



A truck laden with import cargo is seen leaving Chattogram port yesterday morning. The ongoing nationwide blockade is causing troubles in cargo movement since Tuesday morning, forcing many ICD operators to make shipments overnight.

PHOTO: RAJIB RAIHAN

## Bata suffers losses in Q3

STAR BUSINESS REPORT

Footwear giant Bata Shoe Company Bangladesh Ltd has incurred a loss in the third quarter of 2023 on generating profits in the preceding four quarters.

On the bright side, the loss incurred this time around is lower than that of the same period of 2022.

The July-September period's loss amounted to Tk 1.62 crore this year whereas it was Tk 5.89 crore in the same period last year, according to the listed multinational shoemaker's financial statements.

Its earnings per share (EPS) stood at Tk 1.19 in the negative and Tk 4.31 in the negative respectively.

It was during the pandemic in 2020 that Bata incurred its first loss on running for nearly six decades in Bangladesh.

The volume of losses suffered in the subsequent years was decreasing gradually.

The company returned to profits in the first quarter of 2023, the DSE data showed.

During the January-September period of 2023, Bata logged a profit of Tk 42 crore.

It was Tk 27 crore in the same period last year.

Its EPS rose to Tk 30.88 from Tk 20.11 in the previous year.

This was mainly due to efficient management of costs and net foreign exchange gains, the company said.

However, Bata's sales have been feeling the heat in the recent quarter, with revenues dropping 13 percent year-on-year to Tk 187 crore.

However, from the perspective of the nine-month period, sales increased 1 percent to Tk 750 crore.

Bata's stocks traded at Tk 996 at Dhaka Stock Exchange yesterday.

# Blockade causing bottlenecks in container movement

### Ship delays departure for a lack of export containers

DWAIPAYAN BARUA, *Chattogram*

A vessel bound for Singapore yesterday delayed its departure from Chattogram port as a good number of its export containers failed to reach on time amid a nationwide blockade that began on Tuesday.

The Panama-flagged Sky Wind had berthed at the third jetty of the New Mooring Container Terminal on Monday with departure scheduled for 11:00am on Wednesday.

The ship was booked to carry 1,040 TEUs (twenty-foot equivalent units) of export containers but only 700 TEUs could be loaded on time.

Saiful Islam, general manager of the ship's local agent Sea Consortium Bangladesh Ltd, informed that they decided to delay their departure by a day in order to complete the loading process.

The ongoing blockade has also impacted the delivery of import cargoes sitting in port yards as just 2,788 TEUs were delivered in 24 hours till 8:00am yesterday while it was 4,105 TEUs the day prior.

Islam said 90 percent of the remaining export containers could have reached the port overnight on Tuesday but there would be no time to board them ahead of the scheduled departure.

This problem arose as most private inland container depots (ICDs) refrained from transporting export containers until Tuesday afternoon in fear of running into

obstacles amid the blockade.

And as the ICDs rushed to make deliveries that night, there was a bit of container congestion at the port jetties with berth operators frantically trying to load them onto ships as quick as possible.

According to port officials, three vessels were able to leave the port as scheduled yesterday.

**The ongoing blockade has also impacted the delivery of import cargoes sitting in port yards**

Islam also said staying another night at the port would cost around \$3,000 for berthing while the ship's feeder operator will have to bear an additional charter hire of \$20,000.

Still, they preferred to bear the cost rather than lose the remaining cargo freight, he added.

Islam informed that most of the cargo being loaded onto Sky Wind is garment products destined for Europe and the US.

After departure, the ship will connect with mother vessels at Singapore and then Port Klang in Malaysia.

Nasir Uddin Chowdhury, former first-vice president of the Bangladesh Garment Manufacturers and Exporters Association, expressed dissatisfaction over the ship's unexpected delay.

"We hope the ship will be able to connect with its designated mother vessels at Singapore and Malaysia,

otherwise the export cargoes may miss the delivery time. Hence, there is some uncertainty," he said.

He also said that such a disruption is not expected at a time when the country's export volume is facing a downtrend amid the ongoing global economic crisis.

"But the situation improved on the second day of the blockade as the movement of cargo vehicles increased compared to the first day," he added.

Khairul Alam Suzan, vice-president of the Bangladesh Freight Forwarders Association, said any more delays in the supply chain would cause further uncertainty regarding the timely shipment of exports.

"When such things happen, it creates a bad image about the country's export trade among buyers," he added.

Md Ruhul Amin Sikder, secretary general of the Bangladesh Inland Container Depot Association, said the 19 private ICDs could only send a combined 172 TEUs of export containers till 3:00pm on Tuesday.

"However, the pace gained momentum in the evening and they worked the whole night," he added.

Sikder informed that as of 8:00am yesterday, the ICDs managed to send a total of 1,581 TEUs of export containers to the port.

Officials at different ICDs informed that the transport of export, import and empty containers between ICDs and the port were ongoing since yesterday morning, but the pace was slow.

## WB to disburse funds soon for Bay Terminal project

STAFF CORRESPONDENT, *Ctg*

The World Bank (WB) will disburse funds for the construction of the breakwater and channel of the Bay Terminal project in the Chittagong Port very soon, World Bank Country Director for Bangladesh and Bhutan Abdoulaye Seck said during a view exchange meeting with leaders of the Chattogram Chamber of Commerce and Industry (CCCI) yesterday.

In 2017, the WB approved a \$350 million loan for the Breakwater and Access Channel section, one of the four sections of the project, but construction work could not start as planned due to a delay in securing financing for other sections of the project.

"Chattogram will become a logistics hub through sea connectivity if this Bay Terminal project is implemented. Besides, the ongoing connectivity project between Chattogram and landlocked North-Eastern regions, including Bhutan and Nepal, will also be fruitful," Seck added according to a press release.

"Bangladesh is working towards the goal of transitioning into a middle-income country by 2026 and a developed country by 2041. At the same time, Bangladesh's volume of imports and exports is increasing. The World Bank is also supporting the implementation of various projects for this country's progress and the Bay Terminal project is one of them."

Seck added that WB finances various public projects after checking the needs of the intended users, especially the private sector.

"We have engaged in discussions with the private sector as part of the Social and Environmental Feasibility Study before funding the Bay Terminal project. As a result, the World Bank will quickly finance the construction of the breakwater and channel of the Bay Terminal project to increase the capacity of the Chittagong Port."

Omar Hajjaj, president of CCCI, said:

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## Brac Bank's profit surges

STAR BUSINESS REPORT

Brac Bank PLC registered a 38.72 percent increase in profit to Tk 581.41 crore in the nine months to September this year.

The private commercial lender made a Tk 379.84 crore profit in the same period of 2022.

The bank, thus, reported consolidated earnings per share (EPS) of Tk 3.26 for January-September against Tk 2.35 in the identical period last year, according to a disclosure on the Dhaka Stock Exchange yesterday.

"The EPS increased due to higher interest income amid the growth in loans and advances, investment income, higher commission and brokerage income."

The consolidated net operating cash flow per share (NOCFPS) surged to Tk 28.02 from the previous year's Tk 4.46 while the consolidated net asset value per share (NAVPS) rose to Tk 40.22 on September 30 this year from Tk 38.01 on December 31 last year.

The NOCFPS increased significantly thanks to higher deposit mobilisation from customers and borrowings from banks. Besides, the NAVPS went up thanks to the growth in profit after tax, the filing added.

The bank also saw a 35.35 percent rise in profit to Tk 247.31 crore in the third quarter ended September of 2023.

It posted Tk 189.24 crore in the same period of last year, according to the disclosure.

Brac Bank reported EPS of Tk 1.34 for July-September against Tk 0.99 in the third quarter of 2022.

## Russian aviation sector faces strong headwinds

AFP, *Moscow*

Russia's aviation industry is facing heavy turbulence, as concerns for passenger safety mount in the face of poor maintenance, a lack of spare parts and regular breakdowns.

The sector, heavily reliant on international suppliers, has been among the hardest hit by Western sanctions over Moscow's assault on Ukraine.

Cut off from Europe's Airbus and US-based Boeing, Russian airlines are facing particular trouble securing and maintaining both physical parts and advanced software needed to keep planes in the air, experts say.

"The conditions in which Russian airlines operate have certainly become much more difficult and the risks for the industry have obviously increased," Oleg Panteleyev, director of AviaPort.ru, an agency specialising in the Russian aviation industry told AFP.

Several recent incidents have highlighted the concerns. In August, passengers on a Red Wings flight were stuck in the Urals city of Yekaterinburg for 24 hours due to simultaneous "technical malfunctions" on the only two available aircraft.

The company pointed to "external sanctions" and "restrictions on the supply of spare parts, which complicates aircraft maintenance" in a press release.

The same month a Russian Pegas Fly plane was delayed in Thailand due to faults with its weather monitoring system.

At the start of October, Flagcarrier Aeroflot suffered three technical failures to its planes in a single day.

The Kremlin has acknowledged that all is not well in Russia's aviation industry.

## Asia's factories squeezed as China's recovery teeters

REUTERS, *Tokyo*

Asia's manufacturers faced worsening pressure in October with factory activity in China slipping back into decline, clouding recovery prospects for the region's major exporters already squeezed by weaker global demand and higher prices.

Purchasing managers' indexes (PMIs) for factory powerhouses China, Japan and South Korea showed activity shrinking while Vietnam and Malaysia also struggled with the broadening fallout from a Chinese slowdown.

China's Caixin/S&P Global manufacturing PMI fell to 49.5 in October from 50.6 in September, a private sector survey showed on Wednesday, falling back below the 50.0 point threshold that separates growth from contraction.

The Chinese survey echoed a downbeat official PMI reading on Tuesday, which also showed an unexpected contraction in activity, casting doubt over recent hopes of a recovery in the world's second-largest economy.

"Overall, manufacturers were not in

high spirits in October," said Wang Zhe, an economist at Caixin Insight Group, on China's survey outcome.

"The economy has showed signs of bottoming out, but the foundation

of recovery is not solid. Demand is weak, many internal and external uncertainties remain, and expectations are still relatively weak."

The impact of China's slowdown is



A worker engaged in a forklift assembly line at a factory in Qingzhou, in China's eastern Shandong province, on October 27. The impact of China's slowdown is being felt in countries like Japan and South Korea, whose manufacturers are heavily reliant on demand from the Asian giant.

PHOTO: AFP