

Star BUSINESS

Thousands of women in Mymensingh's Phulbaria upazila are now becoming self-reliant by making handicrafts from a variety of leaves

Story on B4



USTR identifies Bangladesh among top five counterfeit product suppliers

REFAYET ULLAH MIRDHA

The United States Trade Representative (USTR) said Bangladesh is one of the top five sources for counterfeit clothing globally, which stakeholders have identified as a concern this year.

In its 2024 Special 301 Report on Intellectual Property Protection and Enforcement released yesterday, the USTR identified several countries which supply counterfeit products, violating intellectual property rights.

According to a study by the Organisation for Economic Co-operation and Development (OECD) and European Union Intellectual Property Office (EUIPO) released in 2021, the global trade of counterfeit and pirated goods reached \$464 billion in 2019.

China (together with Hong Kong) continues to be the largest origin economy for counterfeit and pirated goods, accounting for more than 85 percent of global seizures of counterfeit goods from 2017 to 2019.

Stakeholders also continue to report dissatisfaction with border enforcement in Singapore, including concerns about the lack of coordination between Singapore's customs authorities and the Singapore Police Force's Intellectual Property Rights Branch.

Delays in obtaining registrations present a significant obstacle for protecting IP rights in foreign markets, with stakeholders identifying Bangladesh, Iraq and South Africa as countries with extreme delays in processing trademark applications.

A number of countries do not consider a likelihood of confusion with previously filed applications and registrations during examination, otherwise known as "relative grounds" refusals.

In FY 2023, the Homeland Security Investigations (HSI)-led National Intellectual Property Rights Coordination Center (IPR Center) conducted Intellectual Property Rights Investigative Methods Training programmes in Indonesia, Namibia, and Nepal.

These programmes included representatives from Namibia, South Africa, Botswana, Zambia, Malawi, Indonesia, India, Nepal, Bangladesh, the Maldives, and Sri Lanka and were supported by US Customs and Border Protection (CBP), United States Patent and Trademark Office (USPTO), the Department of Justice (DOJ), International Computer Hacking and Intellectual Property Advisors (ICHIPs), and other US federal agencies.



Regarding the report, Mohammad Hatem, executive president of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA), said Bangladesh has a stringent intellectual property law.

He added that they had already suggested the USTR a few years ago to complain against specific companies that supply counterfeit products so the government can take action.

A few years ago, the American Apparel and Footwear Association (AAFA) complained to the USTR about counterfeit products supplied by Bangladesh to the US market.

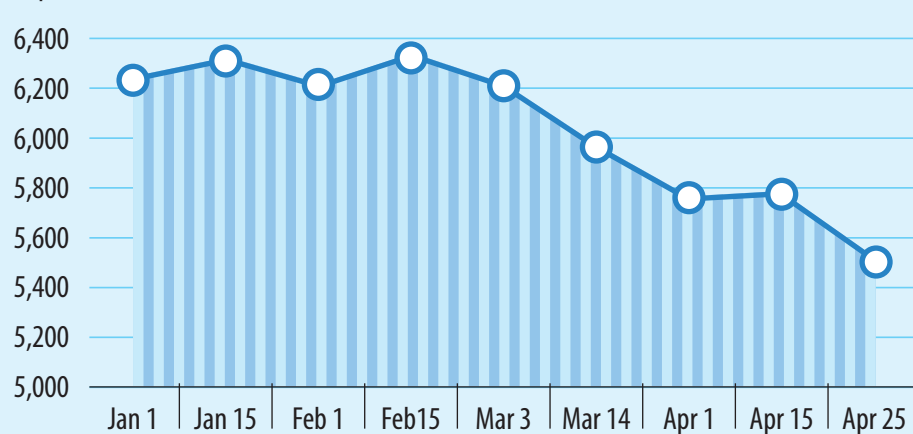
But at the same time, the AAFA also suggested the USTR to not take any measures against Bangladesh as long as the country belongs to the group of least developed countries (LDCs), Hatem said.

The Special 301 Report is the result of an annual review of the state of intellectual property (IP) protection and enforcement in US trading partners around the world, which the office of the USTR conducts pursuant to Section 182 of the Trade Act of 1974.

Stocks lose lustre as investment tool

DSEX in the last four months

In points; SOURCE: DSE



Decline in BO accounts (In lakh)

Month	Number
Apr '21	26.63
Oct '21	20
Apr '22	20.78
Oct '22	18.5
Apr '23	18.7
Oct '23	17.9
Apr '24	17.8

REASONS BEHIND THE SLIDE

- Lack of good governance in the stock market
- Confidence crisis resulting from floor price
- Sell-offs by foreign investors
- Lucrative treasury bonds
- Low dividend offered by companies

SOURCE: CDBL



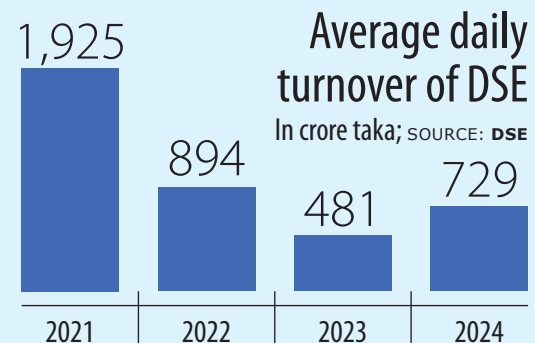
WHY SMALL INVESTORS LOSING APPETITE

Stock investment was stuck due to an absence of buyers amid floor price

Stocks are falling almost every day following the withdrawal of floor price

Stocks of well-performing firms are falling the most

Dividend payment of listed companies also declined



AHSAN HABIB

The stock market in Bangladesh is not playing its due role of supporting people looking to diversify their earnings or generate additional income. Similarly, it is not helping those who aim to absorb the shocks triggered by the lingering higher inflation for the past two years.

Since mid-2022 when the stock market regulator launched the floor price to stop the free fall of shares, almost all scrips were stuck due to the absence of buyers. It was lifted gradually in January and February this year.

As a result, investors, who make investment decisions by analysing the financials and potentials of the listed companies, could barely earn any money during the period.

Their plight did not end there. This is because since the floor price removal, the stocks have been bleeding owing to massive sell-offs by local

and foreign investors as the economic uncertainty persists. Therefore, they did not make any profit even when they finally got the opportunity to trade the securities.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), stood at 6,200 when the Bangladesh Securities and Exchange Commission (BSEC) began to scrap the floor price in January. It dropped 14 percent, or 929 points, in the last two months.

Before the price control was put in place, the index hovered around 6,000 for one year. Overall, the stock market has failed to yield the expected income for the investors in the last three years.

According to analysts, most of the investors are service-holders and they invest mainly in order to ensure an extra income stream. However, since their investments had remained stuck and their portfolio is losing their value now, this group of people will lose their appetite to



remain in the market.

According to Central Depository Bangladesh Ltd, the number of beneficiary owners (BO) accounts dropped by 8.73 lakh, or 32 percent, to 17.88 lakh in the three years to April 24.

Ashiqur Rahman Pinu, an investor, said he had an investment of Tk 30 lakh in the market with half coming in loan from his sister, who lives abroad.

The value of the fund has fallen to Tk 16 lakh even though he has invested in comparatively sound companies and never chased junk stocks.

Pinu said the fund did not give any returns for two years owing to the floor price, so he could not give any profit to his sister.

"Now, the stocks are falling. I am utterly disappointed. Once the stocks rise, I will sell them and leave the market. The investment in the stock market has already created a problem in my family."

The dividend payout of the listed companies also fell in the last two years amid lower profits caused by an increase in expenses since the energy has become costlier, the taka has lost its value by about 30 percent, and the cost of funds has gone up.

In a shocking development, the investors who put their funds in well-

performing stocks are seeing a heavy erosion of the value of their investments compared to those who have bet on junk stocks.

The plunge of the DSEX, however, is not portraying the real suffering of the investors since many large, capital-based stocks such as Walton, IDLC, Crown Cement, RAK Ceramics, Titas, and IPDC Finance are not taken into account while calculating the index.

They are not considered since the number of the free-floating shares of these companies was low when the floor price was in place.

Since they lost massively in the last two months, the broader index would have dealt with further slide had they been taken into consideration.

Walton stocks dropped around 20 percent, IDLC fell 27 percent, and Crown Cement was down 21 percent in the last two months. Similarly, RAK Ceramics nosedived 27 percent, Titas Gas plummeted 23 percent, and IPDC Finance dipped 39 percent.

At present, 257 companies, or 68 percent of the firms listed on the premier bourse of Bangladesh, are included in the computation of the DSEX.

Md Shihab Uddin, who works in a private firm, said he invests in the stock market hoping for some extra bucks so that he can meet family expenses smoothly.

"The market gave nothing in the last three years," he said.

Since the investment had been stuck,

Stocks fall further despite new circuit breaker

STAR BUSINESS REPORT

Investors were apparently dismayed with a recent circuit breaker recalibration by the Bangladesh Securities and Exchange Commission (BSEC), which was exemplified by the stocks continuing on a downward spiral to a three-year low yesterday.

The DSEX, the benchmark index of

Dhaka Stock Exchange (DSE), plunged 60 points, or 1 percent to 5,518.

The index has fallen on all but one of the last nine days.

The BSEC issued an order on Wednesday, saying that stocks of listed companies would not be allowed to fall more than 3 percent based on the previous day's closing price.

READ MORE ON B3

Heatwave leaves no impact on RMG production

REFAYET ULLAH MIRDHA

Garment exporters have taken extra measures to ensure the presence of workers in factories and the timely shipment of goods during the extreme heatwave that has swept over the country since the start of April.

Many factory owners are supplying saline water to workers, shortening work shifts, and delivering health-conscious messages to workers to maintain productivity.

So far, any loss of productivity or major casualty has been averted while no incident related to the thin presence of workers or missing shipment deadlines has been recorded.

Md Fazlul Hoque, managing director of Narayanganj-based Plummy Fashions, said the presence of workers was good and they had been working as normal.

He added that in green factory buildings such as theirs, rooftops are usually higher so heat is trapped higher up and does not reach the floor.

Moreover, various machinery such as chillers, fans, and exhaust fans are also used to provide relief from the heat, Hoque also said.

A garment exporter who employs 10,000 workers in Gazipur said he has been serving one litre of saline water to each worker so they can stay hydrated. He also shortened work shifts so workers have more time to seek respite from the heatwave.

The exporter, asking not to be named, added that no shipments have been delayed yet.

READ MORE ON B2

Poultry farmers in a bind as chickens succumb to heatwave

SUKANTA HALDER, MONJURUL HAQUE and SUSHANTA GHOSH

Akram Hossain Ripon, a poultry farmer from the Kalma area in Savar, has incurred severe financial losses due to the heatwave that has engulfed the country since the start of April.

"It is unfortunate for me," he said in a sombre tone.

Recently, Ripon brought a total of 1,000 layer chickens for his farm as good market prices offered him the scope to make a healthy profit.

However, the heatwave has turned his joy into despair.

A total of 160 chickens at his farm have already died due to the heat, causing him losses of around Tk 40,000.

"The price of feed is very high. I also have to spend behind running the generator on the farm 24 hours a day. I also need medicine for the chickens. Given all those expenses, it is very difficult to see so many chickens die," he said.

"All in all, I am in a very uncomfortable situation," he added.

"Today (Thursday), a trader called to sell me chicks. I told him to first fix the weather and then I would raise the chicks."

Since the beginning of April, many poultry



AI-GENERATED IMAGE

farmers in the country have faced a situation similar to Ripon's. Due to the heatwave and load-shedding, hundreds of chickens are dying across the country every day, leaving many farmers to ponder about closing their businesses.

AT A GLANCE

- About 25% of chickens are affected by heatwave
- In the last 10 days, marginal farmers lost about Tk 200cr
- Quality of egg and chicken may deteriorate
- Egg and chicken production dropped 4% to 10%

OTHER DETAILS

- Standard temperature for chicken production is 22 to 25 degrees Celsius
- This year's highest temperature was 42.6C in Chuadanga on April 21
- Country has been on heatwave alert since April 21
- Heatwave may persist for 72 more hours starting yesterday

Sumon Howlader, president of the Bangladesh Poultry Association (BPA), claimed that marginal farmers have suffered losses totalling around Tk 200 crore in the past 10 days due to the effects of the heatwave.

READ MORE ON B2