

Far East Knitting clocks 40pc higher profit

STAR BUSINESS REPORT

Far East Knitting & Dyeing Industries Limited posted more than 40 per cent higher profit in the last financial year.

The textile manufacturer made a profit of Tk 22.74 crore in 2021-22, which was Tk 16.18 crore a year earlier.

The company reported earnings per share of Tk 1.04 for 2021-22, which was Tk 0.74 the previous financial year.

The EPS increased due to a rise in revenue during the period and profit from associate company, said the textile firm in a filing on the Dhaka Stock Exchange (DSE) yesterday.

Net asset value per share was Tk 19.50 in 2021-22 compared to Tk 19.46 in 2020-21.

The board of directors of the company has recommended a 10 per cent cash dividend for 2021-22

The net operating cash flow per share rose to Tk 2.17 as against Tk 1.23, on the back of an increase in cash received from customers and other incomes, said Far East Knitting.

The board of directors has recommended a 10 per cent cash dividend for 2021-22.

Shares of Far East Knitting, however, plummeted 13.04 per cent on the DSE yesterday.

Established in 1994, Far East Knitting has progressed from a small garments manufacturing plant to a composite textile manufacturer.

The company specialises in high-fashion knitted tops and offers a wide range of fabrics. It exports products to the countries such as Korea, Japan, Singapore and Australia, according to its annual report for 2020-21.



Abdus Salam shows off bottle gourd he cultivated in Munshirgaon area of Kamalbazar union in Sylhet. He has already earned around Tk 12,000 spending Tk 4,000 on this vegetable patch and hopes to earn another Tk 30,000 to Tk 35,000. Local markets are selling each bottle gourd for Tk 60 to Tk 100 depending on the size of the vegetable. The photo was taken last week.

PHOTO: SHEIKH NASIR

Stocks bleed as uncertainty deepens

STAR BUSINESS REPORT

Stocks in Bangladesh dropped for the third consecutive day yesterday as investors were largely inactive amid deepening uncertainty caused by the sharp deterioration in a number of macroeconomic indicators.

Shares on the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE) have been under strain since the beginning of the Russian war in Ukraine in February as the global energy crisis sent inflation higher at home and abroad, intensified the economic crisis, and threaten to hurt the incomes of listed firms.

But in recent weeks, uncertainty has deepened as the war escalated, the fear of a global recession has grown, a potential global food crisis looms large, and electricity shortages in Bangladesh have worsened, battering the confidence of investors.

Yesterday, the DSEX, the benchmark index of the DSE, plummeted 65 points, or 1.01 per cent, to close at 6,413 points.

The DS30, the index that consists of blue-chip companies, was down 0.93 per cent to 2,277, while the DSES, the Shariah-complaint index, gave up 0.80 per cent at 1,406.

On the DSE, only 26 stocks advanced

while 153 retreated and 182 did not see any movement.

Investors panicked as the fear of a famine in 2023 is growing after the UN's Food and Agriculture Organisation warned of an acute food crisis globally, said a stockbroker.

Investors are also concerned about the domestic economy as major indicators posted poor performance amid the raging war.

For example, export earnings slipped 6.25 per cent year-on-year to \$3.9 billion in September, the first fall in 14 months, while remittances declined 11 per cent to \$1.54 billion in September, the lowest in seven months.

The revenue collection growth decelerated to 12.63 per cent in the first quarter of the current fiscal year. In another ominous sign, inflation surged 9.5 per cent in August and 9.1 per cent in September.

"So, investors are selling shares. The number of buyers is low as they worry that the situation will worsen further," said the stockbroker.

Turnover on the Dhaka bourse fell 3 per cent to Tk 1,297 crore.

All the major sectors dropped. The travel sector shed 5.5 per cent, the service and real estate sectors fell 3.6 per cent, and the IT

sector was down 2.9 per cent.

The engineering sector dominated the turnover chart, representing 18 per cent of the total transaction value on the day. The pharmaceutical sector accounted for 16 per cent of the turnover.

Among the few bright spots, Bangladesh Monospool Paper Manufacturing advanced 8.64 per cent. Fine Foods, Rahima Food Corporation, Eastern Cables, and Eastern Lubricants rose more than 5 per cent.

Apex Foods suffered the highest correction despite reporting more than doubling of net profit in the financial year that ended on June 30 on the back of a hike in product prices and a reduction of costs. It slid 13.69 per cent.

Far East Knitting, which posted more than 40 per cent higher profit in the last financial year, plummeted 13.04 per cent.

BDCOM Online, Navana CNG, and Apex Spinning declined more than 9 per cent.

The Caspi, the all share price index of the CSE, gave up 164 points, or 0.86 per cent, to end at 18,895.

Of the issues that traded on the bourse in the port city, only 34 advanced, 104 declined, and 80 were unchanged.

Turnover, however, surged more than 300 per cent to Tk 69 crore.

Mercantile Bank gets ISO certificate

STAR BUSINESS DESK

Mercantile Bank has recently been awarded with the certificate of the International Organisation for Standardisation (ISO) by Bureau Veritas Certification Holding SAS UK branch for its outstanding performance and fulfilling the requirements of ISO standards.

Md Quamrul Islam Chowdhury, managing director of the bank, received the certificate from Mukut K Barua, national business manager for commodities, industry and facilities division of Bureau Veritas (Bangladesh) Pvt Ltd, and Brigadier General (ret'd) Ali Ahmed Khan, chairman of Iota (BD) Consulting Ltd, at the bank's head office in Dhaka yesterday.

The authority certified that Mercantile Bank has been audited and found to be in accordance with the requirements for adopting and implementing global standards and practices to ensure the effectiveness, efficiency, confidentiality, and integrity of its day-to-day information security operations, according to a press release.

Mati Ul Hasan, additional managing director of the bank, Adil Raihan, Shamim Ahmed and Hasne Alam, deputy managing directors, were present.

Sri Lanka slashes fuel prices

AFP, Sri Lanka

Crisis-hit Sri Lanka slashed fuel prices on Monday, the second cut in as many weeks, after the World Bank warned that the economy will shrink an unprecedented 9.2 per cent this year.

The energy ministry said the price of petrol will be reduced by 40 rupees to 370 rupees (\$1.02) a litre from Monday night after a similar 10 per cent reduction earlier this month.

But the price of regular petrol is still twice the amount before the start of the crisis last year while diesel is three and a half times more than what it was in December 2021.

Earlier this year motorists spent weeks to get fuel, contributing to weeks of protests that forced President Gotabaya Rajapaksa to flee the country in July and quit.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (OCT 17, 2022)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 65-Tk 75	6.6 ↑	15.7 ↑
Coarse rice (kg)	Tk 46-Tk 50	-3.3 ↓	3.23 ↑
Loose flour (kg)	Tk 55-Tk 58	13 ↑	66.18 ↑
Lentil (kg)	Tk 95-Tk 100	-3.94 ↓	9.55 ↑
Soybean (litre)	Tk 162-Tk 170	-4.87 ↓	20.73 ↑
Potato (kg)	Tk 24-Tk 28	-5.45 ↓	44.44 ↑
Onion (kg)	Tk 40-Tk 50	5.88 ↑	-28 ↓
Egg (4 pcs)	Tk 45-Tk 50	0	31.94 ↑

SOURCE: TCB



Adil Chowdhury, president and managing director (current charge) of Bank Asia, and Tarun Sharma, chief general manager and chief financial officer of Exim-India, exchanged signed documents of an "Issuing Bank Agreement" in Dhaka recently. Md Zia Arfin, senior executive vice-president and head of international division of Bank Asia, was present.

PHOTO: BANK ASIA

Bank Asia signs 'issuing bank agreement' with Exim Bank of India

STAR BUSINESS DESK

Bank Asia has signed an "Issuing Bank Agreement" with the Export-Import (Exim) Bank of India to avail a "Trade Assistance Programme" (TAP).

The facility will enable exporters and importers to access reliable and reasonable terms and conditions favourable for trade finance as well as provide liquidity and stability in trade finance systems.

The programme allows Bank Asia to increase the volume of trade transactions, with extended tenures and access to competitive pricing terms.

Exim India's trade guarantee facilitates critical value chain imports and promotes global trade, said a press release.

Adil Chowdhury, president and managing director (current charge) of Bank Asia, and Tarun Sharma, chief general manager and chief financial officer of Exim India, signed the agreement in Dhaka recently.

Md Zia Arfin, senior executive vice-president and head of international division of Bank Asia, and senior officials of both organisations were present.

City Bank offers 2pc extra on Malaysian remittance

STAR BUSINESS DESK

City Bank has announced that it would provide Bangladeshi migrants in Malaysia 2 per cent of whatever they send home as remittance on top of the 2.5 per cent provided by the government as an incentive.

The offer will be effective from October 23 and will continue for three months.

The opportunity can be availed using City Bank's subsidiary CBL Money Transfer Sdn Bhd which has offices in Kuala Lumpur and Malacca alongside through a "City Remit" app specifically designed for the purpose.

Aziz Al Kaiser, chairman of the bank, made the announcement launching the app in Kuala Lumpur on Sunday, said a press release. "City Remit" also enables money transfers to India, Nepal, Pakistan, Indonesia, the Philippines, Sri Lanka and Vietnam.

Md Golam Sarwar, Bangladesh's high commissioner to Malaysia, and Mashrur Arefin, managing director of the bank, were present.



Md Golam Sarwar, Bangladesh's high commissioner to Malaysia, Aziz Al Kaiser, chairman of City Bank, Farooq Sobhan and Dato Gurcharan Singh, directors of CBL Money Transfer Sdn Bhd, and Mashrur Arefin, managing director of City Bank, launched the bank's mobile money transfer app "City Remit" in Kuala Lumpur on Sunday.

PHOTO: CITY BANK

Midland Bank, India's Exim Bank sign MoU

STAR BUSINESS DESK

Midland Bank signed an issuing bank agreement with the Exim Bank of India under the latter's Trade Assistance Programme in Dhaka yesterday.

Md Ahsan-uz Zaman, managing director of Midland Bank, and Tarun Sharma, chief financial officer of the Exim Bank of India, signed a memorandum of understanding (MoU) to this end at the former's head office in Gulshan, said a press release.

Under this agreement, Midland Bank is going to enhance its existing support for their corporate and SME clients' trade finance needs in India.

The Exim Bank of India is a specialised financial institution wholly owned by the Indian government that has a presence in foreign cities around the world.

It is the Export Credit Bank of India to support their local export business.

Besides, it has expertise in corporate business, guarantee business, trade finance business and project financing along with other banking services.

Midland Bank believes this agreement will further expand the relationship between Bangladesh and India.

Khondkar Towfique Hossain, head of international division of Midland Bank, and other senior officials from both organisations were present.



Md Ahsan-uz Zaman, managing director of Midland Bank, and Tarun Sharma, chief financial officer of the Exim Bank of India, exchanged signed documents of a memorandum of understanding at the former's head office in Gulshan yesterday.

PHOTO: MIDLAND BANK

Port activities

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In addition, dangerous goods are to be segregated based on the information received from the server, but Chattogram port is being unable to properly separate the cargo containers from these ships at this time.

Nurun Nahar Lilly, deputy commissioner of the Chattogram Custom House, said upgradation of the NBR server began last Friday but some problems still remain.

"The matter has been reported to the server team and they are working on it. Hopefully, it will be back to normal in a day or two," Lilly added.

Aggressive IT export

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Currently producing around 20,000 IT graduates annually, Bangladesh has set an IT export target of \$5 billion by 2025.

"Business has an organic growth and Bangladesh will attain the \$5 billion ICT export target at one point. But we need a big push to achieve more. Because we must move aggressively to grasp the opportunity," said Ahmed.

Aside from the tapping into India's share of the market, the war in Ukraine, which is a big IT service exporter, has also paved a way for boosting ICT exports as many clients are seeking alternatives, he added.

"So, we shouldn't miss it. A coordinated campaign by the government and the industry for the local IT industry promotion has become essential," he said.

Apex Foods' profit

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per cent cash dividend for 2021-22, according to a filing on the Dhaka Stock Exchange (DSE) yesterday.

Shares of Apex Foods, however, lost 13.69 per cent on the DSE yesterday.

A 100 per cent export-oriented shrimp processor, Apex Foods ships products to markets in North America, the European Union, Australia, and Russia, according to its website.