

Ibn Sina to invest Tk 10cr in subsidiary

STAR BUSINESS REPORT

Ibn Sina Pharmaceutical is going to invest Tk 10 crore in its subsidiary, Ibn Sina API Industry Ltd, as a part of its capital investment in order to purchase capital machinery, the company said yesterday.

The drug maker is going to purchase a total of 42.5 decimals of land in Chattogram and Barishal to set up sales depots.

The purchase price of the land will be Tk 5.58 crore, excluding registration fees and other additional expenses, according to the company.

Ibn Sina shared this information in two separate disclosures on the website of the Dhaka Stock Exchange (DSE).

Shares of Ibn Sina closed unchanged at Tk 286.6 on the DSE yesterday.

Stocks fall amid lower investor participation

STAR BUSINESS REPORT

Major indices of the stocks market in Bangladesh yesterday fell owing to lower investor participation, according to experts.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), shed 23 points, or 0.36 per cent, to close the day at 6,342 points.

The DS30, which represents blue-chip stocks, decreased by 1.1 per cent to 2,172 points while the DSES, an index comprised of shariah-compliant companies, edged down 0.3 per cent to 1,378 points.

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Most stocks were in the red as sellers were more active than buyers, they added.

Stocks of Rupali Life Insurance were mostly to blame for dragging down the DSEX as they cost the key index 2 points while Heidelberg Cement accounted for 1.7 points, as per data of LankaBangla Securities.

The jute, cement and tannery sectors rose by around 1 per cent each while all other sectors dropped.

The insurance sector saw the steepest decline of around 3 per cent, the data shows.

Turnover, a key indicator of the market's trade volume, dropped 21 per cent to Tk 746 crore.

Of the securities traded, 44 advanced, 142 declined and 159 did not show any price movement.

Stocks of Alif Industries saw the highest gain with an increase of 8.4 per cent.

Pragati Life Insurance, Gemini Sea Food, Heidelberg Cement Bangladesh and Apex Foods were among the top gainers as well.

Rupali Life Insurance Company was the biggest loser, shedding 9.9 per cent.

Meanwhile, Khan Brothers PP Woven Bag Industries, Western Marine Shipyard, Midland Bank, and Far Chemical Industries were also on the list of significant losers.

Fu Wang Food was the most-traded stock with issues worth Tk 39 crore changing hands.

Gemini Sea Food, Alif Industries, Rangpur Dairy & Food Products, and Sea Pearl Beach Resort & Spa registered significant turnover as well.

The CASPI, the all-share price index of the Chittagong Stock Exchange, slipped by 39 points, or 0.2 per cent, to close at 18,739 points.

Of the issues traded, 33 rose, 87 retreated and 73 did not see any price swing.

Turnover of the port city bourse slid by more than 19 per cent to Tk 15.53 crore.

Threads struggles for traction

AFP, San Francisco

After a wildly successful first few days, Threads popularity has waned in the weeks since Meta launched its challenge to Twitter, which lives on despite its problems.

The average amount of time people spend on Threads daily has plummeted more than 75 per cent since the platform made a rock star debut on July 6, according to data from Sensor Tower, a market analysis firm.

Threads was quickly billed as a potential death knell for Twitter, a platform that has tumbled into chaos under the leadership of mercurial tycoon Elon Musk.

The launch saw sign-ups of more than 100 million users in less than five days, smashing the record of AI tool ChatGPT for fastest-growing consumer app and creating relief and excitement amongst early adopters fleeing Twitter.

"I actually closed down my Twitter account after starting Threads," said Brooklyn resident Lauren Brose, head of marketing at a tech start-up.

"I used to love Twitter. After Elon Musk took over Twitter, I found that the entire environment just changed completely." But weeks later, Threads has since seen a "material decline in new sign-ups," Sensor Tower said.

Twitter continues to dominate its space as a platform for on-line comment and news, and Musk "would have to completely destroy it" to drive away its audience for good, according to Silicon Valley investor and analyst Jeremiah Owyang. "Will Threads kill Twitter? Absolutely not. It's just not equivalent," he said.

Threads went live on Apple and Android app stores in 100 countries at its launch, though it is not available in Europe because parent company Meta is unsure how to navigate the European Union's data privacy legislation.

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Citizens Bank PLC launched commercial operation in July 2022 as the 61st bank in Bangladesh.

PHOTO: COLLECTED

Citizens Bank aims to become a top lender

Corporate governance, compliance to help it achieve the goal, says CEO

SOHEL PARVEZ

Banks are systemically important institutions and corporate governance is vital for them to navigate difficult times and convince depositors to keep money with them.

Citizens Bank PLC, which launched its commercial operation in July 2022 as the 61st bank in Bangladesh, is aware of this.

Accordingly, the private commercial lender has attached importance to ensure corporate governance and compliance with a view to becoming one of the top banks in the country.

"Our board has directed us not to compromise with corporate governance and compliance from day one. This is our strength," said Mohammad Masoom, managing director and chief executive officer of Citizens Bank.

"I think Citizens Bank will be one of the finest banks in Bangladesh and play an important role in building public confidence."

During an interview with The Daily Star recently, Masoom said corporate governance at Citizens Bank is very strong as it believes that it will be able to overcome any situation if it ingrains the value of good governance and creates a compliance culture.

"So, from that perspective, we will be the safest custody of your deposits. We don't want to say this for the sake of saying. We don't want to keep it as rhetoric. We want to execute this. We want to make it a reality."

The bank obtained the licence in December 2020, so it had to prepare itself to launch operations amid various challenges.

The initial days had been tough owing to the Covid-19 pandemic. Problems in some new banks resulting from loan irregularities also eroded the confidence among people.

"We started our journey amid challenges. We faced problems in almost every step because of the pandemic," Masoom said.

"Some incidents had already rattled the confidence of depositors. The interest rate cap on loans affected the flow of deposits as well."

Against this backdrop, Citizens Bank began commercial operations with Tk 335 crore in deposits and nearly 1,600 accounts.

"I think it was a landmark for us," said Masoom, who was appointed in January 2021 as the first managing director and CEO of the bank.

He said they were able to collect deposits by giving assurance to savers.

"Confidence by itself is a non-monetary capital for banks. It matters most for organisations like banks to navigate difficult times. We have used our long term relationship with people, shared with them our mission and vision, and the way we will operate."

In order to attract savers in the challenging environment, Citizens Bank had to offer a maximum of 8 per cent interest for term deposits. It, however, managed to keep the overall cost of deposits within 6 per cent.

"This is a big achievement for a new bank," he said.

According to the CEO, the banking sector has been able to regain confidence.

"The amount of money being put under the mattresses has reduced. We are getting positive results in terms of confidence and we have valid reasons to be optimistic."

Citizens Bank reached a break even in the first year of its operation.

"Our balance sheet is also clean. We don't have any non-performing loan."

Masoom, who has been working in the banking

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SHIP TILTING IN BAY 16 days in, 20 containers feared gone overboard Rough seas hinder salvage operations

DWAIPAYAN BARUA, Ctg

Anxiety and frustration continue to grow among importers whose goods-filled containers are yet to be salvaged following the tilting of a vessel in the Bay of Bengal near the Bhasan Char coast 16 days ago.

Several of the importers claimed to have spotted, with the help of locals, at least five containers that washed ashore at Bhasan Char and Sandwip.

However, at least two had been cut open and all the goods inside looted, they said.

Pangaon Express was transporting 72 import-laden containers from the Chattogram port to Pangaon Inland Container Depot in Dhaka when it tilted to one side due to strong waves on July 6.

This sent three containers overboard and the ship became grounded.

Most of the containers had imported goods like raw materials of garment factories, motor spare parts, mobile accessories, electronics and artificial flowers.

Though the ship later returned to an upright position after several more containers apparently went overboard, it continues to be partially submerged whenever the tide rises.



A video grab of one of the containers of Pangaon Express that washed ashore.

PHOTO: COLLECTED

A salvage firm was initially called to the scene for assessments but a deal could not be reached with the ship's operator, Sea Glory Shipping Agency.

The delay in running salvage operations prompted the Chittagong Port Authority to summon the operator's officials on July 13 and emphasise on initiating the rescue operations.

On July 18 Sea Glory Shipping Agency finally signed a Tk 3 crore deal with private firm PS Shipping to salvage the ship in 45 days.

The plan is to pass several iron wires beneath the ship and to tie those to 4 to 6 barges on both sides to prevent the ship from sinking further, said Sea Glory Shipping Agency General Manager Jahir.

After three days of efforts, it was possible for the first barge to anchor around 1,000 feet away from the sunken ship on Saturday, he said.

The rough seas made it a tough job and it may take several more days for the whole operation to be completed, he added.

The importers opined that the goods could have been saved from being damaged or stolen had salvage operations been initiated immediately.

The ship's operating firm, Sea Glory Shipping Agency, blamed adverse weather for the delay. Jahir Uddin Jewel, managing director of Sea Glory Shipping Agency, assumes that around 15 to 20 containers might have gone overboard.

A Hossain Enterprise, a private firm of Imamganj, Dhaka, had a container loaded with artificial flowers worth Tk 70 lakh imported from China.

Proprietor Ashraf Hossain said he got hold of a video footage showing goods being stolen from the container which had its sides cut open on the coast of Bhasan Char.



In this file photo people are seen shopping at a mall in Santa Anita, California. US economic growth has been revised upward significantly for the first quarter on the back of stronger-than-expected consumer spending.

Fed may hike interest rates to 22-year high

AFP, Washington

After pausing in June, the US Federal Reserve is widely expected to hike interest rates again on Wednesday, adopting its most restrictive monetary stance for 22 years despite recent signs of slowing inflation.

After 10 consecutive hikes in just over a year, the Fed halted its aggressive campaign of monetary tightening last month to give policymakers more time to assess the health of the US economy, and the impact of recent banking stresses on lending conditions.

In the weeks since, positive upgrades to economic growth and cooler inflation data have reinforced the likelihood that the Fed's rate-setting committee will vote for a quarter percentage point hike on July 25-26.

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