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## Don't do business with two banks of Myanmar

BB asks banks

STAR BUSINESS REPORT

Bangladesh Bank has instructed local banks to refrain from engaging in financial transactions with Myanmar Foreign Trade Bank (MFTB) and Myanmar Investment and Commercial Bank (MICB) as the US has recently imposed sanctions on these two.

The banking regulator, through letters to all scheduled banks on August 20, said the two were now under sanctions issued by the Office of Foreign Assets Control, a financial intelligence and enforcement agency of the US Department of the Treasury.

In June this year, the US imposed sanctions on the two Myanmar banks and the defence ministry of Myanmar.

**In June this year, the US imposed sanctions on the two Myanmar banks**

Bangladesh Bank has issued the letter months after the US embassy in Dhaka informed Bangladesh's foreign ministry about the sanctions.

The US embassy also requested the ministry to take steps as the two have correspondent accounts with state-owned Sonali Bank.

After receiving the letter from the US embassy, the foreign ministry sent a letter to the Financial Institutions Division under the finance ministry on August 3 informing about the two banks' accounts with Sonali Bank.

Sonali Bank has frozen the accounts of the two Myanmar banks following sanctions imposed by the US, Sonali Bank Managing Director and CEO Md Afzal Karim told The Daily Star recently.

"Further steps will be taken based on Bangladesh Bank's opinions," he said.



## Corporates, poultry giants expand foothold in EGG MARKET

SUKANTA HALDER

Bangladesh's egg market used to be largely ruled by thousands of small retailers and wholesalers, but the composition of sellers has been changing for the past several years with the emergence of large corporates and poultry industry giants.

They are gradually expanding the size of their baskets by including the popular protein item, which has raised concerns among small farmers and egg producers. It has also led to analysts calling for major reforms in terms of market management, identifying dominant players and fixing investment ceilings to ensure fair competition.

Take the example of Pran-RFL Group, a leading food and plastic producer in Bangladesh. The company produced 20,000-25,000 eggs per day when it started commercial production in September 2022.

But now it is producing and marketing nearly two lakh eggs daily, said Kamruzzaman Kamal, director of marketing at Pran-RFL Group.

"Due to a rise in health consciousness, urbanisation and improved standards of living, a large market for eggs has been created. That's why we have entered," he added.

Similarly, Diamond Egg Ltd, which signed up for layer poultry farming in 2012, now produces about 15 lakh eggs daily, up from

three lakh daily at the start of operations, according to its Managing Director Kayser Ahmed.

Alongside Pran-RFL Group and Diamond Egg Ltd, roughly 20 large firms -- including poultry industry major such as Kazi Farms,

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**Kamruzzaman Kamal**  
Director of marketing at Pran-RFL Group

Paragon Group, and pharma maker Renata's subsidiary Purnava Ltd -- are selling packaged eggs in a market still dominated by unpackaged eggs.

Curiously, no estimate of egg sales by large companies is available.

Egg sellers said Bangladesh requires nearly four crore eggs per day and that small layer chicken farmers supply most of it.

But the presence of branded eggs is increasing, that too at a premium.

A visit to four supermarkets revealed that

branded eggs were selling for at least Tk 25 higher per dozen than unpackaged eggs, which were selling at a maximum of Tk 160 per dozen, according to Trading Corporation of Bangladesh (TCB) data.

Kazi Zahin Hasan, director of Kazi Farms Group, said unbranded eggs were mostly produced by small farmers and did not offer any assurances regarding quality.

"Some consumers buy branded eggs because they want a reputable company to assure them of the quality of the product they are buying," he said, adding that Kazi Farms was increasing investment in the sector in response to rising demand.

Md Sirajul Hoque, director of the animal health division at Renata, said that demand from high-end consumers had led to them producing Omega-3, vitamin E and vitamin B9-enriched eggs.

Hoque said the prices of such eggs were higher than normal eggs due to higher costs of production.

At the other end of the spectrum, Khondaker Md Mohsin, secretary general of the Bangladesh Poultry Industries Association, said many egg farmers were forced to shut down shops over the past three-four years due to increasing production costs and an inability to fight off competition.

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## BSEC finalising rules to set up commodity exchange

AHSAN HABIB

The Bangladesh Securities and Exchange Commission (BSEC) is finalising a draft of rules regarding the commodity exchange on availing opinions from stakeholders with hopes that the first-ever exchange can be launched within a couple of months.

A commodities exchange is a legal entity that determines and enforces rules and procedures for trading standardised commodity contracts and related investment products.

According to experts, a commodity exchange allows farmers to lock in prices using forward contracting. This also reduces the risk of a drastic price drop and squeezes out uneven ups and downs of commodity prices in the country.

Last month the stock market regulator received public opinion on a draft of the Bangladesh Securities and Exchange Commission (Commodity Exchange) Rules, 2023.

On analysing the opinions, the regulator will finalise the rules and publish it through a gazette soon, said Mohammad Rezaul Karim, spokesperson of the BSEC, yesterday.

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## Islami Bank sees record trade of stocks at CSE

STAR BUSINESS REPORT

Islami Bank's stock made a record yesterday as Tk 524 crore worth of shares of the lender were traded at the Chittagong Stock Exchange (CSE).

The price of Islami Bank share remained unchanged yesterday like the previous day at Tk 32.3 at the CSE where 16.34 crore shares of the shariah-based bank changed hands.

A top official of the CSE, preferring anonymity, confirmed that the shares were traded at the block market and the share has been transferred among the corporate owners of the bank.

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STOCKS		
	DSEX ▲	CASPI ▲
	0.14%	0.19%
	6,316.98	18,666.98

COMMODITIES		
	Gold ▼	Oil ▼
	\$1,931.52	\$85.31
	(per ounce)	(per barrel)

ASIAN MARKETS				
	MUMBAI	TOKYO	SINGAPORE	SHANGHAI
	▲ 0.23%	▲ 0.30%	▼ 0.37%	▼ 0.71%
	65,780.26	33,036.76	3,226.83	3,154.37



Mostly being grown in the southwest coastal zone of the country for long, shrimp is one of the major export items of Bangladesh. The photo was taken at a processing factory of an exporter in Rupsha upazila of Khulna on Monday.

PHOTO: HABIBUR RAHMAN

## No sign of recovery in shrimp exports

STAR BUSINESS REPORT

After recording a 21 percent dip in earnings in fiscal 2022-23, the downturn in frozen food exports have extended in the current fiscal year, according to market players.

This is because the demand for black tiger shrimp has not recovered in Europe, the main market for locally grown shrimp, they said.

Exports of frozen and live fish declined 25 percent year-on-year to \$61 million in the July-August period of fiscal year 2023-24, shows data of the Export Promotion Bureau (EPB).

This was due to a slump in earnings from shrimp, which brought home 73 percent of the export receipts for the sector during the opening quarter.

"Our main market is Europe. Consumers there are cutting on foods like shrimp as their cost of living has increased. We are feeling the consequence of the Russia-Ukraine war," said Shyamal Das, managing director of MU Sea Foods, a frozen foods exporter.

Grown mostly in the southwest coastal zone, shrimp is a major export item for Bangladesh.

Export earnings from the sector have been suffering from volatility for the last decade, impacted by competition from the cheaper priced vannamei grown in other countries, including India.

After a consistent fall, exports rebounded in the two years until fiscal year 2021-22.

However, it fell the following year and the decline continued this year. Shipments in terms of quantity also dropped, according to data of the Bangladesh Frozen Foods Exporters Association.

Shyamal said prices have falling along with demand. The price of shrimp, which was \$14 per kilogramme a year ago, has dropped to \$11-11.5 per kilogramme.

"To be honest, I don't see any possibility of recovery. If there is any rebound it may come in the third quarter of

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**Furushima Renaissance Limited.**  
*A new door of Prosperity has been unfolded*



Renaissance Group, a trusted name in the apparel sector of Bangladesh, has joined hands together with Fashion Cloth Furushima, a century old company serving Japanese clothing brands with great reputation. Both companies have launched their new venture by signing an MoU on 22nd August, 2023 at Hotel Le Meridien, Dhaka, Bangladesh. The joint venture is known as "Furushima Renaissance Ltd." (FRL). FRL would provide one stop service for all apparels solutions of Japanese clients from Bangladesh.

Signatories of MoU were Mr. Kazuo Furushima, President, Fashion Cloth Furushima and Mr. Md. Modasser Pasha, Managing Director, Renaissance Designs Ltd. Along with the signatories, Mr. Kazi Sharwar Habib, Chairman of FRL, & Mr. Md. Saiful Alam, Director, FRL were also present.

The Chief guest of the signing ceremony was Mr. Md. Shahriar Alam MP, Honorable State Minister for Foreign Affairs, People's Republic of Bangladesh.

The signing ceremony witnessed the presence of senior officials from Embassy of Japan, JETRO Dhaka, Japan Chamber Industry Association- Dhaka (JCIAD), Mitsubishi UFJ Bank and Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and Directors of Renaissance Group.