

China's Iranian oil imports ease on lure of Russian oil

REUTERS, Singapore/London

China's Iranian oil imports in April came off peak volumes seen in late 2021 and early 2022 as demand from independent refiners weakened after Covid-19 lockdowns pummeled fuel margins and on growing imports of lower-priced Russian oil.

The easing of Iranian oil purchases, which still make up some 7 per cent of imports by the world's largest crude importer, came as Western diplomats have largely lost hope in reviving a 2015 nuclear pact while high oil prices emboldened Iran to take its time to return to an agreement.

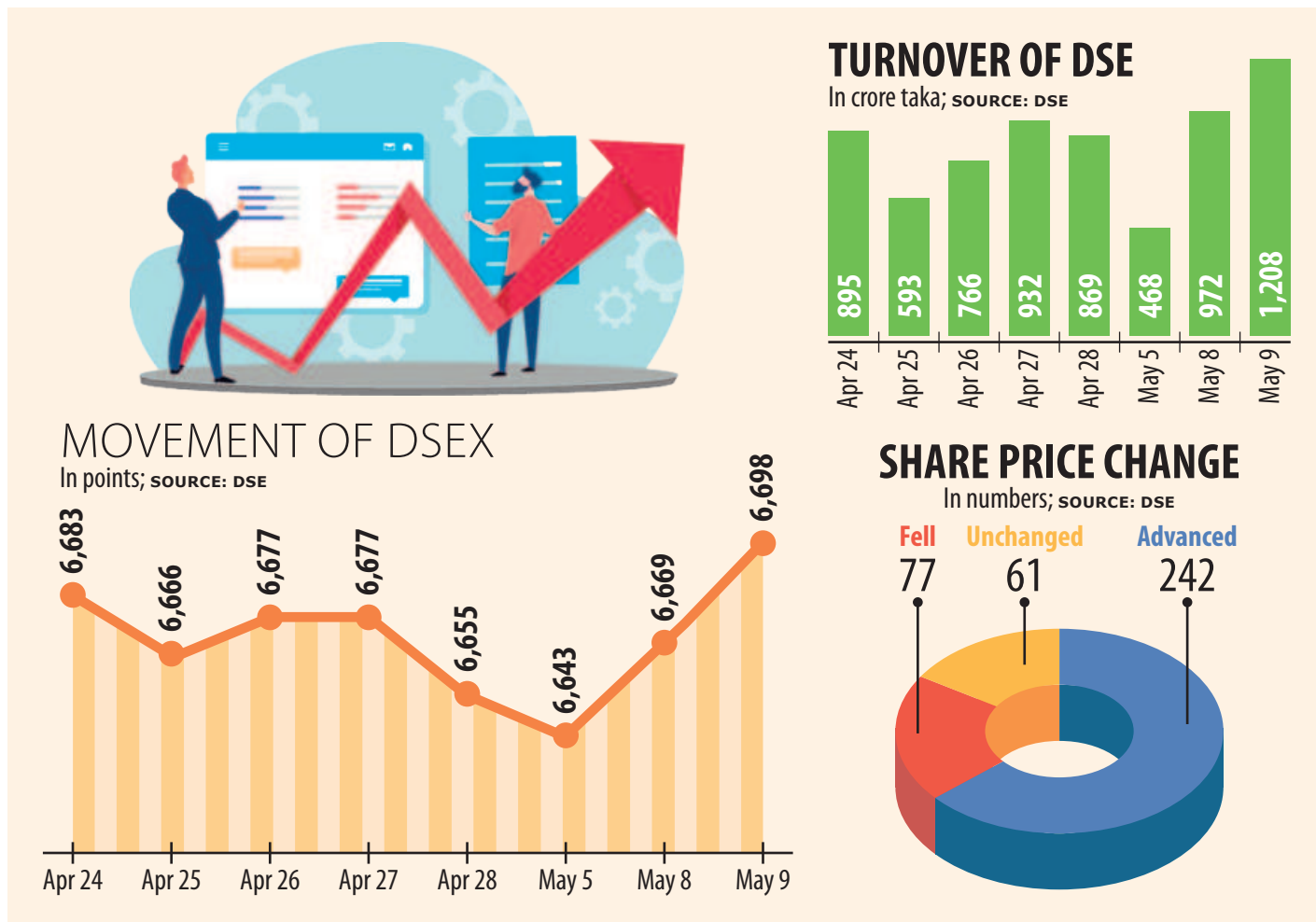
A revived nuclear deal would allow Iran to boost its oil sales beyond China — Iran's number one customer for the past two years

A revived nuclear deal would allow Iran to boost its oil sales beyond China — Iran's number one customer for the past two years — to previous clients in South Korea and Europe.

Meanwhile, Russian crude, displaced by falling demand in Europe on growing concerns about sanctions over Russia's invasion of Ukraine, is heading to China. Russia sent tens of thousands of troops into Ukraine on February 24 in what it called a special operation.

Initial assessments by Vortexa Analytics showed China imported nearly 650,000 barrels per day of Iranian crude in April, slightly less than the nearly 700,000 bpd discharged in March.

Kpler, another data analytics firm, tentatively pegged Iran's April exports at 575,000 bpd, down from an average of 840,000 bpd in the first quarter of 2022, though the agency expected to revise up April volumes in coming weeks.



Stocks turnover crosses Tk 1,200cr

Key index also rises thanks to an increase in investor participation

STAR BUSINESS REPORT

Turnover at Dhaka Stock Exchange (DSE) reached over Tk 1,200 crore yesterday after two and a half months thanks to an increase in the participation of investors in the market following the Eid-ul-Fitr vacation.

The DSEX, the benchmark index of the DSE, rose 28 points, or 0.42 per cent, to 6,698 at the end of the day. This is the second consecutive days' rise for the index.

The DSE's turnover rose around 24 per cent to Tk 1,208 crore from that the previous day. On February 16, it was Tk 1,213 crore.

Normally, the stock index adopts a rising trend after an Eid vacation as people want to buy stocks to continue running their trading business, said a stock broker.

This time the stock index went down to a very low level ahead of Eid-ul-Fitr, so general investors went on a buying spree in the last two days, he added.

At the DSE, 242 stocks advanced, 77 declined and 61 remained unchanged.

The stocks ended in the positive for the second consecutive day with a rise in the turnover as investors showcased

interest and placed fresh bets on sector-specific issues, said International Leasing Securities in its daily market review.

Flows of institutional funds to the market created a bullish vibe among the investors, causing their participation to increase significantly, it said.

All the sectors achieved price appreciations, albeit jute which dropped 0.3 per cent. Ceramics rose the most, by 5.8 per cent, while financial institutions by 3.1 per cent.

As per the turnover, investors' attention was mainly concentrated on pharmaceuticals and chemicals (13.9 per cent), engineering (10.8 per cent) and miscellaneous (9.3 per cent).

Stock investors are divided over two scenarios — while the country's remittances are rising alongside export earnings, the overall economic situation around the globe is not supportive of investments, said a merchant banker.

The central banks of Germany and England have already expressed apprehensions over another recession in the world, so it may have an impact on the Bangladesh stock market too, he said.

So, some of the institutional investors

were not optimistic enough to purchase stocks at this moment, he added.

The merchant banker recommended investing in good stock to safeguard funds in case any tough period ensues.

ACI Formulations topped the gainers' list, with a rise of about 9.99 per cent rise. The National Housing Finance and Investments, Shinepukur Ceramics, National Feed Mills, and Eastern Housing also saw major gains.

Imam Button Industries shed the most, with a drop of 4.9 per cent. ICB Islamic Bank, Pubali Bank, Genex Infosys and Coppertech Industries were among those suffering heavy losses.

Fortune Shoes became the stock to be traded the most, with shares worth Tk 64 crore changing hands, followed by JMI Hospital Requisite Manufacturing, IPDC Finance, Orion Pharma and Shinepukur Ceramics.

Chittagong Stock Exchange (CSE) also rose yesterday. The CASPI, the main index of the CSE, went up 44 points, or 0.22 per cent, to close the day at 19,639.

Of the 302 stocks to undergo trade, 178 rose, 92 fell and 32 did not see any price movement.

GRAIN EXPORT

Canada to help Ukraine find options

REUTERS, Kyiv

Canada will help Ukraine work out options on how to export stored grain to uphold global food security that has been shaken by Russia's invasion of the country, Canadian Prime Minister Justin Trudeau said late on Sunday.

Nearly 25 million tonnes of grains are stuck in Ukraine and unable to leave the country due to infrastructure challenges and blocked Black Sea ports including Mariupol, a UN food agency official said last week. Mariupol has endured the most destructive fighting of the 10-week war.

Food prices soared to record highs in March in the wake of Russia's invasion of Ukraine, the world's No 4 exporter of maize (corn) in the 2020/21 season and the No 6 wheat exporter. Prices eased slightly in April.

"We know people around the world are going to be starving because of the actions of Russia," Trudeau told Reuters in an interview.

"There is grain waiting to be shipped in Ukraine. We have to make sure that Russia doesn't prevent the grain that the world needs from getting out to the world."

Since Moscow launched what it calls a "special military operation" in Ukraine in late February, the latter has been forced to export grain by train over its western border.

Kyiv has also been looking to use ports on the Danube river in the country's south to help with exports.

UAE's non-oil sector maintains solid growth

REUTERS, Dubai

The United Arab Emirates' non-oil private sector maintained solid growth in April but inflationary pressures loomed, a survey showed on Monday.

The seasonally adjusted S&P Global UAE Purchasing Managers' Index (PMI) slipped marginally to 54.6 in April from 54.8 in March, remaining above the series average of 54.1 and above the 50.0 mark that separates expansion from contraction.

The output sub-index rose to 61.5 from 60.5, which survey respondents largely attributed to rising orders, ongoing projects and increased marketing. It was the sharpest growth recorded in 2022.

"Cost pressures remained at their highest level for more than three years, driven by rising fuel and material prices, forcing businesses to raise their selling charges for the first time since July last year. The increase will spur greater concern of an inflationary-led dip in demand, particularly as the positive efforts from the pandemic recovery and Expo 2020 fade," wrote David Owen, economist at survey compiler S&P Global, referring to the Expo world fair hosted by Dubai from October 2021 to March 2022.

Hyundai plans US EV plant

REUTERS, Seoul/Detroit

Hyundai Motor Co plans to announce a new electric-vehicle manufacturing plant in the United States and has been in discussions to build a facility in Georgia, near existing plants for the Hyundai and Kia brands, the Korean automaker and people with knowledge of its plans told Reuters.

"We are excited to announce a new EV plant plan in the United States soon, but we do not have details to share at this stage," Hyundai Motor said in a statement to Reuters when asked about its investment plans.

Hyundai has been in advanced discussions with state officials to build a dedicated EV facility in Georgia, three people with direct knowledge of the talks told Reuters. Details of the investment, including its projected cost and the number of jobs it would be expected to create, were not immediately known.

The new Georgia EV facility, if it is finalized, would serve both Hyundai and Kia as the brands move to roll out a pair of fully electric SUVs — the Ioniq 7 and EV9 — aimed at the US market,

the three people with knowledge of the plans told Reuters.

Representatives of Georgia's economic development authorities could not be immediately reached for comment.

The announcement of an investment deal by Hyundai would come at a time when the administration of President Joe Biden has been pushing for more investment in EVs and related suppliers to create jobs and drive a clean-energy agenda. It would also mark a major economic development win for Georgia, which has pushed to establish itself as a regional hub for the emerging EV industry.

Hyundai had been working to announce its U.S. investment in EV manufacturing sometime later this month to coincide with Biden's planned visit to Seoul, another person with knowledge of the plans said.

Hyundai announced a \$300-million investment last month to manufacture the all-electric Genesis GV 70 and a hybrid version of the Santa Fe at its Alabama plant. The Genesis model would be Hyundai's first EV made in the United States.

ABC to sell 27pc of its Mutual

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price in the block market through the DSE within the next 30 working days, it added. Stocks of MTB closed at Tk 19.20 at the DSE yesterday. Considering the stock price, the value of the 63.37 lakh shares would be Tk 12.16 crore.

The lender declared 10 per cent stock dividend for 2021 and provided 10 per cent stock dividend in 2020, and 5 per cent cash and 5 per cent stock dividend in 2019, shows DSE data.

Taka slides further

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exchange rate stood at Tk 84.80 on May 9 last year.

The country's import payments increased 44 per cent year-on-year to \$61.5 billion in the first nine months of the current fiscal year. Exports grew 33 per cent to \$36.6 billion during the period.

Against the backdrop, the trade deficit rocketed to an all-time high of \$24.90 billion between July and March.

The central bank is also injecting greenbacks into the market at a large volume to support banks such that they can settle import payments smoothly. It has so far sold around \$5 billion this fiscal year.

Still, it has failed to keep the foreign exchange market stable.

The central bank bought a record volume of US dollars, amounting to \$7.93

Its consolidated earnings per share was Tk 3.66 for 2021 whereas it was Tk 1.19 previously.

The bank's paid-up capital is Tk 812 crore and it has reserves and surpluses of Tk 779 crore, according to DSE data.

Sponsors and directors are holding 42.33 per cent of the company's shares while institutional investors, foreign investors and general investors hold 22.65 per cent, 0.16 per cent and 34.86 per cent respectively.

billion, from local banks in the last fiscal year when imports plummeted amid the coronavirus pandemic. This boosted the country's foreign exchange reserves, which stood at more than \$48 billion in August last year.

But the higher-than-expected import payments are now squeezing the reserves as it fell to \$44 billion on April 30.

The reserves will fall further as the country is scheduled to make import payments to the Asian Clearing Union (ACU), an arrangement by which participating countries settle payments for intra-regional transactions.

Bangladesh, Bhutan, India, Iran, the Maldives, Myanmar, Nepal, Pakistan and Sri Lanka are members of the Tehran-headquartered ACU, which was established in 1974.

Rupali Bank has insufficient

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Rupali Bank has already sent letters to the Ministry of Finance on November 8 for approval of the issuance of shares but the approval has not yet been received in this regard.

Last week, the bank declared 2 per cent stock dividend for shareholders

for 2021. Its earnings per share stood at Tk 1.10 in the year whereas it was Tk 0.45 in the previous year.

Giving out the bonus shares, the directors recommended strengthening the capital base of the bank to support business growth and maintain a CRAR

as per Bangladesh Bank guidelines, said the bank.

Its paid-up capital was Tk 455 crore while its reserve and surpluses Tk 690 crore, according to DSE data.

Stocks of Rupali Bank closed 1.10 per cent higher at Tk 27.50 at the DSE yesterday.

UAE to introduce unemployment insurance

REUTERS, Dubai

The United Arab Emirates will introduce a form of unemployment insurance, the cabinet said on Monday, the latest reform by the Gulf country as it strives to attract talent and investment amid increasing regional economic competition.

Insured workers would receive some money for a limited time period if made unemployed, UAE Prime Minister and Vice-President Sheikh Mohammed bin Rashid al-Maktoum, who is also the ruler of trade hub Dubai, said on Twitter, citing a cabinet decision.

"The intention is to strengthen labour market competitiveness, provide a social umbrella for workers and

establish a stable working environment for all," the statement said.

The statement did not specify whether this would apply equally to citizens and non-citizen residents in the UAE.

Permission to reside in Gulf countries like the UAE, where foreigners make up 85 per cent of the population according to the IMF, has traditionally been tied to employment, and loss of job usually means the worker has to leave the country.

Gulf states Qatar, Oman, Kuwait and Saudi Arabia have provided some form of unemployment support to citizens, and Bahrain also has a form of jobless insurance for resident non-citizen workers.

PUBLIC ANNOUNCEMENT

GRAMEEN ONE : SCHEME TWO
the second scheme of
GRAMEEN MUTUAL FUND ONE

Having consent from the Bangladesh Securities and Exchange Commission (BSEC), AIMS of Bangladesh Limited is pleased to announce a RECORD DATE under Rule 46(2) of SEC (Mutual Fund) Rules 2001 for GRAMEEN ONE: SCHEME TWO, the second Scheme of GRAMEEN MUTUAL FUND ONE on Tuesday, 17 May 2022.

All Unitholder(s) whose name appear on the Register of the Fund on the Record Date will be privileged to be issued with an 'Entitlement' for subscription of any number of units of Tk100 each at par with minimum of 50 units or multiples thereof of the proposed open-end 'GRAMEEN BANK-AIMS FIRST UNIT FUND' (Micro-Savers Special Purpose Growth Scheme in Perpetuity), under sponsorship of Grameen Bank with an initial contribution of Tk100 crore and under management of AIMS of Bangladesh Limited, the pioneer private asset management company of the Country.

The Entitlement Letters will be ready for hand delivery from the office of AIMS of Bangladesh Limited at Unique Trade Center (UTC), 8 Panthopath (Level 6), Karwan Bazaar, Dhaka 1215 during normal office hours of weekdays from Sunday, 22 May 2022 to Thursday, 26 May 2022. Thereafter, undistributed letters will be dispatched through courier and/or registered postal service to the respective mailing addresses. Subscription against Entitlement(s) will be collected from Sunday, 22 May 2022 to Thursday, 16 June 2022.

The Vision of the Grameen Bank-AIMS First Unit Fund is to achieve financial inclusion through the mutual fund vehicle by creating a reliable and affordable financial instrument for the micro-savers and middle-class cluster of the society and integrating them with the national capital market in a structured and responsible way. Along with the growing risk averse retiree senior citizen section of the community, institutional investors would also find the Scheme a safe sanctuary for predictable income stream and capital gains.

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