

Treatment plant opens to end CEPZ water crisis

STAFF CORRESPONDENT,
Chattogram

A water treatment plant set up near the Patenga silo jetty was inaugurated yesterday to purify 3 million gallons daily from the Karnaphuli river and meet shortages at 148 factories in Chattogram Export Processing Zone (CEPZ).

"From the beginning of the establishment of Chattogram EPZ, there was a shortage of drinking water in this region," said Bangladesh Export Processing Zone Authority (Bepza) Chairman Maj Gen AKM Ziaur Rahman on opening the facility.

"This problem was worsening day by day," he said.

Despite having a demand of 8 million gallons per day, very little was available from Chattogram Water and Sewerage Authority (Wasa), he said.

For this, factories were allowed to set up deep tube wells despite it being known that those were harming the environment, said the Bepza chairman.

The CEPZ officials explained that Chattogram Wasa provides 2,00,000 gallons, 112 deep tube wells 3 million gallons and Karnaphuli EPZ 28,00,000 gallons.

Rahman expressed hope that the new plant would solve all problems once operational.

"Karnaphuli Water", a company of Dhaka-based Sigma Group, implemented the project.

Surface water from the Karnaphuli river will be used during low tide to avoid salinity, Sigma Group General Manager (Project) Engineer Tajul Islam told The Daily Star.

Syed A Reza, chairman of Sigma Group, gave a presentation while CEPZ Executive Director Mashiuddin Bin Mejbah was present among others.



A water treatment plant set up near the Patenga silo jetty in Chattogram, having a capacity to purify three million gallons of water of the Karnaphuli river daily. Constructed by Dhaka-based Sigma Group, the facility was inaugurated yesterday to meet a shortage of water at 148 factories in Chattogram Export Processing Zone.

PHOTO: MD NAZRUL ISLAM

Turnover drops though stocks end in black

STAR BUSINESS REPORT

Turnover on the Dhaka and Chittagong stock exchanges declined significantly yesterday owing to the lower participation of investors amid persisting uncertainty although the bourses ended the week in positive territory.

One of the key indicators of the market, turnover dropped more than 18 per cent to Tk 1,216 crore on the Dhaka Stock Exchange (DSE), while the Chittagong Stock Exchange (CSE) saw it slip by more than 13 per cent to Tk 87 crore.

The DSE started on a positive note but it switched to a downward trend after half of the first trading hour as shaky investors went for profit-booking, said International Leasing Securities Ltd, a brokerage house, in its daily market review.

Some investors adopted a 'wait-and-see' stance amid rising inflation and the deepening risk of a global recession.

The DSEX, the benchmark index of the DSE, was up 16 points, or 0.25 per cent, to close at 6,512.

The DSES, the shariah-based index, gained 0.30 per cent to 1,419, while the DS30, the index that consists of blue-chip companies, inched up 0.31 per cent to 2,330.

Of the securities that traded on the DSE,

94 advanced, while 85 retreated, and 186 were unchanged.

Among the sectors, paper rose 3.8 per cent, led by a surge in earnings of Bangladesh Monospool Paper Manufacturing Company Ltd and Paper Processing & Packaging Ltd.

Monospool Paper's profit jumped more than 343 per cent and Paper Processing's profit surged more than 244 per cent year-on-year in the financial year that ended on June 30, 2022.

The service sector rose by 1.1 per cent and life insurance gained by 1.1 per cent. Ceramic was down 1.6 per cent and travel and IT each dropped 0.4 per cent.

Investors' activity was mostly centred on pharmaceuticals, which accounted for 15 per cent of the day's turnover, and engineering, which represented 11.2 per cent of the turnover.

Bangladesh Export Import Company was the most-traded stock on the DSE yesterday, with its shares worth Tk 110 crore changing hands. Other issues that registered higher turnover included Orion Pharma, Eastern Housing, Bangladesh Building Systems, Shinepukur Ceramics, and MI Hospital Requisite Manufacturing.

Bangladesh Monospool Paper Manufacturing posted the sharpest increase on the day, rising 19.23 per cent. Other

major advancers were Eastern Housing, Apex Footwear, IDLC Finance, and Kohinor Chemicals Company.

BDCOM Online was the worst-performing stock, declining 7.26 per cent. Padma Islami Life Insurance slipped 5.48 per cent, IPDC Finance was down 4.45 per cent, Monno Agro & General Machinery lost 3.90 per cent, and Taufika Foods and Lovello Ice-cream dropped 3.42 per cent.

The Caspi, the all-share index of the bourse in the port city, rose 9 points, or 0.05 per cent, to end the day at 19,189.

Of the securities, only 58 advanced, 76 went down, and 111 remained unchanged.

HOW DSE FARED IN THE WEEK

The stock market passed a gloomy week as investors showed profit-booking tendency, said the brokerage house.

The market opened with a downbeat trend on the first day of the week and fell in the following two days as well, before snapping the trend on Wednesday.

The DSEX witnessed a 51.1-point correction in the week, driven by deepening concerns over rising inflation and the growing spectre of the world falling into a recession.

Owing to the lower participation of investors, average turnover plummeted by 27.74 per cent from the previous week.

Send improved varieties, tech to farmers quickly

Minister tells Bari

STAR BUSINESS DESK

Improved varieties of crops and production technologies developed by the Bangladesh Agricultural Research Institute (Bari) should be quickly sent to farmers to ensure development in the sector, according to Agriculture Minister Muhammad Abdur Razzaque.

"Bari has developed many improved varieties and production technologies of various crops but most of these have yet to reach farmers in that way," he said.

"So, for the development of the country's agriculture, these varieties and technologies should be delivered to farmers at a fast clip," Razzaque added.

The agriculture minister made these comments while inaugurating the "Central Research Review and Planning Workshop 2022", organised by Bari at the Kazi Badruddoza Auditorium in Dhaka yesterday, as per a press release.

Attended by representatives of the Department of Agricultural Extension (DAE), farmers, government and non-government organisations, the workshop was organised for the purpose of evaluating research programmes undertaken in the last fiscal year, and in the light of these experiences for the preparation of next year's research programmes.

This research review is done in three steps - Regional Research Review, Internal Research Review and Central Research Review.

Currently, Bari is conducting research activities on 211 crops. A total of 1,237 crops, including 625 high yielding (also hybrid), disease resistant and various adverse environment resistant varieties of different crops, and 612 other production technologies have been developed by Bari.

Debasish Sarker, director general of Bari, presided over the inaugural session, where Md Ruhul Amin Talukder, secretary of agriculture, AFM Hayatullah, chairman of the Bangladesh Agricultural Development Corporation, A Gaffar Khan, director general of the department of agricultural marketing, Md Benojir Alam, director general of the DAE, and Md Shahjahan Kabir, director general of BRRI, were present.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (SEP 29, 2022)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 65-Tk 80	0	16.94 ↑
Coarse rice (kg)	Tk 47-Tk 52	-12.39 ↓	6.45 ↑
Loose flour (kg)	Tk 52-Tk 55	1.9 ↑	59.7 ↑
Lentil (kg)	Tk 95-Tk 105	-6.98 ↓	12.36 ↑
Soybean (litre)	Tk 161-Tk 175	-4.27 ↓	26.79 ↑
Potato (kg)	Tk 24-Tk 30	0	42.11 ↑
Onion (kg)	Tk 35-Tk 45	-15.79 ↓	-13.4 ↓
Egg (4 pcs)	Tk 47-Tk 50	18.29 ↑	32.88 ↑

SOURCE: TCB



Md Nazmul Hassan, chairman of Islami Bank Bangladesh, presided over the bank's Board of Directors meeting at the Islami Bank Tower in Dhaka yesterday. Md Shahabuddin, vice-chairman of the bank, Aref Suleman, director and representative of Islamic Development Bank, Mohammed Monirul Molla, managing director, and JQM Habibullah, additional managing director, were present.

PHOTO: ISLAMI BANK BANGLADESH



Md Abul Kalam Azad, right, director of the department of agricultural credit of Bangladesh Bank, and Hasne Alam, deputy managing director of Mercantile Bank, exchange signed documents of a participatory agreement on the disbursement of loans among farmers to enhance the production of wheat and maize under a refinancing scheme of Tk 10 billion of the central bank at the BB's headquarters in Dhaka recently. AKM Sajedur Rahman Khan, deputy governor of the BB, and Mohammad Shafuzzaman Khan, head of agriculture credit division of Mercantile Bank, were present.

PHOTO: MERCANTILE BANK

India's forex reserves to fall further

REUTERS, Bengaluru

India's depleted foreign exchange reserves are likely to drop further, falling to their lowest level in over two years by end-2022, as the Reserve Bank of India continues to defend the rupee from the mighty dollar's rise, a Reuters poll found.

In a battle that has so far failed to staunch the rupee's fall to a record low against the greenback, the RBI has drawn down its foreign exchange reserves by nearly \$100 billion to \$545 billion from a peak of \$642 billion a year ago, and more is coming.

Those reserves are forecast to fall another \$23 billion to \$523 billion by the end of this year, according to the median forecast from a Sept. 26-27 Reuters poll of 16 economists. If realised, that would be the lowest level in over two years.

Forecasts were in a \$500-540 billion range.

That suggests the RBI will run down forex reserves at a rate last seen during the global financial crisis of

2008, when they fell over 20 per cent.

It has already burnt reserves at a much quicker pace than during the taper-tantrum period in 2013 when the US Federal Reserve suddenly cut government bond purchases.

About a decade later, India finds itself in a similar situation. Despite regular interventions via dollar sales and expectations for more, the rupee has depreciated nearly 10 per cent against the dollar this year and hit a record low of 81.95 per dollar on Wednesday.

"With the latest move that we have seen in the rupee, I expect the RBI to continue intervening to perhaps not try and defend a particular level of the currency, but certainly try and reduce volatility," said Sakshi Gupta, principal economist at HDFC Bank.

"We would see even more interventions in the coming days to deal with the increasing pressure on the rupee and a widening current account deficit, leading to a greater drawdown in the FX reserves by the end of this year."

A few economists in the poll warned overall forex reserves could fall more than their forecasts over the coming year due to a ballooning current account deficit, which was expected to end the fiscal year at its widest in a decade.

Part of the reason for the drawdown is the RBI has lagged the US Federal Reserve with interest rate hikes.

The Fed, which has raised rates by 300 basis points from near zero in March to 3.00 per cent-3.25 per cent, is now expected to do 150 basis points more over the coming months, a separate Reuters poll showed.

For its part, the RBI, which only started hiking in May and has raised the repo rate by just 140 basis points, appears nearly done. It is forecast to hike by a mere 60 basis points more in this cycle, with 50 due this week.

"The RBI should reduce the pace of intervention sooner rather than later to allow INR to trade more in line with fundamentals," said Anubhuti Sahay, senior economist at Standard Chartered.

Do more to keep

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There has been rapid growth in the use of mobile financial services, said Rahman.

Speaking about the challenges ahead, the chief economist said leveraging fintech, the central bank is contemplating making policies on nano-loan, digital lending, agrotech, supply chain finance, crowd-funding and person-to-person lending.

"Digital financial services rapidly expand financial access but also pose significant risks related to fraud, market abuses, consumer protection and financial stability. Efforts should continue to improve fintech-related financial literacy."

Similarly, the rapid evolution of fintech demands a similar pace of regulatory and supervisory

development in the context of regulatory compliance, risk mitigation and consumer protection, he said.

Tao Wu, senior economist of the Institute for Capacity Development of the IMF, also made a presentation.

Alfred Schipke, director of the IMF-Singapore Regional Training Institute, Chang Yong Rhee, governor of the Bank of Korea, Patrick Njoroge, governor of the Central Bank of Kenya, Abdur Rouf Talukder, governor of the Bangladesh Bank, Kamal Quadir, chief executive officer of bKash, Nazneen Ahmed, country economist of the United Nations Development Programme, and Rahul Anand, division chief of the Asia and Pacific Department of the IMF, also spoke.

Oil price rises towards \$90

REUTERS, London

Oil prices firmed on Thursday, erasing earlier losses, on indications that Opec+ might cut output, though a stronger dollar and weak economic outlook kept a lid on gains.

Brent crude futures rose 52 cents, or 0.6 per cent, to \$89.84 a barrel by 1027 GMT and US crude futures rose by 52 cents, or 0.6 per cent, to \$82.67.

Leading members of Opec+ have begun discussions about an oil output cut when they meet on October 5, two sources from the producer group told Reuters.

One source from the Organization of the Petroleum Exporting Countries (Opec) said a cut looks likely but gave no indication of volumes.