

UCB saw 32% rise in profit in 2022

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United Commercial Bank Ltd reported a 32 per cent increase in profit to Tk 330.47 crore in 2022.

The profit stood at Tk 250.31 crore in 2021.

The private commercial bank reported consolidated earnings per share of Tk 2.35 for 2022, which was Tk 1.78 in 2021.

The consolidated net asset value per share rose to Tk 28.57 in the last financial year from Tk 26.59 in 2021.

The consolidated net operating cash flow per share stood at Tk 13.25 negative in 2022. It was Tk 16.85 negative a year earlier.

The board of directors has recommended a 5 per cent cash and a 5 per cent stock dividend for the year that ended on December 31.

Shares of UCB were unchanged at Tk 13 on the Dhaka Stock Exchange yesterday.

First Security Islami Bank made Tk 293cr profit in 2022

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First Security Islami Bank Limited's profit declined 12.18 per cent year-on-year to Tk 293.93 crore in 2022.

The Shariah-based bank made a profit of Tk 334.72 in 2021.

The company reported consolidated earnings per share of Tk 2.81 in 2022 against Tk 3.20 in 2021.

The consolidated net asset value per share improved to Tk 21.32 in the last financial year from Tk 19.45 a year ago, while the consolidated net operating cash flow per share slipped to Tk 4.20 from Tk 5.81 during the period.

The board of directors has recommended a 10 per cent stock dividend for the year that ended on December 31.

First Security Islami Bank's shares traded at Tk 9.80 on the Dhaka Stock Exchange yesterday, unchanged from a day earlier.



Although fresh onions have hit the market, farmers have been left dismayed by reduced yields due to poor weather during the cultivating period in winter earlier this year. The picture was taken from Pushpapara haat in Pabna, an onion wholesale hub. PHOTO: AHMED HUMAYUN KABIR TOPU

Despite lower yields, onion farmers happy as prices rise

AHMED HUMAYUN KABIR TOPU, Pabna

Onion prices have been rising following the Eid-ul-Fitr vacation, bringing hope to farmers across Bangladesh who registered lower yields of the crop due to poor weather during winter this year.

Besides, local traders claim that reduced production will result in increased imports to meet demand.

Onion yields typically exceed 14.17 tonnes per hectare but production fell to about 13.60 tonnes this year due to bad weather during the cultivating period, according to the Department of Agricultural Extension (DAE).

Some 2.57 lakh hectares of land were brought under onion cultivation to produce 36.40 lakh tonnes of the crop in winter last year, said Md Robiul Haque Mojumder, an additional director of the DAE.

Around 2.47 lakh hectares were brought under onion cultivation at the same time this fiscal year (2022-23) with 2.20 lakh hectares having been harvested to get 30 lakh tonnes of the crop as of last week.

"Onion production has been badly affected by bad weather as the winter was short while not much water was available in the fields when needed," he added.

Mojumder went on to say that despite the lower production of onions during the cold season,



cultivation of the crop in summer has expanded.

Summer onions were cultivated on 4,009 hectares of land to produce 73,600 tonnes of the bulb last year while the acreage has risen to 5,100 hectares to produce 75,000 tonnes this year.

Md Montu Khan, an onion farmer of Ulat village in Sujanagar upazila of Pabna, the biggest producing region, said he cultivated eight bighas of the crop this year with four bighas having been sown during winter.

The onion that was cultivated early yielded 45 maunds (roughly 37 kilogrammes) per bigha while that was cultivated late yielded just 20 maunds per bigha.

Khan then said he produced over 400 maunds of onion last year while he was unable to get

more than 250 maunds of the crop this year due to bad weather.

He completed harvesting the bulbs in mid-April but was left worried by the poor prices on offer at the time.

"Each maund of onion was sold for Tk 1,200 at wholesale during the harvesting period last month, which was too low to even cover production costs," Khan said.

"But after Eid vacation, the onion price has been increasing with each maund currently selling at Tk 1,450 to Tk 1,650," he added.

Md Kamruzzaman, a leading onion producer of Durgapur village in Sujanagar upazila, said he cultivated 80 bighas of onion this year but production has been poor compared to last year.

"I got up to 4,500 maunds of

onion from the same amount of land last year while it was just 2,500 maunds this year," he added.

Kamruzzaman went on to say that it costs about Tk 40,000 to cultivate each bigha of onion and so, they are happy about the rising prices considering the massive fall in production.

With this backdrop, he urged those concerned to not import onion at the moment.

Md Idris Ali, a development officer of the Pabna DAE, said a total of 7.37 lakh tonnes of onion were produced from 52,470 hectares of land in Pabna this year, indicating an average yield of 14.05 tonnes per hectare.

Last year, 7.97 lakh tonnes of onion were produced from 53,315 hectares of land in the district at an average of 14.95 tonnes per hectare.

At least 25 per cent of the onion production in Bangladesh comes from Pabna so any fall in production in the district badly affects supply across the country, he added.

Md Robiul Islam, an onion wholesaler, said local production does not meet the country's annual demand and so, imports are necessary for controlling the market.

"The demand for onion has been increasing since Eid-ul-Fitr and so too have the prices. The trend will likely continue until imports reach local wholesale markets," he added.

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Stock market investment tips for beginners

M SHAHRIAR AZAD BHUIYAN

Investing in the capital market of Bangladesh is always tricky and requires better planning to achieve a positive return. Without a solid understanding of the market, it may be difficult to make a profit.

Initially, it would be better to start investing through IPO (initial public offering) subscriptions before moving on to the secondary market. Here are some investment tips for beginners interested in investing in the capital market:

Start with a solid understanding of the stock market

Before investing, it's essential to educate yourself on how the stock market works, including the various financial instruments, investment strategies, and risk management techniques. This will help you make informed decisions and avoid costly mistakes in future.

Set your investment goals

First, determine your investment objectives. It is important to understand what you are expecting when investing in a stock. It may be short-term or even long-term. What will be your strategy if your expected return exceeds?

Second, your risk tolerance—the capacity to take the stop loss in case of day trading – showed be looked into. This will help you determine the appropriate investment strategy and asset allocation.

Diversify your portfolio

Spread your investments across a variety of assets and sectors to minimise your risk exposure. This will help you balance your portfolio and reduce the impact of any single investment's performance.

Invest in the long term

The stock market is volatile and short-term fluctuations are normal. Invest in the long term to reduce the impact of short-term market fluctuations on your portfolio.

Don't time the market

Trying to time the market is a risky strategy. Instead, focus on buying quality stocks at reasonable prices and holding them long-term.

Keep an eye on the credibility of brokerage house and transactions fees

It is always wise to open a beneficiary owner (BO) account with a reputed brokerage house for your investment's long-term safety and to avoid any type of scams. Similarly, be aware of the costs associated with investing, such as brokerage fees, interest rates and account maintenance fees. These fees can eat into your returns over time.

Tax rebates while investing

Investors in Bangladesh's capital market can benefit from tax incentives such as exemption from capital gains tax. This implies that investors will not have to pay taxes on profits earned from the sale of shares held for more than 12 months.

The government also provides tax rebates to encourage investment in the capital market. Investors can claim a rebate of up to 15 per cent of their investment in the capital market in their tax file. Additionally, there is a provision for tax exemption on dividend income from listed companies of up to Tk 50,000 per year for individual taxpayers.

Monitor your portfolio

Keep an eye on your investments regularly and adjust your portfolio as needed to ensure that you are on track to achieve your investment goals.

Remember, investing in the stock market carries risks and returns are not guaranteed. It's better to always consult with a financial adviser before making any investment decisions.

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Demand for electric cars 'booming': IEA

AFP, Paris

Sales of electric vehicles are booming and are expected to account for nearly one in five cars sold this year, according to a report released Wednesday.

The International Energy Agency (IEA) said the rapid electrification of road transportation will have big implications for the energy industry as it will eliminate the need for five million barrels of oil per day by the end of the decade.

World oil consumption averages just over 100 million barrels per day.

"Electric vehicles are one of the driving forces in the new global energy economy that is rapidly emerging – and they are bringing about a historic transformation of the car manufacturing industry worldwide," IEA Executive Director Fatih Birol said in a statement.

In its annual report on electric vehicles, the IEA said it expects annual sales to rise 35 per cent this year to reach 14 million.

It projected that to be a market share of 18 per cent, up from four per cent in 2020.

The IEA said the overwhelming majority of electric car sales are concentrated in three markets: China, Europe and the United States.

China is in pole position, accounting for 60 per cent of global electric vehicle sales last year, the IEA said.

It said measures such as the Inflation Reduction Act in the United States, which offers generous subsidies to consumers to switch to electric vehicles, would further boost sales in the coming years.

The IEA forecasts that the average share of electric cars in total sales across China, the EU and the United States is set to rise to around 60 per cent by 2030.



Employees of German car producer Porsche AG work on Porsche Taycan electric sports cars at the assembly line of the Porsche production site in Stuttgart, southwestern Germany. Electric vehicles are one of the driving forces in the new global energy economy that is rapidly emerging and they are bringing about a historic transformation of the car manufacturing industry worldwide, IEA Executive Director Fatih Birol said. PHOTO: AFP/FILE

Agricultural, cereal, export prices up globally

WB report shows

STAR BUSINESS REPORT

Agricultural, cereal, and export price indices closed 3 per cent, 2 per cent, and 8 per cent higher respectively in the two weeks since April 6, World Bank's Food Security Update showed.

The hike in the export price index was driven by a rise in coffee prices, which rose 11 per cent. Among the cereals, maize prices were up 4 per cent, wheat prices closed 1 per cent lower, while rice prices closed at the same level compared to two weeks ago.

On a year-on-year basis, maize and wheat prices were 14 per cent and 36 per cent lower, respectively, while rice prices were 16 per cent higher.

Compared to January 2021, maize and wheat prices were 31 per cent and 6 per cent higher respectively, while rice prices were 4 per cent lower, according to the Food Security Update.