



A partial view of the premier seaport of the country in Chattogram. Six incidents of theft and piracy took place in vessels arriving at the port in the six months to July this year.

PHOTO: STAR/FILE

Himadri’s share price up 60-fold BSEC opens probe

STAR BUSINESS REPORT

The stock price of Himadri Ltd, listed with the SME board of the Dhaka Stock Exchange, soared 60-fold in the last four months, prompting an investigation from the Bangladesh Securities and Exchange Commission (BSEC).

Stocks of the company, which traded for Tk 68 just four months ago, rose to Tk 4,085 yesterday, DSE data showed. The increase has seen the company’s market value cross Tk 300 crore despite paid-up capital of Tk 75 lakh.

But at the same time that its stock price is rapidly rising, its directors have been busy selling shares, albeit some of those sales were at the direction of the BSEC. Shareholdings of the company’s sponsors and/or directors stood at 98 percent on June 30, 2022, but had fallen to 65 percent at the end of June this year.

Given the situation, the BSEC ordered the DSE last week to investigate the unusual rise in the company’s share price. The DSE was asked to submit an investigation report within 10 working days.

A top official of a stock brokerage firm expressed surprise that the small company’s stock price was soaring continuously, especially during a period that has seen the stock market struggle to get buyers, leaving many well-performing stocks untraded.

He added that the regulator should have investigated earlier, before investors had purchased shares at high prices.

Himadri Ltd, a cold storage company, was transferred to the SME board in 2021 from the Over the Counter (OTC) market. It provided 10 percent cash dividend to its shareholders for the 2022 fiscal year.

Theft, piracy on the rise at Ctg port

Appointing private watchmen from CPA cell made mandatory

DWAIPAYAN BARUA, Ctg

Theft and piracy have become a matter of concern for the Chittagong Port Authority (CPA) as six such incidents took place in vessels arriving at the port in the six months to July this year.

So, the port authority has made it mandatory for the shipping agents to appoint private watchmen from the CPA Watchmen Booking Cell for the arriving vessels anchored either at the port jetties or at the outer anchorage.

Normally, shipping agents take watchmen from the CPA Watchmen Booking Cell only for the vessels berthed at the port’s main jetties while they usually deploy watchmen from some CPA enlisted private vendors for the vessels at outer anchorage and dolphin jetties.

Meanwhile, the shipping agents’ association has opposed the directive on mandatory engagement of watchmen from CPA Booking Cell, saying it would increase their costs by five to six times.

According to the CPA, six vessels named MV Zafar Hanif, MT Success, MV NCC Messila, MV Team Focus, MT Orion Express and MV Meelina fell victim to theft and piracy in six months to July.

Five of these were anchored at the outer anchorage while the other was in a dolphin jetty.

One each of such incidents occurred in February and May and two each in June and July.

On June 8, the CPA Security Department held a meeting with the representatives of Coast Guard, police, Rapid Action Battalion and others where

a decision was taken on mandatory engagement of watchmen only from the CPA Cell for all ships.

Through a letter on August 21, the CPA director for security informed Bangladesh Shipping Agents Association (BSAA) about the decision and request all to comply with it.

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But on August 30 through a letter, BSAA Chairman Syed Mohammad Arif opposed the decision and requested the CPA director to stop implementing it.

The CPA took the decision without discussing the issue with the agents’ association, Arif said.

He told The Daily Star that the CPA renders security services to safeguard ships at the port with combined efforts of the Port Security Department, Coast Guard, Bangladesh Marine Police and others.

At that time, custom officers and ship handling operators’ staff also remain present on board in order to monitor everything until the completion of operation, he said.

“So, there is no logical ground for deployment of additional watchmen for

security purposes.”

He said deployment of watchmen taken from CPA enlisted vendors for security of vessels at the outer anchorage has been prevailing for many years and payment of whom were borne by the respective vendors.

The CPA should not recruit watchmen from private firms if additional security is needed for vessels, rather the cost must be incorporated in the port tariff through gazette, he said.

Only then, the realisation of the spending for additional watchmen from foreign shipping lines would be logical, Arif said.

CPA Director for Security Lieutenant Colonel Mostafa Arif-ur Rahman Khan said many vendors hired by shipping agents do not properly appoint watchmen at the vessels at the outer anchorage, increasing the risk of thefts.

He said the private watchmen enlisted with the CPA Booking Cell, established in 2010, are trained ones and the CPA has control over them to evaluate their performance.

Six watchmen are needed to do duty in a vessel every day.

The BSAA leader said if watchmen from the CPA Watchmen Booking Cell are engaged in a vessel, the total cost will be over \$100 a day, which is five to six times higher than the presently engaged watchmen through vendors.

This increased cost will be paid by the shipping lines and would be passed on to the importers through carriers and finally the end consumers will feel the pinch, he said.

Oil jumps to highest in over seven months

REUTERS, New York

Oil prices rose on Friday to their highest in over half a year and snapped a two-week losing streak, buoyed by expectations of tightening supplies.

Saudi Arabia is widely expected to extend a voluntary 1 million barrel per day oil production cut into October, prolonging supply curbs engineered by the Organization of the Petroleum Exporting Countries (Opec) and allies, known collectively as Opec+, to support prices.

Russia, the world’s second-largest oil exporter, has already agreed with Opec+ partners to cut oil exports next month, Deputy Prime Minister Alexander Novak said on Thursday.

Brent crude settled up \$1.66, or 1.9 percent, at \$88.49 a barrel. Earlier it gained to a session high of \$88.75 a barrel, the highest since Jan. 27.

US West Texas Intermediate crude (WTI) had risen \$1.39, roughly 1.7 percent, to \$85.02. It rose earlier to \$85.81, the highest since November 16.

Brent rose about 4.8 percent this week, the most it has increased in a week since late July. WTI advanced by 7.2 percent in the week, its biggest weekly gain since March.

“There is a realization the economy is not falling off the map, and signs that demand is near record highs,” said Price Futures Group analyst Phil Flynn. “People have to face the cold, hard reality that supplies are below average.”

The appetite for oil in the United States has been robust, with commercial crude inventories declining in five of the most recent six weeks, according to surveys conducted by the US Energy Information Administration.



PHOTO: REUTERS/FILE

Pumpjacks are seen during sunset at the Daqing oil field in Heilongjiang province, China.

A keenly watched US report on Friday also showed a rise in the unemployment rate and moderation in wage growth, bolstering expectations of a pause in interest rate hikes.

Meanwhile, expectations for demand recovery elsewhere are growing.

A downturn in euro zone manufacturing eased last month, suggesting the worst may be over for the bloc’s beleaguered factories, while an unexpected rebound in China offered some hope for export-reliant economies, private surveys showed.

Both Opec and the International Energy Agency are depending on the world’s biggest oil importer, China, to shore up oil demand over the rest of 2023, but the sluggish recovery of the country’s economy has investors concerned.

The remainder of this year promises to bring supply shortage, partly owing to reasonably healthy global consumption and partly because of the Saudi determination to provide a high price floor, said Tamas Varga of oil broker PVM.

“Unless the Chinese economy stages a confident revival next year, the mood will sour markedly,” he said.

In an indication of future supply, US oil rigs were unchanged at 512 this week, the measure holding at its lowest level since February 2022, energy services firm Baker Hughes said on Friday.

US manufacturing slump continues into 10th month

AFP, Washington

The slump in US manufacturing activity continued for a 10th consecutive month in August amid ongoing softness in new orders, survey data showed Friday, with some signs pointing to an improving situation.

The Institute for Supply Management’s (ISM) manufacturing index came in higher than expected at 47.6 percent in August, up from 46.4 percent a month earlier.

The continued slowness in new manufacturing orders aligns with recent inflation figures, which showed a contraction in the prices of goods, while those of services continued to rise.

The Federal Reserve has been on an aggressive campaign since March last year to bring down high inflation through interest rate hikes, which hits consumer demand.

“The August composite index reading reflects companies managing outputs appropriately as order softness continues, but the month-over-month increase is a sign of improvement,” ISM survey chief Timothy Fiore said in a statement.

The figure was 1.0 percentage points higher than the median expectation of economists surveyed by MarketWatch.

While it marked a sharp improvement, the August figure was still firmly below the 50-percent threshold indicating growth in the sector.

“The manufacturing ISM index improved more than expected in August, to the highest level since February,” Rubেলা Farooqi, High Frequency Economics’s chief US economist wrote in a note to clients.



Cars are seen parked at Maruti Suzuki’s plant at Manesar, in the northern state of Haryana, India. Sales for Maruti Suzuki and Mahindra and Mahindra’s private vehicles grew 16.4 percent and 25 percent, respectively, in August compared to a year earlier.

PHOTO: REUTERS/FILE

Indian automakers post rise in August sales

REUTERS, Bengaluru

Top Indian automakers on Friday posted an increase in passenger and commercial vehicle sales for August, as optimistic dealers loaded up vehicles ahead of the festive season.

In the passenger vehicles (PV) category, sales for Maruti Suzuki and Mahindra and Mahindra grew 16.4 percent and 25 percent, respectively, for the month compared to a year earlier. Tata Motors, however, posted a 3.5 percent decline in PV sales.

Shares of Maruti Suzuki scaled to a record high during the day. The automaker reported total sales of 189,082 units in August, its highest ever monthly sales volume, led by continued strong demand and launch of new models in the fast-growing sport-utility vehicles (SUV) segment.

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