

Bank Asia okays 20pc cash, 8pc stock dividends

Shareholders of Bank Asia Limited approved a 20 per cent cash dividend and a 8 per cent stock dividend for the year 2002, says a press release.

The approval was given at the annual general meeting (AGM) of the bank held on Sunday in Dhaka.

During the year 2002, deposits of the bank were Tk 7,008.47 million as against Tk 3,848.81 million in 2001, registering a growth of 82.1 per cent.

Loans and advances increased from Tk 3,012.69 million in 2001 to Tk 5,449.13 million in 2002 with a growth of 80.9 per cent, while operating profit of the bank increased by 82.73 per cent to Tk 229.66 million in 2002 from Tk 125.70 million in 2001.

M Syeduzzaman, chairman of the bank, presided over the meeting. A Rouf Chowdhury, vice-chairman, Anisur Rahman Sinha, director, other directors, and Syed Anisul Huq, managing director, were present at the AGM.

The accounts of the bank for the year 2002 including the balance sheet were adopted in the meeting.

Plan to set up agro-based EPZ in Rajshahi

STAFF CORRESPONDENT, Rajshahi

The government is planning to set up an agro-based export processing zone (EPZ) in Rajshahi.

Rajshahi City Corporation Mayor Mizanur Rahman Minu disclosed this while addressing a public meeting held in Paba upazila parishad premises on Saturday.

"Setting up of an EPZ has become essential considering the revolutionary development in the agriculture sector in the northern region", Minu said. The mayor also praised the role of Barind Project in developing the region's agriculture.

The meeting was also addressed by Dr M Asaduzzaman, executive director of Barind Multipurpose Development Authority (BMDA), Paba upazila nirbahi officer Shirajul Islam and Naohata municipality administrator Mokbul Hossain.

Taiwan's China investment approvals double

AFP, Taipei

Taiwan's China-bound investment approvals in the first quarter of this year rose 95.9 per cent from a year earlier to 1.11 billion US dollars, official data showed Monday.

A total of 523 projects were authorised by the government during the period, up 86.12 per cent from a year earlier, the Investment Commission said in a statement.

Analysts said the increases reflect the eagerness of Taiwanese enterprises to gain access to lower labour costs and abundant raw materials on the mainland.

Of the approved investment amount, 22.9 per cent went to the electronics and electrical sector and the base metal sector took 10.7 per cent.

The food and beverage sector accounted for 7.5 per cent and the precision machinery sector 7.3 per cent.

Of the total planned investment, 40.2 per cent was intended for south-eastern Jiangsu province, followed by Guangdong's 31.6 per cent.

End of Iraq war no panacea for weak dollar: Analysts

AFP, London

The war in Iraq may be all but over, but the gloom weighing on the dollar is unlikely to lift as investors focus on the United States' current account and budget deficits, analysts said.

Cautious about the outlook for stocks, bonds and other securities denominated in dollars, investors are taking advantage of easing geopolitical risks by moving from dollar assets into emerging markets, they said.

"The bear market grip seems unlikely to break until institutions feel confident enough on the (US) outlook to buy, not sell," Steve Pearson, head of currencies at HBOS Treasury Services said.

"This is probably dependent on a coincidence of better earnings and fundamentals," he added.

The reluctance to take on US exposure with the backdrop of an uncertain economic recovery and record deficits has overwhelmed any positive factors for the dollar from the conclusion of the Iraq war.

EC introduces new phase of Asia-Invest Programme

UNB, Dhaka

The Delegation of European Commission to Bangladesh held an information session in Dhaka yesterday to introduce the new phase of the five-year Asian-Invest Programme (2003-2007).

In the session, Bangladeshi stakeholders were provided with details on how to apply for co-financing under

various instruments and indications of possible projects.

The Asia-Invest programme is an initiative of the European Union that aims to promote EU-Asia business cooperation.

The programme provides assistance for non-profit intermediary organisations to facilitate partnerships between companies in the EU and Asia and strengthen business environment to increase trade and investment between

the two regions.

A total budget of 41 million euro equivalent to Tk 254 crore has been committed to the programme over the period from 2003 to 2007.

The new phase of the programme has a special focus on the LDCs. There are expectations that Bangladesh will avail itself of more of the programme.

Yusuf Abdullah Harun, president of the Federation of Bangladesh Chambers

of Commerce and Industries (FBCCI), was present in the session as chief guest.

Anne Marchal, second secretary of the delegation, presented the Asia-Invest Programme and explained further details during the question-answer session.

Representative of chambers, business associations, government bodies and EU member state missions also attended the half-day session.

CRISL assigns A+ rating to Islami Bank

Credit Rating Information and Services Limited (CRISL) has assigned A+ rating to Islami Bank Bangladesh Limited (IBBL) in the long term and ST-2 rating in the short time, says a press release.

The rating report was formally handed over to Chairman of IBBL Shah Abdul Hannan by Chairman of CRISL Jamal Uddin Ahmed at a function held in Dhaka yesterday.

Muzaffar Ahmed, president and CEO of CRISL, presented the rating report in presence of senior officials of the bank.

Directors of IBBL Muhammad Sharif Hussain, Md Shahidul Islam, Md Fayekuzzaman, Executive President Abdur Raquib, deputy executive presidents Nasiruddin Ahmed, Velayet Hussain, and financial analysts of CRISL Mizanur Rahman Shipon, KM Sarwar Jahan, M Maniruzzaman and Mir Farhad Ali were also present at the function.

SilkAir cuts flights due to SARS outbreak

AFP, Singapore

Singapore Airlines (SIA) regional arm SilkAir said Monday it will cut its flights further next month due to the impact of the SARS outbreak on the travel industry.

"In response to a further softening in air travel, due to the spread of Severe Acute Respiratory Syndrome (SARS), SilkAir will be reducing its flight frequencies in May 2003," SilkAir said in a statement.

"Combined with the cancelled flights in April 2003, due to the weak demand, the latest reductions will result in 35 fewer frequencies a week, or a drop of 24.3 per cent of capacity in terms of available seat kilometres," it said.

The planned flight reductions will affect SilkAir's routes to cities in Indonesia, China, Malaysia and Thailand.

Parent company SIA, one of Asia's most profitable airlines, has slashed almost 20 per cent of total capacity as travellers defer plans for fear of contracting SARS.

It has also deferred new aircraft orders although deliveries of previous orders will proceed as scheduled this year and next.

SIA and other major carriers in Asia including Hong Kong-based Cathay Pacific and Australia's Qantas have been severely affected by the SARS outbreak which has claimed more than 200 lives worldwide out of at least 4,550 confirmed, probable or suspected cases.

Training on use of ScanCement White held

HeidelbergCement Group recently organised a training course on multidimensional use of ScanCement White, says a press release.

HeidelbergCement conducted the training for its sales and marketing team members to give them in-depth knowledge about the multidimensional use of White brand of ScanCement.

At the training, Dominique Mannie, White Cement expert of HeidelbergCement Group Belgium, said ScanCement White has a whiteness of 84 per cent which is 10 per cent higher than the white brands available in Bangladesh.

On advantage of the ScanCement White brand, he said it can be applied inside floor, outside swimming pool and driveway of private house.

With polished surface these applications look like marble. White cement can also be used with pigments as plastering. White cement concrete blocks are also used for economical and aesthetically pleasing masonry works.



PHOTO: MCCI

A delegation of Metropolitan Chamber of Commerce and Industry (MCCI) led by its President Tapan Chowdhury met Law, Justice and Parliamentary Affairs Minister Moudud Ahmed yesterday at his office.

Energy price fall pushes Indian inflation lower

REUTERS, New Delhi

A fall in prices of some oil products nudged India's wholesale price inflation lower in the week ended April 5, and analysts said they expected a further easing of prices as the war in Iraq comes to an end.

The Commerce and Industry Ministry said Sunday that inflation in the 12 months to the week ended April 5 stood at 6.17 per cent compared with 6.24 in the previous week.

The latest figure, as measured by the widely tracked wholesale price index, was lower than a Reuters poll of 10 banks and research houses which forecast inflation at 6.19 per cent in the same week.

"The fall is essentially due to the easing of global oil prices from its earlier levels. Once the Iraqi oil hits the global market, prices would fall further," said Arun Kumar, who teaches economics at New Delhi's Jawaharlal Nehru University.

Lower prices of naptha and furnace oil pushed the index for fuel power light and lubricants to 254.4 in the week ended April 5 from 256.3 in the previous week.

Another analyst said the fall in prices would help the central bank continue with soft interest rates as the economy

was yet to fully recover from last year's slowdown.

"Interest rates would continue to be low. It is crucial for the economy. We are still in the recovery phase and it is not strong," said M. Govinda Rao, director of the New Delhi-based National Institute for Public Finance and Policy.

Rao said the weather office's forecast of below-normal monsoon rains could push up prices if the shortfall occurs in July, the crucial month for the farm sector.

The June-September monsoon is vital for Asia's third-largest economy as farming contributes around 25 per cent to the country's gross domestic product.

Poor farm sector output was the main reason for pushing Indian economic growth to 4.4 per cent in 2002/03 (April-March) from 5.6 per cent in the previous year.

A marginal rise in food products pushed the manufactured products index up by 0.1 per cent at 151.2 from 151.1 in the previous week. Manufactured products account for nearly 70 per cent of the wholesale price index.

The index for food articles rose to 180.1 from the previous week's 178.4 which analysts said was due to the worst drought in 2002.

Multiplan, DBH sign MoU on housing loans

Multiplan Limited, a real estate company, signed a memorandum of understanding (MoU) with Delta Brac Housing Finance Corporation Ltd (DBH) on Saturday in Dhaka, says a press release.

QM Shariful Ala, managing director of DBH, and Syed Munsif Ali, managing director of Multiplan Limited, signed the MOU on behalf of their organizations.

Under the arrangement, clients of Multiplan Limited will receive faster and superior customer service from DBH to avail housing loans facility of up to maximum 70 per cent of the purchase price of the apartments.

Ishtiaq H Chowdhury, head of Operations, SH Aslam Habib, head of Finance and Resources, Nasimul Baten, manager -- Operations (Dhanmondi), from DBH and Engr Syed Ismail Ali, executive director, Engr Md Ataur Rahman, director Development, M Borhan Uddin, manager -- Marketing and Development, from Multiplan Limited were present at the signing ceremony.



PHOTO: DBH

QM Shariful Ala (2nd from left), managing director of DBH exchanges documents with Syed Munsif Ali (2nd from right), managing director of Multiplan Limited, after signing an MoU in Dhaka on Saturday.

US urges Japan to open up medical, education markets

AFP, Tokyo

The United States Monday urged Japan to open up its medical services and education markets to foreign investors, saying it would not only benefit US firms but also boost the sluggish Japanese economy.

C. Lawrence Greenwood, the senior US official handling Asia-Pacific Economic Cooperation (APEC) issues, met with Japanese counterparts in Tokyo to argue that the increased presence of foreign firms in Japan would help create more efficient, profitable local firms.

"Japan's foreign direct investment incoming is among the lowest in the developed world. And Japan, especially at this time, needs direct foreign investment to sustain jobs, create economic growth and prosperity," Greenwood told a press conference.

With the growing proportion of older Japanese in the population, US firms are expecting greater business opportunities in the medical services sector, he said.

US firms would offer more choice to Japanese consumers while increased competition would help

make the Japanese medical industry better and more efficient.

In the education sector, American universities could cooperate with Japanese schools in international education, continuing education and retraining of staff, Greenwood said.

It is difficult for US universities to maintain branch schools in Japan because of strict rules, including regulations covering the ratio of debt to assets, Greenwood said.

Washington also wanted Tokyo to allow foreign companies to use foreign shares in share swaps to ease the way for mergers and acquisitions, he added.

Washington hoped the level and balance of capital investment between Japan and the United States could be brought into line with those between the United States and Europe, he said.

Greenwood will participate in investment promotion seminars in Japan's western hub Osaka and the northern city of Sapporo later this week, accompanied by representatives of leading US companies, including Disney, Goldman Sachs, Rippelwood and GE Capital.

Most black South Africans do not have bank accounts

AFP, Johannesburg

More than 70 per cent of black South Africans do not own bank accounts, highlighting the lack of access to financial services for the poor, a study by the South African Reserve Bank shows.

The report, "Financial Development and the Unbanked", shows that only 40 per cent of South Africans owned bank accounts in 2001.

The majority of account holders were white (88 per cent) while a total of 72 per cent of blacks did not own bank accounts. Some 57 per cent of Indians and 47 per cent of Coloureds (mixed race) held bank accounts.

Most of the "unbanked" were unemployed and those who were economically active lived in shacks or informal settlements in rural areas. Pensioners and students also formed a large chunk of unbanked South Africans.

Access levels in South Africa compared well with other developing countries such as Kenya, where only 5.9 per cent of the population owned bank accounts, and Brazil, which had a 35 per cent rate. Ninety per cent of the population in a developed country such as the United States were account holders.



M Syeduzzaman, chairman of Bank Asia Limited, presides over the annual general meeting of the bank on Sunday in Dhaka. A Rouf Chowdhury, vice-chairman, Anisur Rahman Sinha, director, Syed Anisul Huq, managing director, other directors and shareholders were present.

Thai farm exports to rise in 2003 despite SARS

AFP, Bangkok

Thailand's 2003 agricultural exports would rise 13.5 per cent from last year to 13.90 billion dollars despite the global economic sluggishness brought on by SARS, a research house said Monday.

"Kasikorn Research Center (KRC) is of the view that in the first quarter of 2003, the outbreak of Severe Acute Respiratory Syndrome (SARS) became a new variable that has dealt a substantial blow to exports of agricultural and agro-industrial products," KRC said in a statement.

"Even though the world economy, as a whole, and economies in some trade partner countries may feel a pinch from the deadly viral epidemic, this factor is

expected to have little effect on exports of agricultural and agro-industrial products if the World Health Organization and high-risk countries can contain the spread of SARS."

Thailand's agro exports have risen steadily on the back of East Asia's growing economic prosperity in recent years, but economies in the region have been hammered by SARS, which has been blamed for 217 deaths, mostly in Asia.

"Under normal circumstances, exports of agricultural and agro-industrial products to the mainland (China) were expected to leap as a result of expansion in the exports of several types of farm products," KRC said.

China's economy grew at an impressive 9.9 per cent in the first quarter, but

economists have already estimated the SARS crisis would chop at least 1.0 per cent off the country's growth this year.

KRC said the post-war situation in Iraq could affect exports, while the US economic slowdown will put the squeeze on shipment of farm products such as shrimp.

"After the dust settles (in Iraq), Thai exporters will likely have new marketplaces in the Middle East, particularly in Iraq," KRC said.

While Thai Prime Minister Thaksin Shinawatra has expressed interest in helping reconstruct Iraq, his government remained neutral during the brief war and there has been little to suggest the US is considering doling out reconstruction contracts to Thailand.



PHOTO: ISLAMIC BANK BANGLADESH LIMITED

Jamal Uddin Ahmed, chairman of Credit Rating Information and Services Limited (CRISL), hands over a rating report to Shah Abdul Hannan, chairman of Islami Bank Bangladesh Limited (IBBL), in Dhaka yesterday. In the report, CRISL has assigned A+ rating to Islami Bank in the long term and ST-2 rating in the short time.

Russia likely to lose Iraqi oil contracts: US official

AFP, Moscow

A senior US defense adviser suggested in an interview published Monday in Moscow that Russia was likely to lose rights to Iraqi oil contracts signed under the Saddam Hussein regime.

"There is a high probability that all previous deals with Russia will be declared meaningless," Richard Perle, counselor to Defense Secretary Donald Rumsfeld, said in an interview with the Kommersant business daily.

"Of course this is something for the new Iraqi government to decide," Perle said in an interview published in Russian.

"But I would be surprised if Russia wins the support of the new Iraqi leadership -- the same support that it received from (Saddam) Hussein," he said.

The comments threatened to undermine already testy relations between Moscow and Washington amid efforts from both sides to ease the tensions ahead of a meeting between US

President George W. Bush and Russian President Vladimir Putin next month.

Russia has vowed to defend its oil interests in Iraq, through international courts if necessary.

Its leading private oil company LUKoil holds a 68.5-per cent share in a consortium to develop the West Qurna-2 field with the Iraqi energy ministry and two other Russian companies under an agreement signed in 1997.

LUKoil was to invest some four billion dollars in the site's development by 2020 under the deal. But the company was unable to exploit the site due to existing UN oil embargoes on Baghdad.

The company estimated the site has oil reserves of some 20 billion barrels.

Washington officials have said that Iraqi oil must be used to benefit "the Iraqi people" -- the remark, implying a US decision-making role, drew concern in Moscow -- but have so far failed to specify the future of Iraqi oil fields which are now guarded by US troops.

Russia has stepped up its defense of

Iraqi oil rights through diplomats in the foreign ministry as well.

An unnamed diplomat told the IRAR-TASS news agency that Russia wants the UN inspectors to pronounce Iraq free of weapons of mass destruction before economic sanctions against it are lifted.

The unnamed official said UN weapons and nuclear arms inspectors must "return to Iraq and confirm that it has no weapons."

The UN Security Council -- where Russia wields veto power -- must approve the removal of Iraqi sanctions, including those concerning its oil exports.

The Russian official said United States "want the sanctions to be lifted immediately ... but this stance contradicts international rights."

US President George W. Bush said last week he would soon propose a UN resolution ending the economic sanctions that put an embargo on the trade of Iraqi oil.