

## CSE introduces new trading software

Chittagong Stock Exchange (CSE) introduced on Sunday a new version of trading software for its brokers and dealers, says a press release.

In the new version, broker, dealer and investor can get information from the screen on trade volume weighted index in addition to the existing CSE-30 and All Share Index.

This version also provides some additional facilities for broker, dealer like scrip category status, printing option as market Summary, client's net position.

## BRAC disburses Tk 1,707 crore in 2002

BRAC disbursed Tk 1,707 crore under its microcredit programme in 2002, says a press release.

This is the highest amount disbursed in a year since it started its microcredit operation in the mid-seventies.

Covering 36 lakh 47 thousand members, mostly women, its microfinance operation has now become the largest such programme in the world.

With repayment rate of over 98 per cent, the borrowers savings with BRAC stand at Tk 496 crore.

Last year, Tk 541 crore was disbursed in Dhaka division, Tk 263 crore in Chittagong, Tk 284 crore in Khulna, Tk 436 crore in Rajshahi, Tk 107 crore in Barisal and Tk 74 crore in Sylhet division. With over 12,000 workers in over 1,000 offices under this programme alone, BRAC's microfinance operation has also become self-financing since the year 2001.

The microfinance members are free to initiate any feasible income generating activity like poultry, livestock, sericulture, fisheries, social forestry, agriculture, vegetable cultivation, small trade.

## SEDF signs MoU with 2 companies

SouthAsia Enterprise Development Facility (SEDF) signed a memorandum of understanding (MoU) with Surjomukhi Handicrafts and Jahan Metal Shell Packaging recently, says a press release.

Proprietors of the two companies are members of Bangladesh Women Chambers of Business and Industry.

The agreement is to enable some personnel from these organisations to attend a training programme - "Market Readiness Training Programme" - in New York arranged by Aid to Artisans, a non-profit organisation dedicated to creating economic opportunities for craftspeople in developing communities. SEDF would assist these members of the BWCB to disseminate the lessons learnt from this training programme and strengthen its capacity by developing business systems to increase the companies' export sales.

Jahan Metal Shell Packaging produces and exports metal and recycled glass products while Surjomukhi Handicrafts makes stuffed toys, jute and wooden items.

Anil Sinha, Naznin Ansari, proprietor of Surjomukhi Handicrafts, and Zinet Fatema, proprietor of Jahan Metal Shell Packaging, signed the MoU. Antonie de Wilde, programme manager of SEDF, Mahjabeen Quader, associate project officer of SEDF, and Selima Ahmad president of the Bangladesh Women Chamber of Business and Industry.

SEDF is a multi-donor funded facility to support the growth of small and medium enterprises (SMEs) mainly in Bangladesh, northeast India, Nepal and Bhutan. SEDF is promoted by the International Finance Corporation and managed by the SME Department of the World Bank Group.

## WTO close to drugs deal, says Pfizer CEO

AFP, Davos, Switzerland

An accord on the controversial issue of access to life-saving cheap medicines at the World Trade Organisation is "fairly close", the chief executive of US drug company Pfizer, Henry McKinnell, said on Monday.

In an interview with AFX, the AFP financial news service, McKinnell said he had been involved in talks with the WTO Director General Supachai Panitchpakdi at the World Economic Forum here on the issue of the WTO's TRIPS (trade-related aspects of intellectual property rights) agreement on patent protection and public health.

"When we talk to each other, we in principle agree. The problem now is to reduce that to writing," he said, adding that they were "fairly close to agreement".

# PM announces leather industry estate at Savar

## Three-day Dhaka International Leather Fair inaugurated

UNB, Dhaka

Prime Minister Khaleda Zia yesterday announced a project to build a "leather industry estate" at Savar at a cost of Tk 177 crore under a comprehensive plan for giving a boost to the country's potential export sector.

She disclosed the plan while inaugurating the 5th Dhaka International Leather Fair (DILF) 2003. Last year, at the inauguration of the 4th Dhaka International Leather Fair last year, she made an announcement of relocating tanneries from the heart of the city.

There would be 185 industries in the proposed 'Chamra Shilpa Nagar', which will be completed by year 2005, the PM said.

Eighty-two leather firms, including 27 foreign, are participating in the three-day fair jointly organised by Bangladesh Finished Leather, Leather Goods and Footwear

Exporters' Association (BFLFEA) and Bangladesh Tanners' Association (BTA).

Major countries showcasing products in the fair include the United States, China, Italy, South Korea and the Netherlands.

Finance Minister M Saifur Rahman, Industries Minister MK Anwar, Commerce Minister Amir Khosru Mahmud Chowdhury, State Minister for Commerce Barkatullah Bulu, FBCCI President Yussuf Abdullah Harun, BFLFEA Chairman Rezaul Karim Ansari and BTA Chairman Mohammad Harun Chowdhury also spoke on the function.

Pointing out various supports and policies of her 15-month-old government to protect leather industry, the PM further pledged all-out co-operation in developing the industry and increasing export of leather goods.

She also invited foreign entrepreneurs to invest in the sector and set up industries under joint venture.

Speaking at the function Finance Minister M Saifur Rahman expressed disappointment about the quality and cost of local products and urged the entrepreneurs to produce quality product and reduce "excessive profit margins".

In this respect, the minister observed one could buy two Thai-made standard leather belts for the amount taken for one at Gulshan market.

Regarding a plea for subsidy, Saifur said only government subsidy can't make any permanent industry rather bring temporary results.

He advised the local entrepreneurs to develop real entrepreneurship and produce quality and cost-effective product to face the challenge of globalisation.

The Finance Minister, however, assured of reducing duties and

taxes on various raw materials and suggested that the business leaders press for soft loan from private banks instead of solely depending on nationalised banks.

Commerce Minister Amir Khosru Mahmud Chowdhury also lamented under-utilization of the advantage of potential leather sector prevailing in the country in the wake of world concentration on the leather industry.

He also observed that the problems of sick and running good industries should be addressed separately to get "quick, better solutions and output".

After the inaugural function, the Prime Minister went round some stalls of leather goods at the exhibition.



PHOTO: STAR

American Chamber of Commerce in Bangladesh (AmCham) President Aftab ul Islam (3rd from L) speaks at a press conference held at a city hotel yesterday. Vice Counsellor of the US embassy Joseph B. Mellot, Counsellor for Political and Economic Affairs Leonard Hill, AmCham Executive Director A. Gafor and Commercial Officer of the US Embassy Mark Tesone are also seen in the picture.

# Three-day US trade show begins in city tomorrow

STAR BUSINESS REPORT

The three-day 12th US trade show begins tomorrow at Dhaka Sheraton Hotel to showcase latest American products.

US Trade Show 2003, co-sponsored by the American Chamber of Commerce in Bangladesh (AmCham) and the United States Embassy, is expected to be inaugurated by Commerce Minister Amir Khosru Mahmud Chowdhury, AmCham President Aftab ul Islam told a press conference yesterday.

Mary Ann Peters, US ambassador to Bangladesh, will also attend the opening ceremony at 10am.

At the press conference, Counsellor for Political and Economic Affairs Leonard Hill, Vice Counsellor of the US embassy Joseph B. Mellot, Executive Director of AmCham A. Gafor and Commercial Officer of the US Embassy Mark Tesone were also present.

Aftab ul Islam said the trade show will strengthen the existing trade relation between the US and Bangladesh.

He also said trading between the two countries would be increased through such annual show of the US products.

"Exports of Bangladeshi products to the US market will also be enhanced," Islam hoped.

Replying to a question, Mark Tesone said the trade balance between the two countries is in favour of Bangladesh.

Referring to a statistics, he said from January 2002 to November 2002 the US exported products worth \$ 245.80 million to Bangladesh while it imported goods valued at \$2024.80 million from Bangladesh.

Tesone said the US mainly exports textile equipment, computers and power generation technologies to Bangladesh.

Some 75 firms will participate in the show, which will remain open to public from 10:00am to 8:00pm. The entry fee is fixed at Tk10 per person.



PHOTO: SEDF

SouthAsia Enterprise Development Facility (SEDF) recently signed a memorandum of understanding with Surjomukhi Handicrafts and Jahan Metal Shell Packaging. Picture shows Naznin Ansari, proprietor of Surjomukhi, Zinet Fatema, proprietor of Jahan metal Shell Packaging, Selima Ahmad, president of Bangladesh Women Chamber of Business and Industry, Antonie de Wilde, programme manager, SEDF, Mahjabeen Quader, associate project officer, Thomas Davenport, manager, SME Department of The World Bank Group, and Anil Sinha, general manager of SEDF, at the signing ceremony.

# Iranian president presses India on gas pipeline deal

AFP, New Delhi

Iranian President Mohammed Khatami Monday urged Indian leaders to join hands with Tehran to construct a controversial multi-billion-dollar gas pipeline which would bring fuel to energy-starved India.

"Speaking to Indian industrialists, Khatami said the long-delayed pipeline which would cross India's

arch-rival Pakistan "can be implementable."

"A relatively long time has passed since its preliminary planning," Khatami said, but "the project is still in the phase of its feasibility study."

But once research is complete, "this pipeline project will play a very significant role in providing India with inexpensive and perennial flow of energy," said Khatami, ending a

four-day visit to India.

Discussions on the 3.5 billion-dollar pipeline began in 1994, but a breakthrough has been elusive due to tensions between Pakistan and India and the high cost of the project.

In the past week alone, a key gas pipeline in central Pakistan has exploded three times through either sabotage or stray rockets from warring tribesmen.

## Indian oil sector workers threaten strike to block stake sales

AFP, New Delhi

Thousands of workers from India's national petroleum firms Monday threatened a strike to block a government sale of major stakes in two state-controlled companies.

The warning came a day after the Indian cabinet cleared the sale of stakes in the two oil firms, signalling Delhi's determination to go ahead with its privatisation programme despite stiff political and labour opposition.

The cabinet Sunday said 35.2 per cent of state-owned Bharat Petroleum Corp. Ltd. (BPCL) would be sold as well as 34.01 per cent of Hindustan Petroleum Corp. Ltd. (HPCL).

The workers and executives of the two oil companies warned that their general strike would begin the day the government invited investors to buy the stakes.

"Employees and officers of all state oil firms will go on indefinite strike the day the government announces a timetable for the privatisation of HPCL and BPCL," warned Ashok Singh, president of the Oil Sector Officers' Association, the umbrella body of the workers' unions.

The powerful body urged New Delhi to halt its privatisation programme in the domestic petroleum industry, arguing the sector's strategic importance to national security.

The government currently holds 66 per cent of BPCL and 51 per cent of HPCL.

## Japan posts 51pc trade surplus

AFP, Tokyo

Japan's trade surplus jumped 51.3 per cent last year in the first rise for four years, with exports hitting a record high because of strong Asia-bound shipments, the finance ministry said Monday.

But the surplus could level out in the coming months as demand from Asia shows signs of losing steam, analysts warned.

The surplus of 9.9 trillion yen (84 billion dollars) in 2002 followed a 38.7 per cent drop in the surplus the previous year.

"The rise in exports to Asian countries contributed most to the overall trade surplus figure in 2002," a ministry official said.

Exports advanced 6.4 per cent to a record 52.1 trillion yen in 2002. Shipments to Asian countries comprised a best-ever 22.4 trillion yen, up 13.7 per cent, with exports to China alone reaching five trillion yen, also a record.

In December alone, however, Japan's trade surplus increased a slower-than-expected 19.9 per cent from a year earlier to 791 billion yen as overseas demand, which had been the main driver for the economy, faltered.

Exports in December fell by a seasonally adjusted 7.3 per cent from a month earlier to 4.4 trillion yen, after a 5.4 per cent rise in November.

The pace of growth in the December surplus was much slower than the year-on-year expansion of 81.0 per cent the previous month and 93.7 per cent in October because of a slump in exports to Asian destinations, said Hisashi Yamada, senior economist at Japan Research Institute.



PHOTO: STAR

Danish Condensed Milk Vice-chairman Aziz- al Kaiser speaks at a press conference organised by Condensed Milk Manufacturers' Association of Bangladesh at a city hotel yesterday.

# Loan court act amendment bill in current JS session

STAR BUSINESS REPORT

Bangladesh Bank Governor Fakhruddin Ahmed yesterday said a bill seeking amendment to Money Loan Court Act will be placed in current session of the parliament.

Under the amendment bill, which is expected to get cabinet approval next week, defaulters can make negotiation with banks outside the court.

The amendment will ensure quick disposal of loan cases, the governor said.

The governor was speaking at a seminar on "Loan Classification, Provisioning Requirement and Recovery Strategies: A Comparative Study on Bangladesh

and India" organised by the Bangladesh Institute of Bank Management (BIBM) held in the city.

Sonali Bank Managing Director Rabiul Hussain, Pubali Bank Ltd Managing Director Khondkar Ibrahim Khaled, NCC Bank Managing Director M Aminuzzaman were the main discussants on the keynote paper. BIBM Director General Mohammad Sohrab Uddin was also present.

The governor said a reform is absolutely necessary to remove mismanagement in the nationalised commercial banks (NCBs).

He said the total market share of NCBs has reduced dramatically from the private commercial banks (PCBs) over the last two or three

years. "It is now below 50 per cent," he said.

Ibrahim Khaled said 'hire and fire' policy based on performance exits in the recruitment process of PCBs while the NCBs lack the policy.

He said if the top management of any bank perform honestly, the rest of the officials are also compelled to work with sincerity.

He also stressed emphasis on forming a social movement against loan defaulters and said political influences should not be entertained in banking system.

BIBM Professor Toufic Ahmad Chowdhury and Lecturer Bishnu Kumar Adhikari presented the keynote paper at the seminar.



PHOTO: MUTUAL TRUST BANK

Syed Manzur Elahi, chairman of Mutual Trust Bank Ltd, inaugurates the second rural branch of the bank at Sreenagar in Munshiganj on Saturday. The inaugural function also was attended by Mosharraf Hossain, managing director, members of the Board of Directors, senior executives of the bank and local businessmen.

# World stocks plunge as Iraq war fears grow

## Europe hits 7-year low

AFP, London

World stock markets plunged on Monday, hitting a seven-year nadir in Europe as concerns about a possible US-led war in Iraq intensified ahead of a crucial report by UN weapons inspectors.

A wave of selling washed across stock markets from Asia to Europe in the wake of heavy losses in New York last week, with few investors willing to buy stocks amid mounting US threats to wage a solo war on Iraq.

"The fear is that America will go it alone with a few allies and the rest of the world won't support them," said Anais Faraj, equity strategist at the Nomura brokerage firm.

"It's the fear of a breach between the US and the rest of the world that's weighing much more than the Iraq issue. At the margin the US stock market is driven by foreign inflows of capital," he told AFP.

On Europe's biggest stock market, in London, the FTSE 100 index of leading shares slumped another 3.6 per cent to 3,473.8 points, levels not witnessed for more than seven years.

After suffering a 10-day losing streak for the first time in its 18-year history, the index was nursing a loss of more than 10 per cent over two weeks.

The DJ Stoxx Euro index of leading euro-zone shares dropped 3.0 per cent to 2,167.8 points, the German DAX 30 index lost 3.1 per cent to 2,634.4 points and the French CAC 40 index shed 3.0 per cent to 2,812.0 points.

Leading Asian stock markets also tumbled, with share prices falling 1.4 per cent in Tokyo and 1.7 per cent in Hong Kong.

Aversion to US assets also sent the dollar tumbling to 1.09 euros, its lowest level in almost four years, making life tougher for exporters in the 12-nation euro zone.

"The paradox is that this flight to safety into the euro is actually going to undermine European growth," said Faraj.

Gold prices soared to a new six-year high of 370.45 dollars here as investors scrambled for safe havens, while oil prices rose four cents to 30.53 dollars a barrel on concerns about possible disruption to Middle East supplies.

War worries had left shares reeling again in New York on

Friday, when the major US indices lost ground for the sixth time in seven days.

The Dow Jones industrials plunged 2.85 per cent and the technology-rich Nasdaq index sank 3.32 per cent.

Investors around the globe held their breath as UN arms inspectors prepared to deliver a report to the UN Security Council later Monday on their two months of work hunting down alleged weapons of mass destruction in Iraq.

Chief UN arms inspectors Hans Blix and Mohammed ElBaradei were scheduled to appear before the top UN body at 10:30 am (1530 GMT).

Analysts said that there was a dearth of investors willing to put money into the stock market ahead of the speech and, arguably more importantly, the reaction of the United States and its allies to the findings.

"Generally nobody is in a position to take a risk at the moment," said Commerzbank equity strategist Rolf Elgeti.

He said a couple of indicators suggested that in the next couple of weeks the market could stage a short rebound.