



ACI Limited achieved significant growth in revenue during the first three months of the ongoing financial year thanks to higher sales in certain segments. PHOTO: COLLECTED

Stocks keep falling

STAR BUSINESS REPORT

Stocks in Bangladesh continued to fall for a second consecutive day yesterday amid poor participation of investors.

The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), dropped 51 points, or 0.81 per cent, to 6,253 at the end of the trading period.

Turnover, an important indicator of the market, hit Tk 714 crore, which was down by 1.3 per cent from what was in the previous session.

The DS30, the blue-chip index, plummeted 14 per cent to 2,198 points while the DSES, the Shariah-compliant index, fell 11 per cent to 1,358 points.

Of the securities, 25 advanced, 61 declined and 239 did not show any price movement.

Chartered Life Insurance Company topped the gainers' list with a 9.96 per cent rise. Sonali Aansh Industries, Reliance Insurance and National Tea Company were on the list.

Orion Infusion suffered the most, sliding down by more than 12 per cent. Orion Pharma, Sinobangla Industries, Navana Pharmaceuticals and JMI Hospital Requisite Manufacturing were among those suffering losses the most.

Meanwhile, Chittagong Stock Exchange also dropped for a second straight day yesterday.

The Caspi, the all-share price index of the port city bourse, lost 105 points, or 0.56 per cent, to end at 18,530.

Of the issues, 18 advanced, 50 declined and 107 did not show any price movement.

ACI suffers loss in Q1

Blames higher cost of raw materials

STAR BUSINESS REPORT

ACI Limited, a leading conglomerate in Bangladesh, incurred losses of Tk 18.59 crore in the July-September period of the current financial year due to higher interest costs and depreciation of the local currency against the dollar that fuelled raw material costs.

The listed company's first quarter profits for FY2022-23 were down 25 per cent compared to Tk 24.82 crore during the same period a year earlier.

On condition of anonymity, a top official of ACI said higher interest and raw material costs turned the company's profits into losses.

ACI's net finance costs increased by Tk 29 crore, or 33 per cent year-on-year, to Tk 117 crore in the first quarter, according to the company's financial report.

Besides, raw material costs increased mainly due to depreciation of the local currency, he added.

ACI spent 77 per cent of its revenue on the cost of goods sold

during the July-September period while it was 72 per cent during the corresponding period of the previous year.

The company had achieved significant growth in revenue during the first three months of the ongoing financial year thanks to higher sales in certain segments.

As such, ACI's revenue rose 24 per cent year-on-year to Tk 2,678 crore in the first quarter, when its sales from the motor segment soared 61 per cent to Tk 606 crore while that of the retail chain segment rose 32 per cent to Tk 397 crore.

In addition, ACI's revenue from the flour, animal health, consumer brands and seed segments also rose while its turnover from the pharmaceutical segment dropped 19 per cent to Tk 325 crore.

However, the substantial increase in costs due to macroeconomic factors, including a significant increase in import costs caused by the depreciation of the local currency against the US dollar, led to the decline in consolidated

profits compared to the same period of last year, the company said.

Its profit before tax dropped massively in the pharmaceuticals sector, falling 89 per cent to Tk 8.8 crore in the quarter.

So, ACI reported consolidated earnings per share of Tk 3.94 in the negative for July-September while it was Tk 3.42 in the same quarter of FY 2021-22.

The consolidated net operating cash flow per share (NOCFPS) was negative Tk 85.45 in the first quarter this year compared to negative Tk 15.81 in the same three-month period of the preceding year.

The NOCFPS decreased mainly due to investment in working capital to facilitate business growth in coming months, it added.

The consolidated net asset value per share was Tk 137.60 on September 30 and Tk 141.98 on June 30. Shares of ACI were unchanged at Tk 273.20 at the Dhaka Stock Exchange yesterday.

Energypac subsidiary to sell entire stake in power plant

STAR BUSINESS REPORT

A subsidiary of Energypac Power Generation Ltd (EPGL) has decided to sell its entire stake in an electricity plant.

EPGL is the parent company of Energypac Power Venture Ltd (EPVL), which holds 51 per cent stake in Energypac Power Venture Thakurgaon Ltd (EPVTL), a heavy fuel oil-based 115 megawatt independent power plant.

EPVL has decided to sell off the entire stake in EPVTL. And the board of directors of EPGL agreed with the decision and forwarded it to the annual general meeting for final approval, according to a filing on the Dhaka Stock Exchange.

Shares of EPGL traded at Tk 34.50 on the DSE yesterday, unchanged from a day earlier.

Brac Bank wins Data Champion Award

STAR BUSINESS DESK

Brac Bank won the Data Champion Award from New York-based Financial Alliance for Women, which works for knowledge sharing, capacity building and research to promote women's banking across the globe.

The alliance announced the award at the 2022 Annual Summit of the Championing the Female Economy Awards in London, the United Kingdom recently, a press release said.

This is the fifth time the bank earned the award for its women's banking proposition "TARA" that focuses on financial freedom and empowering women of all spheres.

"We believe this prestigious accolade will further enhance customer confidence in us. We will continue to harness and utilise data to cater to female customers better," said Md Mahiul Islam, head of retail banking of Brac Bank.

PRICES OF KEY ESSENTIALS IN DHAKA CITY			
	PRICE (NOV 14, 2022)	% CHANGES FROM A MONTH AGO	% CHANGE FROM A YEAR AGO
Fine rice (kg)	Tk 62-Tk 72	-3.6 ↓	6.35 ↑
Coarse rice (kg)	Tk 47-Tk 52	-1 ↓	6.45 ↑
Loose flour (kg)	Tk 60-Tk 63	8.85 ↑	80.88 ↑
Lentil (kg)	Tk 100-Tk 105	5.13 ↑	17.14 ↑
Soybean (litre)	Tk 175-Tk 180	10.94 ↑	24.56 ↑
Potato (kg)	Tk 22-Tk 28	-3.85 ↓	0
Onion (kg)	Tk 50-Tk 55	16.67 ↑	-12.5 ↓
Egg (4 pcs)	Tk 43-Tk 47	-5.26 ↓	21.62 ↑

SOURCE: TCB



Md Masud Biswas, head of Bangladesh Financial Intelligence Unit (BFIU), virtually inaugurates Shimanto Bank's "Branch Anti-Money Laundering Compliance Officer's (BAMLCO) Conference 2022" recently. Rafiqul Islam, managing director of the bank, Md Rokun-Uz-Zaman, joint director of BFIU, and Mohammad Azizul Hoque, chief of Anti-Money Laundering Compliance Officer of the bank, were present. PHOTO: SHIMANTO BANK

Opec cuts oil demand growth forecast again

REUTERS, London

Opec on Monday cut its forecast for 2022 global oil demand growth for a fifth time since April and further trimmed next year's figure, citing mounting economic challenges including high inflation and rising interest rates.

Oil demand in 2022 will increase by 2.55 million barrels per day (bpd), or 2.6 per cent, the Organization of the Petroleum Exporting Countries (Opec) said in a monthly report, down 100,000 bpd from the previous forecast.

"The world economy has entered a period of significant uncertainty and rising challenges in the fourth quarter of 2022," Opec said in the

report.

"Downside risks include high inflation, monetary tightening by major central banks, high sovereign debt levels in many regions, tightening labour markets and persisting supply chain constraints." This report is the last before Opec and its allies, together known as Opec+, meet on Dec. 4. The group, which recently cut production targets, will remain cautious, the energy minister for Saudi Arabia, the Opec+ de-facto leader, was quoted as saying last week. Next year, Opec expects oil demand to rise by 2.24 million bpd, also 100,000 bpd lower than previously forecast.

Despite commenting on the rising challenges, Opec left its 2022

and 2023 global economic growth forecasts steady and said while risks were skewed to the downside, there was also upside potential.

"This may come from a variety of sources. Predominantly, inflation could be positively impacted by any resolution of the geopolitical situation in Eastern Europe, allowing for less hawkish monetary policies," Opec said.

Oil maintained a decline after the report was released, trading around \$95 a barrel.

For October, with oil prices weakening on recession fears, the group made a 100,000 bpd cut to the Opec+ production target, with an even bigger reduction starting in November.



Md Rabiul Alam, deputy general manager of Pubali Bank, and Adnan Rizvi, director of Systems Solutions and Development Technologies (SSD-TECH), exchanged signed documents of an agreement over payment of carnival internet bill through Internet Banking or Pubali Bank's PI mobile banking apps at the former's head office in Dhaka yesterday. Javed Hasan, Md Helal Uddin, Ashim Kumar Roy, Endra Mohan Sutradhar, and Ajuba Khandaker, general managers of the bank, were present. PHOTO: PUBALI BANK

Businesses forge ahead

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allotments cancelled cannot be given connections as there are pending court cases against them, he added.

The deputy manager went on to say that the BSCIC is spending Tk 76 lakh to develop three acres of land in the area while another Tk 70 is lined

up for developing roads. In addition, a jetty has been constructed for Tk 20 lakh. The Pirojpur BSCIC has also gotten an allotment of Tk 80 lakh for making a new bridge over the canal in the industrial estate.

However, Milton believes it would be better to fill the canal instead of

making a bridge as the reclaimed area could be used for more plots.

Lastly, he said the government has plans to establish a BSCIC industrial park on 310 acres of land in Pirojpur sadar upazila, and a development project proposal in this regard is at the primary level.

Import of cement raw materials

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"So, there is an opportunity for us to increase the import of raw materials. But we are not being able to do so for the complexity in opening LCs because of the ongoing dollars crisis," said Kibria.

The government has tightened imports to discourage the purchase of non-essential and luxury items from the international markets in a bid to stop the depletion of the foreign currency reserves.

Amid escalated imports, the reserves fell to around \$34.5 billion on November 7, down more than 23

per cent from a year earlier.

About 40 per cent of cement produced in Bangladesh is used in government projects. But the demand for the key construction material has declined for the slowdown in development activities, said industry people.

Private consumption has also slowed amid higher inflation.

In Bangladesh, there are 34 cement producers, which together produce 25-30 million tonnes of the material worth Tk 30,000 crore annually, according to the Bangladesh Cement Manufacturers Association.

Before the latest deceleration in cement consumption, the import of raw materials had, in fact, grown sharply to meet the accelerated demand of the fast-expanding economy.

Chattogram Customs House data showed 36.1 million tonnes of raw materials worth Tk 13,790 crore were brought in 2021-22. It was 29.12 million tonnes a year earlier when it cost Tk 10,707 crore.

About 16.8 million tonnes of raw materials involving Tk 6,452 crore were imported in 2017-18.