

Brac Bank, TTC Kurigram sign deal

STAR BUSINESS DESK

Brac Bank recently signed an agreement with Technical Training Centre (TTC) Kurigram to provide banking services to the institution.

Under the deal, students of TTC Kurigram can now pay admission and other fees through Brac Bank's Agent Banking channel, a press release said.

The bank will also facilitate opening accounts for the foreign-bound students of the institution and their nominees so that they all can legally remit their hard-earned money.

Md Masud Rana, principal (acting) of TTC Kurigram, Apu Kumar Singh, computer instructor; and Md Farhad Hossain, electronics instructor; Md Omar Sharif, cluster and branch manager of Rangpur branch of the bank, Md Kamruzzaman, team lead of Rangpur region, and Md Intiazul Haque, officer of Agent Banking department, were present.

Padma Bank launches home loans

STAR BUSINESS DESK

Padma Bank recently launched a slew of new home loan products designed as per the income of customers.

Of these products, NRB home loan, rural home loan, semi-pucca house and regular loan for the purchase of apartment or construction of house, a press release said.

Apart from these four, the bank will also provide loans for the renovation of apartments or houses.

NRB Home Loan product or Probashi Home Loan has been designed for remittance warriors, who can take a loan up to Tk 2 crore.

"We have already introduced auto loan and student banking services; we have received good response from the customers. In line with this, we have launched these new home loan products," said Rokibul Hasan Chowdhury, head of retail and SME banking at Padma Bank.

But the bank will provide loan up to Tk 80 lakh for rural home loan, which could be availed in the rural areas of the country.

The bank also introduced semi-pucca property financing solution, where up to Tk 50 lakh will be available.

Anyone aged between 21 to 65 years can apply for these loans. With two to three years of work experience, applicant's income has to be minimum Tk 25,000-Tk 50,000 depending on the nature of profession. Customer will get up to 25 years to repay the loan.



Most attribute the current energy crisis, including the frequent power outages, to the ongoing Russia-Ukraine war but Bangladesh would have faced this crisis even if the conflict never began considering the decreased production at local gas fields, according to the International Chamber of Commerce Bangladesh.

PHOTO: AMRAN HOSSAIN

Gas exploration best option to beat energy crisis: ICCB

STAR BUSINESS DESK

Bangladesh would have faced an energy crisis even if the Russia-Ukraine war had not taken place as production at local gas fields has been declining since 2015 and will continue to drop in the near future, according to the International Chamber of Commerce Bangladesh (ICCB).

In a news bulletin released yesterday, the ICCB suggested exploring untapped gas resources amounting to 32-34 trillion cubic feet would ensure a stable gas supply for the country for the next 30 years.

The global energy landscape has been severely impacted by increased market uncertainty due to the Russia-Ukraine war. Even before the war began, there was a rebound in energy demand triggered by supply constraints and price spikes for multiple commodities.

While gas prices hit a 30-year low at the start of the pandemic in 2020, it reached a nearly two-decade high in 2021 and power prices showed similar volatility, the ICCB said.

"The Russia-Ukraine war is certainly a reason for the global energy crisis that has also affected Bangladesh but experts say with all certainty that even if the war had not taken place, the country would have

still faced an energy crisis," it added.

ICCB then said production at local gas fields has been declining since 2015 and will continue to decline in the near future. On the other hand, geoscientific studies testify that there is more untapped natural gas in Bangladesh than what has so far been extracted.

A two-year joint study in 2001 by the US Geological Survey (USGS) and Petrobangla shows that Bangladesh has a mean probability of 50 per cent of undiscovered natural gas resources to the tune of about 32 trillion cubic feet.

Another joint study by the Norwegian Petroleum Directorate and Hydrocarbon Unit that same year suggested the mean probability of Bangladesh's undiscovered gas resources is 42 trillion cubic feet.

In 2011, European oil and gas consultant Ramboll updated the undiscovered gas resource assessments for Bangladesh and suggested that it is 34 trillion cubic feet in 90 per cent mean probability.

Although Bangladesh has further potential in the gas sector, the number of exploration gas wells is less than many other gas basins in the world.

Bangladesh has an area of 147,000 square kilometres and has so far drilled

about 100 exploratory wells in total.

On the other hand, the Indian state of Tripura that has an area of 10,000 square kilometres has drilled more than 150 exploratory wells. This statistic shows how poor the rate of gas exploration in Bangladesh actually is and yet, the country has discovered more reserves than Tripura.

Of Bangladesh's 25,500 megawatt (MW) generation capacity, 3,500 MW is off-grid (solar home and captive), while 4,000 MW cannot be operational because of forced/unforced shutdowns and fuel shortage.

Bangladesh has started importing liquefied natural gas to meet the present crisis and future need for electricity generation.

Bangladesh will become a middle-income country in 2026 and as such is going to lose a number of the benefits enjoyed as a least developed country.

Besides, with declining foreign exchange reserve, the country is expected to be hard-pressed in the next 2-3 years, when the debt repayment comes due.

In addition, \$26 billion debt repayment of private sector borrowing may also make it difficult to manage foreign debt repayment.

Karim re-elected vice chairman of Asian Shippers' Alliance

STAR BUSINESS DESK

Md Rezaul Karim, chairman of the Shippers' Council of Bangladesh, was recently re-elected as vice-chairman of Asian Shippers' Alliance (ASA).



Karim was re-elected from the member countries of South Asia region in the ASA annual meeting in Bangkok. He held this position from 2017 to 2022, a press release said.

He was also chairman of Bangladesh Jute Association and the Private Sector Consultative Board of International Jute Study Group.

Lin Sun Mo Willy, chairman of Hong Kong Shippers' Council, and Chaichan Chareonsuk, chairman of Thai National Shippers' Council, were also elected vice-chairmen.

UCB Investment wins Independence Golden Jubilee Award-2021

STAR BUSINESS DESK

UCB Investment won first prize in the merchant banking category of the Independence Golden Jubilee Award 2021 by the Bangladesh Securities and Exchange Commission.

Tanzim Alamgir, managing director of UCB Investment Ltd, received the award from Md Tazul Islam, minister for local government, rural development and co-operatives, at the Bangabandhu International Conference Centre, Sher-e-Bangla Nagar in Agargaon, Dhaka.

UCB Investment, the fastest growing market player in the industry, proved its worth by providing 360-degree investment banking services within just one year of its operation.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (OCT 12, 2022)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 64-Tk 75	1.46 ↑	14.88 ↑
Coarse rice (kg)	Tk 48-Tk 52	1.1 ↑	7.53 ↑
Loose flour (kg)	Tk 55-Tk 58	10.78 ↑	66.18 ↑
Lentil (kg)	Tk 95-Tk 100	-7.14 ↓	9.55 ↑
Soybean (litre)	Tk 155-Tk 165	-7.25 ↓	16.36 ↑
Potato (kg)	Tk 24-Tk 28	-3.7 ↓	44.44 ↑
Onion (kg)	Tk 40-Tk 50	5.88 ↑	-37.93 ↓
Egg (4 pcs)	Tk 47-Tk 50	11.49 ↑	34.72 ↑

SOURCE: TCB



Investors watch price movements of stocks on a screen at a brokerage house in the capital.

PHOTO: STAR/FILE

DSE turnover drops to less than Tk 1,000cr

STAR BUSINESS REPORT

Turnover at Dhaka Stock Exchange (DSE) dropped to less than Tk 1,000 crore yesterday after two months although the index went up.

The DSEX, the DSE's benchmark index, edged up 50 points, or 0.78 per cent, to 6,500 points yesterday.

The DS30, the index that consists of blue-chip companies, advanced 0.26 per cent to 2,316 points, while the DSES, the Shariah-complaint index, rose 0.92 per cent to 1,428 points.

Some big investors who mainly trade companies with low performance records were active in the market, said a stockbroker preferring anonymity.

In order to sell off their shares they are spreading rumours that the stocks of companies with performances which are less than satisfactory will rise, which prompted general investors to buying the stocks, he said.

As a result, these stocks rose on

the bourses. But companies with good performance records are still suffering from either having lower prices or no buyers, he added.

The Dhaka stocks returned to the black after two sessions of profit-taking sales pressure amidst an enthusiastic participation of investors on sector specific stocks, according to the daily market review of International Leasing Securities.

After the last two sessions' corrections, bargain hunters revealed their buying interest from the opening of the session which continued till the end of the trading day.

The gainers were larger in number as out of a total of 366 issues to undergo trade, 137 advanced, 32 declined, and 197 remained unchanged.

All the sectors achieved price appreciations such as jute which rose 6.6 per cent, except for banks that dropped 0.1 per cent.

According to the turnover, investors' focus was mainly on

pharmaceuticals (25 per cent), miscellaneous (15.6 per cent) and engineering (14.3 per cent) sectors.

The Sea Pearl Beach Resort & Spa topped the gainers' list, advancing 12 per cent. The Peninsula Chittagong, Hakkani Paper and Pulp Mills, Information Services Network and Aftab Automobiles also rose over 9 per cent.

Bangladesh Industrial Finance Company suffered the highest correction, sliding down almost 8 per cent. Kohinoor Chemical Company, Olympic Industries, National Housing Finance and Investments, and Monno Agro & General Machinery also decline by more than 2 per cent.

The Caspi, the all-share price index of Chattogram Stock Exchange, rose 110 points, or 0.57 per cent, to end at 19,121.

Of the issues that were traded on the bourse in the port city, 99 advanced, 28 declined, and 105 did not show any price movement.

UK economy on brink of recession

REUTERS, London

Britain's economy looks set to go into recession as data showed it unexpectedly shrank in August, underscoring the challenge for Prime Minister Liz Truss to make good on her promises to speed up growth.

Weakness in manufacturing and maintenance work in North Sea oil and gas fields contributed to a 0.3 per cent fall in gross domestic product from July, and the report also showed how a jump in inflation was hitting consumers.

A Reuters poll of economists had pointed to zero growth.

July's increase in output was revised down to 0.1 per cent from a previous estimate of 0.2 per cent, and in the three months to August GDP fell 0.3 per cent, its first decline since early 2021 when the country was mired in the coronavirus crisis.

"The ongoing squeeze on household finances continues to weigh on growth, and likely to have caused the UK economy to enter a technical recession from the third quarter of this year," Yael Selfin, chief economist at KPMG UK, said.

The economy was now believed

to be back at its size just before the pandemic, having previously been estimated at 1.1 per cent above that, the Office for National Statistics said.

Manufacturing fell by 1.6 per cent from July and more maintenance than usual in the North Sea hit the mining and quarrying sector which includes oil and gas. It slumped by 8.2 per cent.

"Many other consumer-facing services struggled, with retail, hairdressers and hotels all faring relatively poorly," ONS Chief Economist Grant Fitzner said.

GDP in September is likely to be weakened by a one-off public holiday to mark the funeral of Queen Elizabeth.

Further ahead, Britain's economy looks set to slow sharply as surging inflation hits households and forces the Bank of England to raise interest rates quickly, even as activity stagnates.

Samuel Tombs, an economist with Pantheon Macroeconomics, said around one-third of households no longer had meaningful savings and the 30 per cent with a mortgage were likely to reduce expenditure as borrowing costs went up.

Saudi firm wants to invest

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In mid-August this year, the PPP Authority of Bangladesh signed a "Transaction Advisory Services Agreement" with the International Finance Corporation (IFC) of the World Bank Group on "Equip, Operate and Maintenance of Patenga Container Terminal".

According to PPP officials, IFC as an advisor of the Bangladesh government would formulate a business model through feasibility studies and determine the terms

and conditions upon which the government would negotiate with the foreign firm interested in operating the new terminal.

During his visit to Saudi Arabia, the state minister for shipping will hold a bilateral meeting with the minister of communications of Saudi Arabia, the press release said.

Chowdhury left Dhaka for Saudi Arabia on October 10 at the invitation of Saudi Arabia's logistics minister. He is expected to return home on October 14.

Kosovo keen

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Trade between the two countries will increase if the complexities in the customs duty of goods are removed, he added.

Addressing the meeting, Tipu Munshi said Bangladesh is setting up 100 special economic zones at important places in the country to generate domestic and foreign investment, many of which are now in the final stages.

"Kosovo will benefit from investing here. There are huge opportunities and potential for increasing trade between the two countries," Munshi then said the Bangladesh government has announced several special facilities for foreign investment.

"Duty-free facility is being provided for investment in certain sectors and special economic zones for up to 10 years," he added.

In the 2021-2022 fiscal year, Bangladesh exported goods worth only \$0.74 million to Kosovo while no goods were imported from the country during the same period, according to a press release from the commerce ministry.

Sea Pearl's profit

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operating cash flow per share improved to Tk 3.48 from Tk 2.64.

The net cash generated by operating activities was Tk 42 crore, an increase of Tk 10.14 crore compared to 2020-21. The board of directors recommended a 15 per cent cash dividend for general shareholders for 2021-2022.

Sponsors and directors hold 56,550,900 shares, accounting for 46.83 per cent of the total shares of 120,750,000 of the company. The cash dividend to be payable to the general shareholders is Tk 9.63 crore, said the filing.

Shares of Sea Pearl surged 12.67 per cent on the DSE yesterday since there was no price limit on the trading of the issues on the day following the corporate declaration. Usually, a stock can't go up by more than 10 per cent on a single day owing to the regulatory circuit breaker.