

## Dec-Jan exports fall short of target by 6.44pc

### 5.42 per cent growth registered

#### STAR BUSINESS REPORT

The country's exports fetched US\$3157.60 million in the first half of the current financial year, which is 6.44 per cent or \$217.4 million less than the target but up by 5.42 per cent or \$162.48 million from the corresponding period of last fiscal's earning.

Price index during July-December period of FY03 dipped by 10.56 per cent although export volume went up by 15.98 per cent, according to Export Promotion Bureau (EPB).

"Exporters are experiencing continuous price fall in the global market though volume has gone up in the first half of this fiscal. Exporters should eye more value

addition and enter new markets," an EPB official observed.

Some major sectors including knitwear, frozen food, chemical products, jute goods and raw jute crossed their respective targets but readymade garment (RMG), leather, tea and handicrafts could not achieve their goals during the period.

RMG exports fetched \$1535.13 million, down by 10.62 per cent from \$1717.5 million target and also 3.07 per cent lower than last fiscal's same time.

Knitwear worth \$820.67 million was exported till December, crossing the target by 1.32 per cent and recording a 16.21 per cent last fiscal's same period.

In the first six months of FY03,

frozen foods worth \$183.81 million were exported, up by 11.40 per cent from the target and also marked a 16.84 per cent rise from last fiscal's corresponding period.

Leather export fetched \$85.24 million, down by 28.97 per cent from the target and also posted 15.12 per cent negative growth from last fiscal's corresponding period.

Jute goods worth \$139.65 million were exported against \$135 million target. The earning is 3.44 per cent higher than the target and also recorded a 21.52 per cent growth from the earning of last fiscal's corresponding period. During the July-December period, chemical products worth \$41.93 million were exported against the

\$40 million target.

Raw jute worth \$41.62 million was exported against the target of \$32.5 million, up by 28.06 per cent from the goal and shows a massive 66.28 per cent growth from last fiscal's same time.

Tea export amounted to \$9.20 million during July-December period of FY03 against the \$10 million earning target. This is an eight per cent fall from the goal.

Handicrafts worth only \$2.83 million were exported during the period against the \$3.75 million target. This shows a 24.53 per cent decline from the target.

## Al Baraka Bank launches vehicle scheme

Al Baraka Bank Bangladesh Limited has launched a new investment scheme called Private Vehicle Investment Scheme (PVIS).

An agreement to this effect was signed between Al Baraka Bank and Nippon Auto Trading in Dhaka recently, says a press release.

Under the deal, Nippon Auto Trading will initially select borrower and put forward proposals for providing bank finance against PVIS to the prospective buyers of private vehicles.

Ishtiaque Ahmed Chowdhury, senior vice president and general manager of Al Baraka Bank, handed over the key to Mizanur Rahman, 1st private car purchaser under the PVIS at a ceremony on Thursday.

Mustaque Ahmad, assistant vice-president and manager of Al Baraka Bank, and Abdul Mannan Chowdhury, proprietor of Nippon Auto Trading, were also present at the key handing over ceremony.

## Singapore key exports rise

#### AFP, Singapore

Singapore's key exports showed a robust annual increase in February but fallout from a US-led attack against Iraq could derail the economy's recovery from the 2001 recession, analysts said Monday.

The city-state is extremely dependent on exports, especially to the US market, for economic growth, which makes it vulnerable to any slip-ups in the global economy as well as geopolitical disturbances.

Non-oil domestic exports (NODX) grew 23 per cent in February to 7.75 billion Singapore dollars (4.43 billion US), an improvement on the 18.3 per cent expansion posted in January, International Enterprise (IE) Singapore said.

But on a month-on-month seasonally adjusted basis, NODX fell 9.2 per cent in February, the government's trade promotion agency said.

## Parekh Platinum, Transguard sign deal on security services

Indian manufacturer Parekh Platinum International has signed a memorandum of understanding with Transguard to provide security services that will enable Parekh Platinum to service international markets from its new US\$120 million base currently being set up in the Dubai Metals and Commodities Centre (DMCC), says a press release.

Sheikh Ahmed bin Saeed Al Maktoum, chairman of the Emirates Group, said after signing the memorandum on behalf of Transguard: "Parekh Platinum is one of the leading industrial ventures moving into the DMCC. The availability of Transguard's secure handling facilities and insurance services has been one of the important factors leading Parekh Platinum to decide on Dubai as the location for its new manufacturing base."

Parekh Platinum International has two divisions, the semi-finished and finished jewellery division and the industrial products division. Both will depend on Transguard's secure and reliable logistics support to service overseas markets.

## Pakistan may invest \$400m in fertiliser, paper plants

#### BSS, Dhaka

Pakistan is interested in investing in a fertiliser plant and restructuring Karnaphuli paper mills, besides offering soft term loans for modernisation of Bangladesh's ailing sugar mills.

This was disclosed by visiting Pakistani Minister for Industries and Productivity Liaquat Ali Jatoi while talking to BSS after meeting with Industries Minister MK Anwar at his office here Monday.

Pakistani High Commissioner in Dhaka Iqbal Ahmed Khan and Industries Secretary AFM Sarwar Kamal were present, among others, in the meeting.

The Pakistani minister who arrived here Monday on a two day visit to Bangladesh was received at Zia International Airport by State Minister for Industries Prof Rezaul Karim.

After the meeting, an industries ministry official told the agency that Pakistan had proposed to invest up to US \$400 million in fertiliser and paper plants. They showed interest in a fertilizer plant having 1700 tons daily production

capacity at an estimated cost of around US \$320 million.

The restructuring of the Karnaphuli Paper Mills, once belonged to Daud Group of Pakistan may cost up to 80 million dollars. The restructuring of the mill will also help raise its annual productivity from 30,000 tons to 60,000 tons.

The Pakistani minister said his government has offered a 5 million dollar soft loan for next five years for modernisation of Bangladesh's sugar mills.

"This is just a gesture of goodwill from the Pakistani government," he said, adding his country "may offer more soft loans and also expand time for repayment."

Pakistan is also willing to make investments in Bangladesh's textile sector, he said.

Jatoi said a Pakistani appraisal team would visit Bangladesh in early next month to explore the feasibility of the fertilizer plant and working on the paper mills.

The team will specially try to explore gas price and fertilizer cost as a starting point to investment in

this sector, he said.

To a question on furthering trade from both sides, he said they had talked about enhancing exports and imports from both sides to their mutual benefits.

These issues would come up in meetings of the business leaders of both countries when a Bangladeshi chamber delegation would go on a visit to Pakistan soon.

"There closer interaction will result in more trade and solid foundation to cement a more fruitful relation from both sides," Jatoi said.

He said both countries are now at the take off stage and they can mutually benefit from working closely.

Referring to talks with Bangladesh industries minister, the official said the Pakistani minister has also offered to supply Honda motor cycle and spare parts to Bangladesh at a huge competitive cost.

He said Bangladesh is already assembling Honda motor cycle at Atlas Plant near Tongi and the new proposal may be further explored.

## Sonargaon Hotel, StanChart sign marketing deal

Pan Pacific Sonargaon Hotel and Standard Chartered Bank have signed a memorandum of understanding (MoU) to launch a joint marketing campaign, says a press release.

The deal was signed by Director of Finance Habibullah Monju and General Manager Grant J Gaskin of Pan Pacific Sonargaon, and Head of Consumer Banking of Standard Chartered Bank AEA Muhaimen and Chief Executive Officer Bangladesh of the bank David M Fletcher in Dhaka yesterday.

Under the joint marketing campaign, the Pan Pacific Sonargaon is offering 20 per cent discount at its food and beverage outlets, namely cafe bazar, ciao, poolcafe and for wedding parties exclusively to Standard Chartered credit cardholders.

There will be a series of promotional campaigns by both the parties in 2003.

## No Citigroup plan to quit Japan

#### REUTERS, Tokyo

US financial giant Citigroup Inc said yesterday that it does not plan to pull out of Japan and has not changed its view on business investment in the world's second-biggest economy.

The Nihon Keizai Shimbun reported at the weekend that Citigroup planned to fire 30 per cent of its consumer finance staff in Japan after the company cut an internal rating on the country to below investment grade.

Citigroup had also put Japan on its "watchlist", the business newspaper said. It said that indicates Citigroup will scale down its operations in Japan or even pull out of the local business.

"Citigroup is still committed to clients and business in Japan," said a company spokesman, declining to be identified.

The Nihon Keizai attributed Citigroup's planned pullback to Japan's prolonged economic slump, a main factor in the scaling back or closure by other foreign financial institutions of their businesses in Japan.

The US financial giant operates banking, securities, credit card and insurance businesses in Japan and employs about 11,000 staff, including 6,300 at its consumer finance unit.

## Critics see no Australian gain from free trade with US

#### AFP, Sydney

Australia and the United States launched delicate negotiations Monday aimed at securing a free-trade pact which critics say will cost Australia more than it will gain.

Formal talks between officials of both countries started in Canberra as economists, opposition politicians and community groups weighed into the government over its claims a free trade agreement (FTA) could be worth four billion (2.4 billion US) a year.

The talks began in an atmosphere of crisis over looming conflict in Iraq which prompted opposition Labor claims that Australia wanted a free trade pact as a reward for its strong support of the US push to disarm Iraq.

Labor opposes such a pact, arguing it would alienate Australia's Asian trading partners and ending up with far more economic negatives than positives for the country.

## Malaysian Jan manufacturing sales up 8.4pc

#### AFP, Kuala Lumpur

Malaysia's manufacturing sales in January 2003 rose 8.4 per cent year-on-year, official figures showed Monday.

Sales in manufacturing, the main driver of the Malaysian economy, jumped to 25.9 billion ringgit (6.8 billion dollars) from 23.9 billion ringgit in January 2002, the Statistics Department said in a statement.

The manufacturing sector makes up a third of Malaysia's gross domestic product.

The department said a total of 972,290 people were employed in the manufacturing sector during January, up 1.6 per cent year-on-year and 0.2 per cent higher than December.



Director of Finance of Pan Pacific Sonargaon Habibullah Monju and Head of Consumer Banking of Standard Chartered Bank AEA Muhaimen sign a memorandum of understanding (MoU) in Dhaka yesterday to launch a joint marketing campaign.

## Sale of 3 more SoEs finalised

#### STAR BUSINESS REPORT

The Privatisation Commission has decided to sell off three more state-owned enterprises in Khulna and Tongi.

The industries are Dailatpur Jute Mills Ltd and Bangladesh Oil Mills in Khulna and Lira Industrial Enterprise Ltd, Tongi.

The decision was taken at the 17th meeting of the commission with its chairman Inam Ahmed Chowdhury in the chair.

Doulatpur Jute Mills Ltd will be sold to the highest bidder Zem Jute Ltd for Tk 12, 30, 03,000; Lira Enterprise to KS Alamgir at Tk 2.8 crore and Bangladesh Oil Mill to

Bosra Trading for Tk 16.11 lakh.

The meeting decided to call fresh tenders to sell Ahmed Bawani Textile Mills Ltd, Service Facilities Centre (SFC), Bancharampur, SFC Tangail, Dhaka Leather Company Ltd and Sylhet Pulp and Paper Mills Ltd.

The meeting also discussed in detail various methods of further quickening the process of privatisation.

Abu Hena, MP, Mohammad Hafiz Ibrahim, MP, Commerce Secretary Suhel Ahmed Chowdhury, Textiles Secretary Sayed Tanvir Hossain were also present at the meeting.

## NTT, EDS tie up to offer ICT services

#### AFP, Tokyo

US computer services giant Electronic Data Systems and Japan's NTT Communications Corp. on Monday announced a business tie-up to offer information technology and communications services worldwide.

"NTT Communications Corp. and EDS today announced a business alliance agreement aimed at offering IT and communications services to businesses in Japan and across the globe," the firms said in a joint statement.

"Based on this agreement, the companies will collaborate on a range of services, including data centres... hosting and communications," they said.



Bata Shoe Company (Bangladesh) Ltd opened a new Bata Bazar at Shah Ali Plaza, Mirpur Section 10 in Dhaka yesterday. B Rhodes, managing director of the company, inaugurated the outlet. J Rhodes, wife of B. Rhodes, MA Quader, retail marketing manager, were also present.

## Japan marks aid policy shift with Sri Lanka experiment

### Bid to become stronger political force in South Asia

#### AFP, Hakone, Japan

Japan marks a major shift from its traditional aid policy to become a stronger political force in South Asia with the hosting of Sri Lanka's peace talks here Tuesday, diplomats said.

Tokyo's hands-on role in the island's fragile peace effort reaches a new high with the staging of negotiations between Colombo and the Tamil Tiger rebels.

Japan had earlier declined to extend reconstruction aid to Sri Lanka until the warring parties reached a final political settlement to the conflict that has claimed more than 60,000 lives since 1972.

But Japanese diplomats in Colombo said that policy has now changed.

"We want to help consolidate the peace process... and help rehabilitation and reconstruction work even before a final settlement," Japan's ambassador to Sri Lanka, Seiichi Otsuka, said.

Tokyo will also host an aid-pledging meet in June to drum up financial support for the war-weary nation.

Japan has remained Sri Lanka's largest single aid donor, account-

ing for about 45 per cent of the foreign assistance the nation of 18.66 million people received annually.

However, that aid went into areas of the island unaffected by the conflict and to fund infrastructure projects such as the port, irrigation and water management systems and roads.

Diplomatic sources say Japan has been encouraged to take a bigger political role in Sri Lanka by the United States, which has also recently increased its involvement in the island.

Washington has urged Tamil Tiger rebels to remain in the peace process and warned that the global war against terror could be extended to the Tigers if they fall out of line.

The agenda for the talks at the hot spring resort of Hakone include discussions on revenue sharing, human rights and violations of the ongoing truce. But the underlying theme will be preparing for the June aid meet.

"The talks in Japan will be keenly watched by the international community before committing large sums at the June aid meeting," an Asian diplomat here said.

Japan's special peace envoy Yasushi Akashi, who has been regularly shuttling to Sri Lanka in the past three months, is to hold talks with both sides here this week. He is also due to travel more broadly to drum up financial support for the peace process internationally.

Talks here could have been a non-starter if not for the Norwegian peace brokers on the Tamil Tigers.

The rebels had originally wanted a postponement of the talks in protest against the navy sinking of one of their merchant vessels.

However, Norway's deputy Foreign Minister Vidar Helgesen "forcefully" told the Tigers last week to go ahead with the talks, a diplomatic source in Colombo said.

"Neither side would want to jeopardise the chances of getting the much needed foreign cash injection," the source said.

With a Norwegian-arranged truce in place since February 2002, the economy has been slowly recovering, but the government is banking on more foreign money to ensure a "peace dividend" for its impoverished people.

## Thailand mulls benefits of moving clocks ahead

### Move to facilitate business in global market, reduce energy consumption

#### ANN /THE NATION, Bangkok

A government-sponsored study is underway to analyse the possible benefits of moving Thailand's clocks ahead by one hour in a bid to facilitate business operations in the global market and reduce energy consumption.

Energy Ministry Permanent Secretary Cherdpong Siriwit said the study committee would forward the results to the cabinet in the near future.

The committee has already approved an initial draft of the study from the Economics Faculty, Chulalongkorn University, which analysed the affects of the time

zone adjustment on financial markets, energy use and society in general.

The initial study concluded that the operating hours of Stock Exchange of Thailand could be changed without detriment as financial institution personnel, especially traders and dealers, usually start work earlier than their official office hours to catch up on news from international markets.

According to the study, the adjustment would directly affect the lives of government officials, company employees, students and all those who work fixed hours - a total of 25.5 million people, or 40.8 per cent of the population. The public will not approve of the

adjustment, the study said, if it does not carry any tangible advantages.

The time adjustment will also likely result in more traffic accidents and will adversely affect pedestrian safety, the study concluded.

There would be no significant affect on electricity usage, however, the study said. Energy consumption would likely fall by 639 million units (Gigawatt-hours) per year, or 0.6 per cent of total use.

If the cabinet considers the results of the adjustment beneficial, a more detailed study will be carried out, followed by a public hearing, Cherdpong said.



Md Shahidullah, founder of Electra International Ltd, inaugurates a Samsung Sales and Display Center at Motallib Plaza, Hatir Pool, in Dhaka Sunday. Md Sanullah Shahid, chairman, and other directors of the company were also present.