

## Chairman, vice-chairman of BAB re-elected



Chairman



Vice-chairman

Syed Manzur Elahi and Manzurul Islam have been re-elected chairman and vice-chairman respectively of Bangladesh Association of Banks (BAB), says a press release.

The election was held at the 73rd meeting of the executive committee of BAB on Tuesday in the city.

Elahi is the chairman of Mutual Trust Bank while Islam is the chairman of IFIC Bank.

Syed Manzur Elahi urged the government to discuss with Bangladesh Association of Banks (BAB), the apex body of the banking organisation and decide the issues on a mutual basis to strengthen the banking industry of the country.

## New MD of NCC Bank



M Aminuzzaman has joined the NCC Bank Ltd as managing director, says a press release.

Prior to his new assignment, Aminuzzaman, a career banker, was managing director of Uttara Bank Ltd.

After obtaining his MA degree in Economics from Dhaka University, Aminuzzaman started his banking career in 1966 as a management trainee in the then United Bank Ltd. He worked as branch manager in different branches at home and in Ajman and Dubai in the UAE. In 1980, he joined the then BCCI in London and worked as a senior executive in BCC (Misr), a joint venture bank in Egypt till 1991.

## Bankruptcies in S'pore soar to 17-year high

AFP, Singapore

Bankruptcies in Singapore have hit a 17-year high as the severe economic downturn takes its toll and the tiny republic struggles to stave off recession, according to figures released Wednesday.

Data given by the ministry of law to The Straits Times shows there were 3,587 bankruptcy court orders last year, up 11 per cent from 3,237 in 2001.

It is the highest number of bankruptcy orders per year for 17 years, according to government data dating back to 1986.

On the corporate front, 265 companies were wound up in 2002, up 5.0 per cent from 253 the year before.

In the manufacturing sector, the backbone of the Singapore economy, the number of companies shut down soared 65 per cent to 28.

The commerce sector was worse hit with more than 70 wholesale and retail traders going under, while 52 firms in the construction industry failing.

"The higher number of bankruptcies reflects the current state of the economy," said Association of Small and Medium Enterprises president Lawrence Leow.

## Gold glitters to new high

Prices go up by Tk 1,500 a bhoori in 11 months

MONJUR MAHMUD

Gold prices in local market yesterday set another new record, pushing guinea to Tk 8,200 and 22-carat to Tk 8,500 per bhoori.

Guinea or 21-carat and 22-carat gold reached a record price on December 18 last year, pushing guinea to Tk 7,900 from Tk 7,600 per bhoori (11.66 gram) and 22-carat to Tk 8,200 from Tk 7,900.

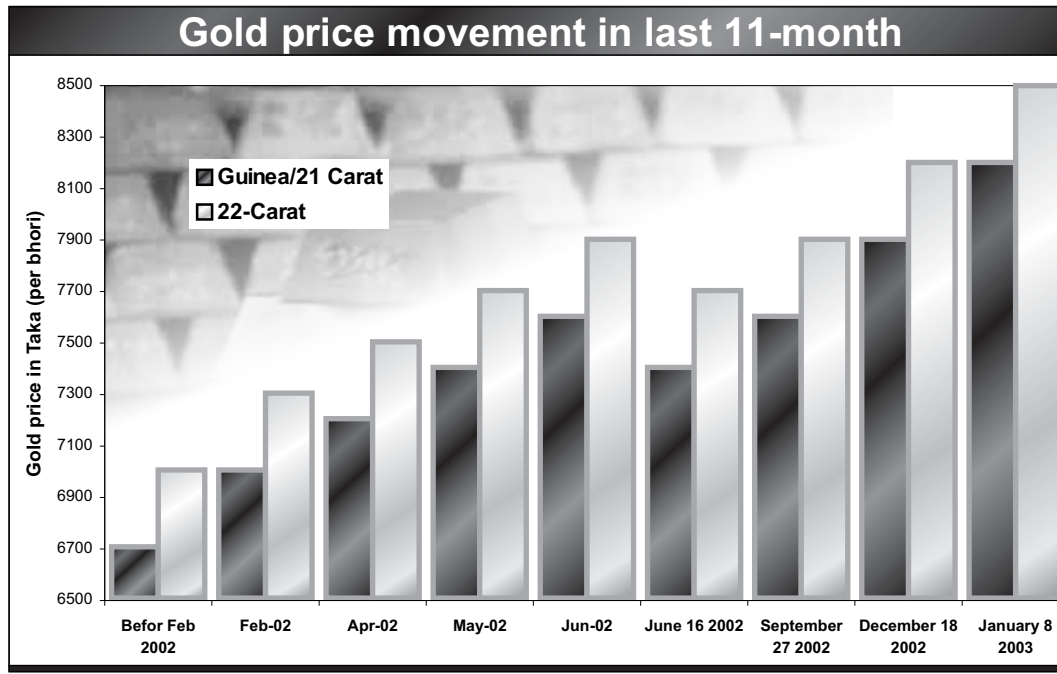
"In fact, gold prices in the local market went up by Tk 1,500 per bhoori within less than 11 months. Fearing possible US-Iraq war big investors started reserving gold instead of dollars and stocks, pushing the prices up in the international market," said Anwar Hossain, president of the Bangladesh Jewellers Manufacturers and Exporters Association (BJMEA).

Present trend of the global market situation indicates that the gold price may go up again, he apprehended.

Earlier in 1988, gold price was Tk 7,230 for guinea, which was the record high and in 1997 prices went down to Tk 5,100, the record low in the local market, Hossain added.

Earlier on February 13, 2002, gold prices increased to Tk 7,000 from Tk 6,700 and Tk 7,300 from Tk 7,000 respectively. In April 2002, guinea and 22-carat gold prices rose by Tk 200 per bhoori. Prices in May again shot up by Tk 200 with guinea selling at Tk 7,400 and 22-carat at Tk 7,700 per bhoori and in June Tk 7,600 and Tk 7,900 that continued till June 15.

Prices came down to Tk 7,400 for



guinea gold while Tk 7,700 for 22-carat per bhoori on June 16, 2002. But on September 27 prices again rose by Tk 200 per bhoori.

According to sources, average gold price in the international market is now US\$355 per ounce. Price was US\$ 312 per ounce (2 bhoori and 10.5 ana) on April 29, 2002 up by \$ 32 against three months back. In the first half of February, the average gold price was \$280 per ounce in the global market.

"Prices are going up beyond our expectations. The prices may come

down if there is any positive development in the US-Iraq and Palestinian issues," MA Wadud Khan, President of Bangladesh Jewellers' Samity (BJS), told The Daily Star yesterday.

Big investors and clients in the major economy usually prefer to stock dollar in banks and also in the big securities, the BJS president mentioned. "But in the face of prolonged international unstable situation after September 11, the investors are now preferring to stock gold instead of dollar. That is one of the

reasons behind the price hike of gold."

The BJS, after observing the global market trend from time to time, adjust the prices and the association does not need any government permission, Wadud Khan mentioned.

When contacted, an official of National Board of Revenue (NBR) said at present the government has no mechanism to monitor the local gold market.

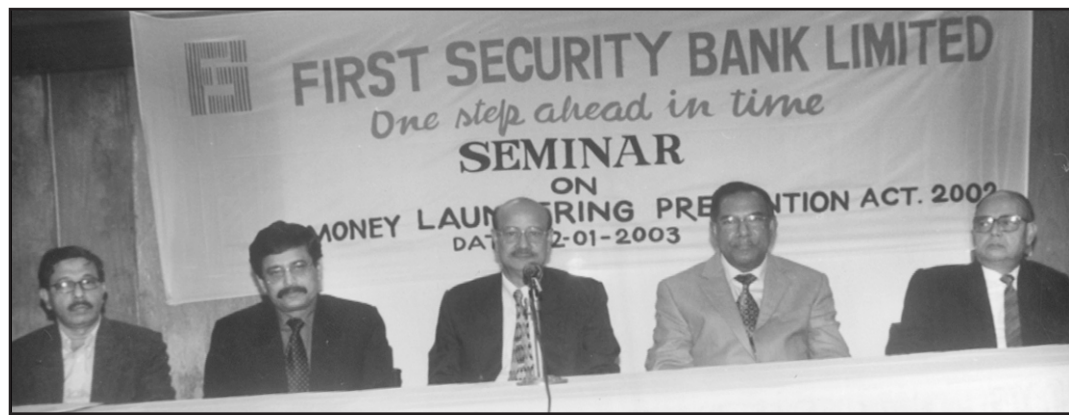


PHOTO: FIRST SECURITY BANK

First Security Bank organised a seminar on "Money Laundering Prevention Act, 2002" in the city recently. (From left) Anwar Hossain Chowdhury, vice-president, Syed Zahurul Islam, vice-president, Nur Karim, executive vice-president, Mohiuddin Ahmed, executive vice-president, and Kalipada Dhar, senior vice-president of the bank, are seen in the picture.

## Turning Chiang Mai into air hub Thai pvt airlines upset at idea to give 'rights' to SLA

THE NATION/ ANN

Private airline operators have expressed sharp disapproval of the Thaksin government's plan to let Singapore Airlines develop Chiang Mai into a regional aviation hub.

This follows a remark by Transport Minister Suriya Jungtrungrenkit, who said the government might allow Singapore Airlines to operate a budget regional airline out of Chiang Mai.

Jothin Pamon-Montri, president of PB Air, said developing Chiang Mai International Airport into a regional aviation hub was a good idea - but it was not appropriate to allow Singapore Airlines to do the job.

With Singapore Airlines a major competitor of Thai Airways International, granting it a business role in Chiang Mai would hurt the country's aviation industry as a whole, he said.

The initiative to turn Chiang Mai into a regional aviation hub came directly from Prime Minister Thaksin Shinawatra. As a result, Thai Airways International recently

started operating flights between Chiang Mai and Chittagong, a major city in Bangladesh.

Thaksin is due to meet with his Singaporean counterpart Goh Chok Tong this weekend at a retreat in Phuket to discuss the possibility of forming the regional airline, which would either be 100-per cent Singaporean owned, or a joint venture with a Thai partner.

Goh and his party, including Foreign Minister S Jayakumar and Trade and Industry Minister George Yeo, were due to arrive in Thailand to hold talks on a yacht while cruising around coral islands off the coast of Phuket in the Andaman Sea.

Jothin said: "If Singapore Airlines is allowed to operate the regional airline, it would amount to Thailand handing over its traffic rights to a foreign entity. We should not give them domestic traffic rights. The rights are a national asset."

The government should allow Thai Airways and private airlines to join forces and develop Chiang Mai as an aviation hub, he said.

Udom Tantiprasongchai, chief executive officer and managing director of Orient Thai Airlines, also voiced his strong opposition to granting foreign airlines domestic traffic rights. "This would suggest our country is very undeveloped," he said.

Thai airlines should be involved in any plans to develop Chiang Mai airport, he said, adding that the airport is too small to be an aviation hub.

The Thai government should hold discussions with local airline companies before inviting foreign airlines to develop Chiang Mai as an aviation hub, he said.

Singapore has long striven for a greater role in Thailand's aviation industry, having previously shown an interest in the privatisation of the Airports Authority of Thailand and Thai Airways.

In the meantime, Thai Airways will next Tuesday hold a seminar in Phuket on how to turn the island into a southern aviation hub. Kanok Abhiradee, Thai Airways' president, members of the airline's management, and other tourism officials will be attending.

## City Bank's managers' confce begins

Three-day long Annual Managers' Conference of The City Bank Limited was inaugurated yesterday at a local hotel in the city, says a press release.

Deen Mohammad, Chairman of the bank presided over the conference.

At the conference Deen Mohammad emphasized the managers and executives of the bank to exert their best to come to grips with the daunting challenges lying ahead and stay competitive in the market.

Vice Chairman of the bank Aziz Al-Kaiser, Directors Anwar Hossain, Azizul Haque Chowdhury, Hossain Khaled Saifullah, Mahfuzur Rashid, General Manager, International Banking Division of Bangladesh Bank and Managing Director Abbas Uddin Ahmed also spoke on the occasion.

## New chairman of BCPA

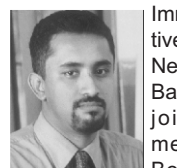


M A Z M A Hossain of FMC International SA and Dr F H Ansarey of ACI Limited were elected chairman and general secretary of Bangladesh Crop Protection Association (BCPA) respectively, says a press release.

The election was held at the annual general meeting of the association held in the city recently.

The newly-elected office-bearers pledged to resolve the outstanding industry issues and carry forward the industry goal to protect the crops, human and animal health.

## Bangladeshi programmer joins Boeing project team



Imran Asif, executive consultant for NetIQ Corporation in Bangladesh recently joined the 132-member team of Boeing's ongoing project for developing the advanced flight management system for the Next Generation 737 and 777 jetliners, says a press release.

Asif joined the team as one of the 33 associate consulting programmers from around the world.

Asif is certified as an MCSE, MCSO, CCIE, CCNA and CNA. He previously worked in the internet applications division of Infosys Technologies Ltd, India.

## South Asian GSM mobile operators mull alliance

GrameenPhone official tells The Daily Star

MUSTAK HOSSAIN

South Asian GSM cellular phone operators are planning to form an alliance to work as a group for mutual benefits, a key official of a local cell phone company said.

The alliance will be officially launched in Dhaka during a two-day meeting of the South Asian GSM operators that begins on January 12. The country's three GSM operators - GrameenPhone Limited, Telecom Malaysia International Bangladesh (TMIB) and Sheba Telecom - will jointly host the meeting.

"It is expected that during the meet South Asian GSM operators will form an alliance to share their experiences for the benefit of operators and their subscribers," Mehboob Chowdhury, director sales and marketing of GrameenPhone Limited and organiser of the meet, told The Daily Star in an interview.

Posts and Telecommunications Minister Aminul Haque will inaugurate the conference at Sonargaon Pan Pacific Hotel at 10:00am as chief guest while Chairman of Bangladesh Telecommunication



Mehboob Chowdhury Regulatory Commission (BTRC) Syed Marghub Morshed will attend the function as special guest.

Explaining the objectives of the meeting, Chowdhury said the South Asian perspective of GSM cellular operators is almost similar and the outcome of the conference would help resolve many relevant issues.

GSM (global system of mobile communications) is a second generation digital wireless technology that has become the de facto global standard for European and Asian mobile operators in more than 191

countries and competing mainly with CDMA (code division multiple access), which is also a 2G digital technology.

"After the conference, operators would be able to pursue their respective telecom regulators on common issues to benefit them and their subscribers," Chowdhury said.

At least 25 participants from seven countries including Bhutan, India, Maldives, Nepal, Sri Lanka, Pakistan and Bangladesh are expected to join the meeting.

The meeting will also set modus operandi to make economy handsets available for the subscribers of the region.

"The prospect of economy handset is bright in the South Asian region considering the per capita income," Chowdhury said.

There are 777.6 million GSM subscribers in 191 countries, which accounts for 71.7 per cent of the world's digital market and about 70 per cent of the wireless market.

Bangladesh has over 10 lakh mobile phones, about 90 per cent of which are provided by GSM operators.

## Asia set to lead global growth this year: IMF

AFP, Hong Kong

Asia is set to lead world growth this year despite risks to the regional and global economies from a possible war in the Middle East, terrorist attacks and Japan's weakness, a senior IMF official said Wednesday.

The International Monetary Fund has estimated global economic growth this year of 3.7 per cent, up from the forecast for last year of 2.8 per cent. However, growth in most Asian economies should be higher than the global estimate, IMF external relations director Thomas Dawson said at a Foreign Correspondent's Club lunch here.

"Asia weathered the global slowdown better than other regions, and our expectation is that this year as well, growth in most of the Asian countries will be above the global

average," Dawson said.

The IMF expects Asian industrialised economies, apart from Japan, to grow between 3.5 per cent and six per cent this year. The growth of the larger Southeast Asian economies is expected to average four per cent.

"There does seem to be a bit of a disconnect in that the numbers seem to be better than what the attitude seems to be in the region and I'm a little bit curious about that," he said.

However, Dawson conceded that recent data suggest the global recovery is tepid and "downside risks appear to predominate".

"One concern is that the geopolitical situation will at some point force oil prices to catastrophic heights."

Oil prices have already risen

sharply as the United States moves closer to a possible war against Iraq and the IMF estimates that every five dollar sustained rise in oil prices would cut 0.3 per cent points off global growth after about six months.

Another terrorist attack - similar to October's Bali bombing - would directly impact on industries such as tourism and lead to higher security costs. It would also weigh on investment decisions across many sectors, Dawson said.

Japan's persistently weak economy continues to act as a drag on Asia and the world and its government needs to move more decisively towards resolving its problems, he said.



PHOTO: CITY BANK

Deen Mohammad, chairman of The City Bank Limited, speaks at the bank's three-day annual managers' conference at a city hotel yesterday.

## Oil drops again as OPEC talks big output hike

REUTERS, Singapore

US oil prices fell again yesterday, bringing losses so far this week to over \$2 as major producers prepared to make a hefty injection of barrels into the market to compensate for the supply-sapping strike in Venezuela.

Leading OPEC power Saudi Arabia is pushing for a rise in daily cartel production of 1.5 to two million barrels to fill the gap left by the 37-day-old strike in Venezuela that has cut oil exports from the fifth-biggest supplier by roughly 80 per cent.

US light crude CL c1 dropped 25 cents to \$30.83 a barrel, after diving \$1.02 in New York on Tuesday and 98 cents a day earlier. Oil hit a two-year peak at \$33.65 on December 30.

World crude oil prices have marched \$5 to \$6 higher in the last two months on concerns that the Venezuela strike would lead to a supply crunch in the United States. Venezuela supplies about 13 per cent of US oil imports.

Traders are also concerned that the looming threat of war in Iraq could disrupt crude flows from other major producing nations in the Middle East and dent supplies further.

Dealers said the additional volumes proposed by Saudi Arabia were larger than expected. They would come on top of official output limits of 23 million bpd agreed in December by the Organisation of the Petroleum Exporting Countries.

But several officials in the cartel expressed scepticism over whether the group would do that much, saying the top end of the Saudi plan looked like a negotiating position.

Most expect an agreement in the range of 1.0-1.5 million bpd, the volume Kuwait's oil minister, Sheikh Ahmed al-Fahd al-Sabah, says is favoured.

The group is considering an emergency meeting on January 12 to finalise the deal. Otherwise matters could be settled by telephone.

Saudi oil buyers said they were

already in contact about higher February supplies and shippers said Riyadh had ordered tankers to lift extra crude for the United States from the end of this month.

An increase in output by OPEC would help offset the impact of a five-week-old strike that has crippled production in Venezuela, the cartel's third-largest member.

Mike Rothman, oil analyst with Merrill Lynch, said in a research note that oil stocks in the Organisation for Economic Cooperation and Development were about 92 million barrels below normal at the end of November and that with the Venezuelan strike this could fall to 150 to 170 million by the end of January.

"Member nations want to keep oil prices in check given the uncertain duration of the disruption to Venezuela's production and exports and, importantly, the already very low level of petroleum stocks globally," Rothman wrote.



PHOTO: OPSO SALINE LTD

The 16th annual sales conference of Opso Saline Limited was held in a local hotel on Monday. The company's Executive Vice Chairman Capt. (Retd) Abdus Sabur Khan, Vice Chairman Abdur Rouf Khan and Managing Director Abdur Rakib Khan are seen in the picture with the award winning conference delegates.