

Stock indices nosedive amid unrest

STAR BUSINESS REPORT

Major indices of the stock market in Bangladesh took a steep dive yesterday, hitting a three-year low as investors started offloading shares in fear that the country's economy may deteriorate further amid the ongoing unrest.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), plunged by about 1.96 percent from the previous session to close at 5,229 points.

This was its steepest fall since May 2022, when the main index of the country's premier bourse dropped 135 points, or over 2 percent of its total at the time.

After speaking with the officials of at least five brokerage houses, The Daily Star found that their offices were open albeit with limited staff while the doors were practically shuttered.

Still, almost no investors came while the few that did were mostly there to sell.

"As political instability is growing, investors are worried that the market could close again due to another internet blackout. So, they are selling their shares," said a senior official of a leading brokerage house.

Following weeks of unrest, the protestors called for a countrywide non-cooperation movement starting yesterday.

will improve anytime soon," he said.

This is because investments may lose value or even become a loss if the performance of listed companies is badly hit for having to halt production amid the political instability.

"So, they are selling their shares," the merchant banker added.

He also informed that people are preferring to keep cash in hand rather than invest as they fear another internet outage could disrupt trading activities.

Turnover, which measures the total value of shares traded during the session, fell by 63 points to Tk 207 crore. Of the stocks to witness trade, only six advanced, 372 declined and 19 remained the same.

Unilever Consumer Care saw the most trade, with Tk 48 crore worth of its shares transacted, followed by Heidelberg Materials, Square Pharmaceuticals, Express Insurance, and British American Tobacco (BAT) Bangladesh.

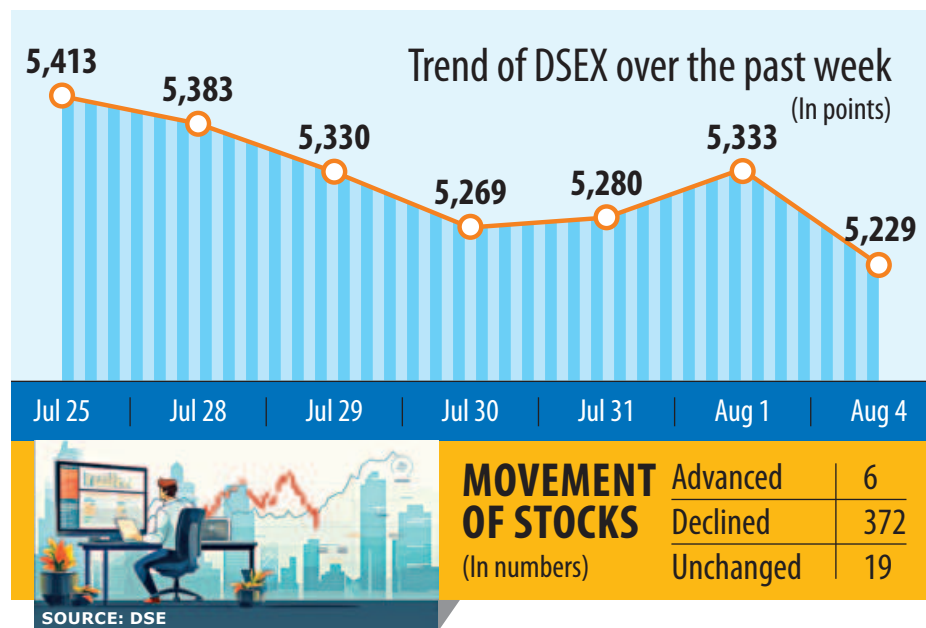
However, the performance of BAT Bangladesh dragged down the DSEX the most, claiming around 7 points, while Renata took away 6 points, Brac Bank 5 points, Grameenphone 5 points and Beximco Pharmaceuticals 4 points, according to LankaBangla Securities.

Shyampur Sugar Mills, a junk stock, was



Rows of shops on Elephant Road that remained closed yesterday amidst a non-cooperation movement called by the Anti-Discrimination Student Movement.

PHOTO: PALASH KHAN



Retailers fear immense losses for political crisis

SUKANTA HALDER

The owners of retail outlets in Bangladesh fear they could incur massive losses due to the ongoing unrest stemming from a student movement seeking the resignation of the government.

Shops and malls all over the country were closed yesterday, the first day of a non-cooperation movement announced by the Anti-Discrimination Student Movement aimed at driving home their one point demand.

However, businesspeople said the subsequent declaration of an indefinite curfew that started yesterday and yet another three-day general holiday from today will cause unimaginable losses.

Consumers are panicking about the economic uncertainties considering the country's current state. So, people are being more careful with their spending, they added.

At least 73 people were killed and dozens injured as fierce clashes took places across the country yesterday. The government imposed a curfew for an indefinite period from 6:00pm.

Besides, the government also announced a three-day general holiday starting today for ensuring public safety amid the ongoing protests across the country.

Dewan Aminul Islam Shaheen, president

of the Dhaka New Market Business Owners' Association, said that four to five traders from their New Market area opened their shops yesterday morning.

"But due to the serious deterioration of the situation, they later closed up and went home," he said, adding that all shops in the Science Laboratory and Elephant Road area did the same.

Shaheen also said the business situation has been very bad for the last two weeks while sales practically hit zero yesterday.

"In the current situation, traders will have to face bigger losses," he added.

While visiting shopping centres in the Dhanmondi, Jigatola and other commercial areas of Dhaka, it was found that all of them were closed.

Mozammel Haque, general secretary of the Sanmar Ocean City Shop Owners' Association in Chattogram, told The Daily Star that all the shops in their market were closed yesterday.

"We are facing a lot of losses due to the unstable situation for more than two weeks. We will have to suffer more losses in the coming days because of closure and indefinite curfew," he added.

Customers began to shy away from shopping as the overall environment worsened since violence flared in the middle of last

month. The situation had led the authorities to impose a curfew and a three-day general holiday beginning on July 20.

Retailers were dealt the blow in less than a year after they contended with losses for more than a month in the face of hartal and a countrywide blockade enforced by the BNP and its allies in the run-up to the parliamentary elections in January this year.

Helal Uddin, president of Bangladesh Shop Owners Association, said all shops and malls across the country were closed yesterday. However, some opened in the morning but later closed.

"There is loss of business now and what will happen in the coming days is unimaginable," he added.

Students launched the quota reform movement on July 1 citing that it discriminated against general students seeking to secure public jobs.

The demonstrators started to stage sit-ins on the roads in different areas, blocking traffic since July 15, and law enforcers later tried to disperse them by force, causing the movement to turn violent.

The government then slapped the curfew for an indefinite period from midnight of July 19 and deployed the armed forces to contain the unrest.

Banks to remain closed for three days from today

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Banks and financial institutions will remain closed for three days beginning from today during the general holidays, said a top official of the Bangladesh Bank yesterday.

The announcement comes after the government declared an indefinite curfew from 6 pm yesterday in the face of a new wave of violence and deaths of people across the country.

At least 73 people were killed and dozens injured because of fierce clashes in different areas in Dhaka and other parts of Bangladesh on the first day of the non-cooperation movement announced by the Anti-Discrimination Students Movement on Saturday.

Banks and financial institutions will remain closed on Monday, Tuesday and Wednesday during the general holidays, said BB Spokesperson Md Mezbaul Haque.

Earlier, banks were shut for three days from July 21 in line with a three-day general holiday following the imposition of a curfew from July 20. On July 24 and 25, the banking hour was 11am to 3pm and it was 10am to 3pm on July 28 and 29 respectively.

Since July 31, banks had been open from 10am to 6pm and the banking transaction hour was between 10am and 4pm.

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Banking activities were heavily disrupted yesterday, particularly in Dhaka, amidst violence flaring up on the first day of a non-cooperation movement declared by protesters.

Private offices and businesses also faced difficulties in carrying out their activities commuting inside the city because of clashes between ruling party activists, law enforcement agencies, and demonstrating students that led to the killing of at least 50 people and injuries for scores of others.

The presence of customers at banks was significantly low. Clients, except for emergencies such as for cash withdrawals, avoided visiting branches. Several banks kept shutters of their branches down amid security concerns, according to bankers.

"We have never seen such a low presence of clients," said a senior official of a private bank in Motijheel, the city's commercial district, adding that about a dozen customers took service from the branch until noon yesterday.

"Most of the customers came at the beginning of office hours. Literally, there was no customer after midday," said an official of another bank.

Ahmed Ali, a resident in the Indira Road area in Dhaka, said he tried to go to a branch of Standard Chartered Bank at Pan Pacific Sonargaon Dhaka at about 1:30pm but was compelled to return home as Karwan Bazar turned into a battleground between protesters and ruling party activists.

As the situation became tense in the second half of the day, many officials of the central bank and commercial banks were seen leaving office.

An official of Dutch-Bangla Bank, seeking anonymity, said there was no formal instruction to leave their

Clashes disrupt services in banks, other sectors



There were little to no banking activities yesterday amidst a non-cooperation movement called by the Anti-Discrimination Student Movement. The photo was taken at a bank in the capital's Motijheel.

PHOTO: MD MEHEDI HASAN

workstations before office hours, but most officials have left for homes as customer presence was significantly low.

Many bankers were also seen absent from their duties as they could not commute from their residences because of a lack of transports in the city.

Md Shaiful Islam, manager of a branch of Sonali Bank in Motijheel, said officials, who completed their work early, left office early.

He said, as the government announced

a fresh curfew from 6:00pm, the officials who live quite a distance away have left early.

Like the bankers, very little activities were carried out at private offices in the capital yesterday.

Sabbir Ahmed, an official of a travel agency in Dhaka, said they did not get a single client yesterday. So only two officials were on duty out of 20.

Hasibur Rahman, a resident in Raja Bazar area in Dhaka, said a water tap in

the house was broken but he could not find any plumber.

"As this type of shop remained closed, I have collected mobile numbers and called two of the plumbers but none wanted to come for security reasons," he added.

Foissal Hossain, an official of Delta Life Insurance in Gulshan, said he went to the office on time but left for home along with his colleagues early on safety concerns.

China issues plan to boost household consumption

AFP, Beijing, China

China has issued a set of directives aimed at boosting household consumption, a weakness weighing on growth in the world's second-largest economy, with the plan targeting sectors including child and elder care, and food and beverage.

Leaders including President Xi Jinping pledged last month to help boost domestic consumption and ease pressure on China's ailing property sector, following a gathering of the ruling Communist Party's top brass.

The State Council, China's cabinet, published a list of 20 general directives on its website on Saturday evening, constituting a general roadmap for ministries and local authorities as the economy recovers after the lifting of strict pandemic measures at the end of 2022 that had hindered growth.

The plan, which does not include proposed budgets, urges authorities to "increase the supply of care services for the elderly", a sector with growth potential in a country with an ageing population.

It also calls for the development of childcare services, as fewer young people opt to have babies due to the high cost of education and lack of social benefits.