



# Frozen fish exports rebound, hit 6-year high

## But prospects not as promising this year, market players say

SOHEL PARVEZ

Frozen fish exports from Bangladesh rebounded and a hit six-year high in the just concluded fiscal year powered by an increase in the price of black tiger shrimp and freshwater prawn farmed in the Southern coastal region. Exporters fetched \$532 million by shipping frozen fish abroad in fiscal 2021-22, posting growth of 12 per cent year-on-year from \$477 million previously, showed data from the Export Promotion Bureau (EPB). The latest proceeds are the highest since fiscal 2016-17, when Bangladesh registered \$638 million in export receipts from frozen fish. Bangladesh's frozen fish exports were on the decline a year after overall receipts touched \$638 million in the fiscal 2013-14 as locally grown black tiger shrimp and freshwater prawn faced stiff competition

from the cheaper vannamei shrimp grown in large quantities in India, China, Vietnam and Thailand. The trend reversed in the last fiscal year. "The main reason is the increase in prices," said Md Amin Ullah, president of the Bangladesh Frozen Foods Exporters Association (BFFEA). He said the recovery in shipments started since 2021 as demand for shrimp and its prices shot up in the main markets, such as Europe, owing to supply disruptions caused by Covid-19. "There were media reports of empty shelves in stores due to the supply disruption and our exports grew under such a situation," he said. "We also saw growth in export volume to some extent and so, that was a good year," Ullah said, adding that shrimp prices have risen by \$2.3 per kilogramme. However, the flow of orders in the

current fiscal year is not as promising. Exporters said the Russia-Ukraine war, rising cost of US dollars resulting from the weakening of most currencies including the euro and British pound, inflation and fears of recession in major economies have cast uncertainty on export prospects. They went on to say the war in Ukraine has affected shipments to Russia. "We have been seeing the opposite scenario since the beginning of the new fiscal year," Ullah said. Besides, buyers are not offering the same prices as before and have also reduced the order quantity, citing that they are heading for recession. Buyers also have to pay higher amounts of euros to buy shrimp in dollars, he added. "The purchasing power of consumers in both the US and Europe are falling because of high inflation. Shrimp is not

an essential commodity. So, its demand is likely to fall," said a leading exporter based in Chattogram. BFFEA President Amin said, "I am afraid we may not be able to retain the same levels of export this year." S Humayun Kabir, vice president of BFFEA, said overall export orders have dipped by nearly 40 per cent in the current fiscal year beginning from July. "The situation in the new year is terrible," he added. Kabir then said the recovery in export earnings from frozen fish was not that high and overall receipts were still below the previous record. "We have to increase technological know-how and make more value-added products," he added. Amin demanded the government increase the cash subsidy for exports to compete with exporters in other countries.

## Prime Insurance gets new CEO

STAR BUSINESS DESK

Prime Insurance Company has appointed a new chief executive officer with effect from June 1, 2022.



The appointee, Abdul Hamid, previously worked in Eastland Insurance Company as an additional managing director, said a press release. He also served Meghna Insurance Company, Eastern Insurance Company, Asia Insurance Company, Northern Islami Insurance, and Meghna Petroleum Ltd during his 26-year professional career. He is a member of International Lions Club of Dhaka Imperial, Insurance Executive Association, Insurance Professional Bangladesh and Bangladesh Accounting Association, and a senior faculty member of the Institute of Chartered Accountants of Bangladesh and Bangladesh Insurance Academy.

## Participation of women in ICT still low: experts

STAR BUSINESS REPORT

Women's participation in ICT is very low although the sector has immense potential for female employment, experts said on Saturday. "This is the sector where women's participation needs to be increased and we need to start working from the school levels," said Samira Zuberi Himika, vice president of the Bangladesh Association of Software and Information Services (BASIS). At the same time, women's participation should be increased at the policy-making level, their social conditions must be improved and gender discrimination in the workplace should be eliminated, she added. For this, it is necessary to improve women's skills in information technology, she added. She was speaking at a roundtable styled "Use of ICT in empowering women in today's world" organised by the BASIS Women's Forum at the trade body's office.

## Trade thru Hili port resumes after Eid

STAR BUSINESS REPORT

The cross-border trade between India and Bangladesh through Hili land port in Dinajpur resumed on Saturday after an eight-day closure for Eid-ul-Azha. However, the immigration service through the port remained normal during the holidays. Harun Ur Rashid, president of Importers' and Exporters' Group of the port, said the bilateral trade between the countries was closed for eight days from July 8 due to the Eid festival.

## Luxury hotels recovering

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The Unique Hotel and Resorts, the owing company of The Westin Dhaka and Sheraton Dhaka, secured a profit of Tk 88.54 crore in the period whereas it incurred a loss of Tk 9.63 crore in the same period of the preceding year, shows data of Dhaka Stock Exchange (DSE). Saadman Salahuddin, cluster assistant director of marketing communications at Sheraton Dhaka and The Westin Dhaka, said, "Now business situation is better than the pandemic level." "For instance, 85 per cent of the recovery has been done in terms of business compared to the pre-pandemic level," he said. There are no travel restrictions now and many people are vaccinated so they are confident in travelling. So, the room occupancy rate is increasing, he said. Salahuddin said at present the

room occupancy was close to pre-pandemic levels. If no other big issue arises, the situation will definitely normalise in the near future, he said. "Our events are also growing. The number of events that used to happen before the pandemic is not the same as it is now, but it is getting closer," said Salahuddin. In the fiscal year starting in July 2020, hotels and tourism businesses were severely affected due to Covid 19 as the hotels were closed for several months and programs were prohibited. Even after they had opened again, the hotel business had to be run abiding by various restrictions. At this time, hotels are more focused on selling food to sustain the business. Several hotels also launched takeaways or home delivery services. Sabrina Mridha, associate director for marketing and communications of Amari Dhaka, said, "Business is

picking up. However, we have not yet returned to the pre-pandemic level. Business is now better so far compared to the previous year." She said room occupancy was still not the same as before. It is floating between 60 per cent to 70 per cent. Food and beverage and other segments have recovered to 50 per cent to 70 per cent of the previous level, she said. "We are still offering discounts on various segments based on the type of guest to make a full recovery in business. Because we still don't get the number of guests targeted as of year 2019. That's why our offers are being made keeping that in mind," said Mridha. "To be honest, we haven't faced any challenges so far with global inflation and the dollar crisis," she added. According to the Ministry of Civil Aviation and Tourism, there are currently 17 five-star hotels in the country.

## SME stocks shed 7pc amid fear of BSEC action

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speculations surfaced that the Bangladesh Securities and Exchange Commission might take tougher actions to rein in price manipulation in the sector. The Daily Star ran a report on Friday on the abnormal rise in share prices of small-capital based companies. "So, the index fell by a huge amount," said a senior official of a market intermediary. The domestic stock market has been lodged in a downward spiral since Eid-ul-Azha as investors have become shaky about pouring in funds amid the challenging economic situation at present. The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), dropped 20 points, or 0.31 per cent, to yesterday's trading session at 6,304. However, turnover of the Dhaka bourse rose to Tk 593 crore from Tk 580 crore the previous day. Bangladesh's foreign currency reserves have fallen below \$40 billion for first time in two years

while inflationary pressure is increasing and the taka is losing value against US greenbacks, so investors are in a shaky situation, analysts said. At the DSE, 99 stocks advanced, 236 dropped and 47 remained the same. Mithun Knitting topped the gainers list, gaining 10 per cent, while ICB Islamic Bank, Standard Ceramic Industries, Meghna Pet Industries, and Meghna Condensed Milk also advanced significantly. Dhaka Electric Supply Company shed the most, losing 2 per cent, while Yeakin Polymer, Kattali Textile, Global Insurance, and Progressive Life Insurance were among the heavy losers as well. Beximco Ltd became the most traded stock with shares worth Tk 39 crore changing hands followed by Intraco Refueling Station, and Titas Gas Transmission and Distribution. Stocks at the Chattogram bourse also dropped yesterday and its turnover also fell.

## China monetary policy has ample room to meet challenges: panel

REUTERS, Beijing

China's monetary policy has ample room and sufficient tools, including further cutting banks' reserve requirements, to cope with new challenges amid a shaky economic recovery, a commentary in the state-owned Securities Times said on Sunday. China's economy grew just 0.4 per cent in the second quarter from the same period last year, down sharply from 4.8 per cent growth for the first three months, the government said on Friday, as widespread lockdowns to extinguish outbreaks of Covid-19 hobbled the world's second-largest economy. While June data showed signs of improvement, analysts do not expect a rapid recovery as China sticks to its tough zero-Covid policy, the country's property market is in a deep slump and the global outlook is darkening. "Looking out to the second half of the year, the foundation of our economic rebound is still not solid and economic operations still face many uncertain and unstable factors," Sunday's commentary said. "In terms of coping with new challenges and changes that may exceed expectations, monetary policy has sufficient space and ample tools." But many analysts believe the People's Bank of China has only limited room for further easing due to worries about capital outflows, as the US Federal Reserve and other central banks aggressively raise interest rates to fight soaring inflation.

## Trial run of new Ctg port terminal

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Though three jetties of the PCT have been built to accommodate container vessels, the CPA initially will start operations by berthing bulk carriers. CPA Chairman M Shahjahan said they have a plan to start berthing container vessels at the terminal in September, when the prime minister would formally inaugurate the terminal. Since the appointment of a private operator is a lengthy process and it will take a couple of additional months for the operator to acquire equipment, like quayside gantry cranes, there is primarily no scope for accommodating gearless vessels at the terminal. Shahjahan said until private operators were appointed, they would allow bulk vessels as well as geared container vessels at the PCT. He said with the PCT, now the port would be equipped to berth three more container vessels and an oil tanker. It will help reduce the stay time of

vessels and their waiting time at the outer anchorage and the port will be able to handle a significant quantity of additional containers, he said. Chittagong Chamber of Commerce and Industry President Mahbubul Alam said it was indeed a good news for the country's foreign trade, which was ever increasing and demanded an increase in capacity at the country's premier port. He said as the PCT was located much nearer to the Karnaphuly estuary compared to the existing port jetties, vessels which would be able to berth there would now be able to complete discharging and loading of containers at a lesser amount of time. He, however, urged the government to complete the appointment of a private operator as early as possible to get the optimum benefit from the terminal. The government approved the project for the CPA to construct the terminal on around 30 acres of land at Patenga in the port city in June

2017. Initial plans were for the project to be implemented between July 2017 and December 2019, which was revised and extended to June 2022. The original construction cost was estimated at Tk 1,868.28 crore, with the terminal being built by the CPA at its own cost. In the revised plans, the cost was reduced to Tk 1,229 crore as the government decided to implement the project on an equip, operate and maintain model under public-private partnership (PPP) with the operator appointed to procure the necessary equipment. Once the PCT is fully operational, the port will be able to handle an additional five lakh TEUs (twenty-foot equivalent units) of containers annually. And, the terminal will be able to accommodate bigger vessels having a draught of 10 metre. The port can currently permit vessels with a draught of up to 9.5 metre.