familiar with the matter.

Tesla CEO Musk said Thursday he had secured close to $46.5 billion to finance the transaction, but also that he planned to appeal directly the company's shareholders as he looks to take over the social media platform.

The Twitter board of directors had been opposed to the proposal, lining up a "poison pill" clause that would make it harder for Musk to acquire more than 15 per cent of the company via the market. He currently owns 9.2 per cent of shares.

"The potential turnabout on Twitter's part comes after Mr. Musk met privately Friday with several shareholders of the company," the Journal reported.

Musk "pledged to solve the free-speech issues he sees as plaguing the platform and the country more broadly, whether his bid succeeds or not," the sources added, according to the Journal.

Musk has previously cited concerns over freedom of speech as motivation for buying the platform, though free-speech experts have pointed to Musk's unpredictable statements and history of bullying critics as contradictory to his stated aims.

He "made his pitch to select shareholders in a series of video calls, with a focus on actively managed funds... in hopes that they could sway the company's decision," the sources told the Journal.

The polarizing billionaire said last week he was considering bypassing Twitter's board of directors in his takeover bid by purchasing shares directly from existing shareholders, "but has not determined whether to do so at this time," according to a securities filing released Thursday.

Sri Lanka exchange halts

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rates and defaulted on its $51 billion foreign debt.

The local S&P index fell seven percent in the opening minute of trade, more than the five percent needed to trigger an automatic half-hour halt.

Shares continued their rapid slide after a brief resumption, prompting the market to declare a halt to trading for the rest of the day.

Sri Lankan officials were in Washington last week to negotiate with the International Monetary Fund for a bailout, but official sources said there was no immediate prospect of emergency funding from the lender.

Colombo is now banking on further bilateral help from India, China and Japan to help keep the country afloat, a finance ministry source told AFP.

Sri Lanka's economic collapse began to be felt after the coronavirus pandemic torpedoed vital revenue from tourism and remittances, leaving the country unable to finance essential imports.

Utilities unable to pay for fuel have imposed long daily blackouts to ration power, while long lines snake around service stations each morning as people queue for petrol and kerosene.

Hospitals are short of vital medicines, the government has appealed to citizens abroad for donations and record inflation has added to everyday hardships.

Public anger over government mismanagement of the crisis is at a fever pitch and thousands of protesters have been camped outside the seafront office of President Gotabaya Rajapaksa to demand his resignation for more than two weeks.

Nationwide demonstrations have seen crowds attempt to storm the homes and offices of other government figures.

Last week a man was shot dead when police fired on a road blockade in the central town of Rambukkana -- the first fatality since largescale protests began last month.

Finance minister Ali Sabry, who is part of the delegation meeting with the IMF in Washington, warned last week that the economic situation would likely deteriorate even further.

"It is going to get worse before it gets better," Sabry told reporters. "It is going to be a painful few years ahead."