

Q1 exports clock 9.94pc growth

MONJUR MAHMUD

Exports fetched \$1,899 million in the first quarter of the current fiscal posting a 9.94 per cent growth over the same period of last year. But the earning was still behind the target of \$1,937 million by 1.97 per cent.

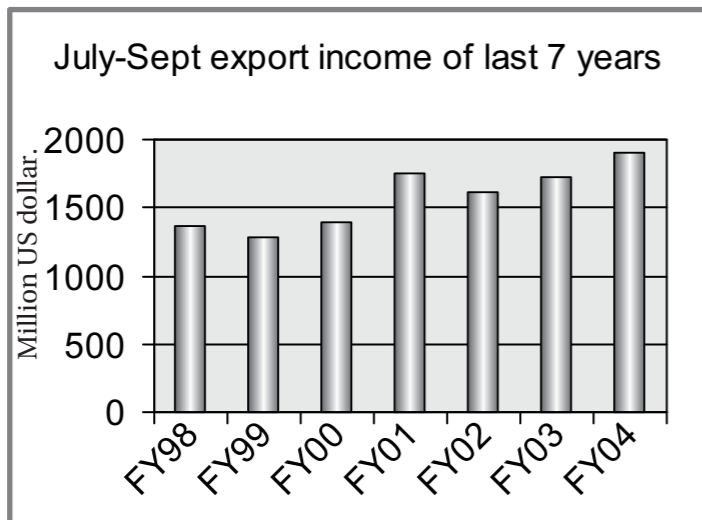
"Exports performed very well during July-September period of this fiscal having a double digit growth after a long time," said Dr Towfique Khan Majles, Statistics and Research Director of the Export Promotion Bureau (EPB).

In the first quarter of 2002-03 fiscal year, the total export earning was \$1,727.15 million.

The EPB official said major items, including readymade garment, knitwear, frozen foods, chemical products, tea and agricultural products, have mainly contributed in taking the export sector back on right track in the first quarter.

Exports in terms of volume rose by 12.64 per cent while the price index dipped by 2.7 per cent during the period, he added.

Export target for the current fiscal



year has been fixed at \$7,439 million with a big jump of \$891 million from last year's total income.

During July-September period of FY04, woven garment exports fetched \$914.8 million, \$72 million higher than the income of last fiscal's same period.

Knitwear worth \$535.48 million was exported during the three-month period, posting a 12.67 per cent growth over the corresponding period of last fiscal.

Apparel exports to Canada has increased substantially after it offered

duity and quota free access to its market from early this year, said a leader of Bangladesh Garment Manufacturers & Exporters Association (BGMEA).

A single country apparel fair held in Toronto and Montreal in October would further help boost the garment export to Canada in the coming months, he hoped.

Frozen foods worth \$113 million were exported in the first quarter of this fiscal, up by 17.66 per cent from the target. Leather export fetched \$48.84 million recording a 5.39 per cent growth.

Jute goods valued at \$55.44 million were exported against the target of \$70.3 million. Raw jute worth \$15.6 million were exported, which is 3.45 per cent higher than the income of last fiscal's same period.

Chemical products worth \$40.48 million were exported in the first quarter of FY04, marking a huge 120.84 per cent growth. Tea exports amounted to \$5.94 million in July-September, having a sharp 92.86 per cent rise.

Dhaka Bank offers interest free credit card in Ramadan

Dhaka Bank Limited has offered zero per cent interest on its credit card in the month of Ramadan.

Under this promotion, all Dhaka Bank credit card holders will get an interest-free credit of 75 days on their shopping from the first Ramadan to Eid, says a press release.

Dhaka Bank has launched this promotion in order to make shopping more affordable and easier during Ramadan.

Asian forex reserves rise to \$1.79t

REUTERS, Singapore

Asian foreign exchange reserves have risen to \$1.79 trillion, according to the latest available figures from regional central banks.

On Thursday, the Philippine central bank said reserves rose to \$16.887 billion at the end of October from \$16.161 billion at the end of September.

Japan, Hong Kong and Singapore have yet to report their reserve holdings as the end of October.

The build-up of Asian forex reserves, mostly in US dollars, largely reflects steady intervention by the region's monetary authorities to stall currency appreciation due to strong portfolio inflows and rising export receipts.

The police has come under increasing criticism by US and European policy makers, who say it makes their exports less competitive and leads to job losses.

Emirates signs lease financing deal for two new Airbus

Emirates has signed a lease financing agreement valued at 195 million euros (US \$226 million) for two new Airbus A340-500s, the world's longest-range aircraft.

The Dubai-based airline will be the first in the world to offer this aircraft type to customers on non-stop services to Sydney, Melbourne and New York, among a number of longhaul routes.

The first A340-500 was delivered to the airline this week, and three more are due to arrive in November. Powered by Rolls-Royce Trent 500 series engines, they form part of a total of eight Airbus A340-500s for which Emirates has placed firm orders.

Lankan tea prices up

REUTERS, Colombo

Sri Lanka tea prices edged higher at the latest auction Wednesday on buying for the winter period unperturbed by a political crisis in the island.

The anticipated gross sales average was 162.50 rupees (\$1.69) per kg, compared to 162.15 rupees per kg last week, Forbes and Walker Tea Brokers said in a statement.

"There is demand for low grows before the Christmas period. That buying will stop sometime late November. Teas bought after that will get stuck in a port somewhere," said Dilan Polonawita, a broker at Forbes and Walker.

Pak palm oil rates stable, imports slow

REUTERS, Karachi

Pakistan's palm oil rates were stable on the back of high domestic stocks and dealers said on Wednesday they were in no hurry to place import orders when the international oil prices were on the high side.

"Importers are reluctant to place orders because of the rise in prices in the international market and ample stocks in the country," said a dealer at Saulat Enterprises. "In the last week there had been only a few import orders."

Most of the dealers were in an overbought position to meet the high demand during the Islamic fasting month of Ramadan, usually a high consumption period for edible oils because people cook a lot of oily and fried food.



PHOTO: COMMERCIAL BANK OF CEYLON

Commercial Bank of Ceylon Limited Managing Director A.L. Gooneratne formally opens Motijheel branch of the bank in Dhaka yesterday marking the launch of Bangladesh operation following acquisition of Credit Agricole Indosuez bank. S Renganathan, country manager of the Sri Lankan bank, and Hafeezuddin Ahmad of International Finance Corporation are also seen.

BJMC fails to run jute mills: State minister Nishat Jute Mills goes private

STAR BUSINESS REPORT

Mismanagement and corruption are the main factors behind the current depressed state of Bangladesh's jute sector, State Minister for Jute Lutfar Rahman Khan said yesterday.

Bangladesh Jute Mills Corporation (BJMC) has totally failed to run the jute mills, he said expressing his dissatisfaction over the reoccurring losses incurred by the corporation.

He said the corporation never saw profit except in early 1980s. "Moreover, its losses continued to increase every year," he said speaking at the handing over ceremony of Nishat Jute Mills Limited to its private owner, Hameem Group, at Tongi.

The state minister formally handed over the ownership documents of the jute mill to Hameem Group Managing Director AK Azad. The group purchased the mill in open tender under the government's privatisation programme.

Lutfar Rahman Khan said the government will continue the programme of denationalising the closed jute mills.

Speaking at the function,

Privatisation Commission Chairman Enam Ahmed Chowdhury said private entrepreneurs must come forward to accelerate industrialisation. But at the same time bank interest rates and law and order issues should be addressed.

BJMC Chairman Mujibur Rahman said at present only 2.50 lakh tonnes of jute and jute goods are exported to 104 countries while it was 5 to 6 lakh tonnes to 52 countries when all the mills under BJMC were operational.

Bangladesh Jute Association President MA Rouf Chowdhury said greater awareness on using jute goods instead of plastic goods can create a huge local market.

"In India, the domestic consumption of jute goods is around 16 lakh tonnes while the amount in our country is one tenth of it," Rouf Chowdhury, also a director of Federation of Bangladesh Chambers of Commerce and Industry, said.

Hameem Group Managing Director AK Azad urged the government to ensure stable law and order situation, reduce interest rate on industrial loans and make utility services easily available to increase investment in the country.

He hoped that Nishat Jute Mill would resume production within next three months.

Initially the mill will create employment for 2,000 to 2,500 people, Azad, also the president of Bangladesh Chambers of Industries, said. "We have a plan to enhance to production capacity and increase the number of staff to 6,000 in next three years."

Hameem Group purchased Nishat Jute Mills, a state-run enterprise, offering Tk 19 crore in tender. It has also taken the mill's bank liabilities of Tk 24.18 crore.

The tender was floated on July 15, 2002 and the group being the highest bidder was awarded with the ownership on November 4.

The mill, located at Tongi in Gazipur on 22.90 acres of land, had about 2000 staff when it was shut down in December last year in the face of huge losses.

The function was also attended by Jute Secretary ASM Abdul Halim, Bangladesh Jute Goods Association President Shahedul Islam Helal, Bangladesh Jute Mills Association President Nurul Islam and Tongi Municipality Chairman Ajmat Ali.

Sony Ericsson cuts T-200 cell phone set price

STAR BUSINESS REPORT

Sony Ericsson Bangladesh has slashed the price of its T-200 mobile phone set under the 'Eid Collection' package offered by GrameenPhone, the largest mobile phone service provider in Bangladesh.

"The new package price of this set has been fixed at Tk 8,995, down from Tk 11,000," said Anwar Hossain, country manager of Sony Ericsson Bangladesh, country partner of London-based Sony Ericsson Mobile Communications AB.

Hossain said the T-200 set weighing 85gm is equipped with GPRS facility, which provides a data transfer speed of up to 43.2 kbps to make mobile browsing smoother than wireless application protocol (WAP) equipped set.

"The GPRS will be introduced in Bangladesh very soon," the Sony Ericsson country manager said at a meet the press programme held at a city hotel yesterday. WAP facilities are already available in the cellphone service here.

Hossain assured the buyers of icy blue T-200 sets of providing after sales service from the company's service centres across the country.

Presenting other facilities of the set, Iftekhar Matin, channel marketing manager of Sony Ericsson Bangladesh, said T-200 is compatible with CommuniCam MCA-10 View, by which users can take photos and save it on the mobile screen.

Mustafa Rafiqul Islam, managing director of Flora Telecom, and Mustafizur Rahman Shazid, director (sales and marketing) of Butterfly Marketing Limited, were also present at the function.

Tata group signs MoU to buy Daewoo truck maker

AFP, Bombay

India's Tata group Wednesday said it had signed a memorandum of understanding (MoU) to acquire South Korean Truck maker Daewoo Commercial Vehicle Co Ltd.

Daewoo Commercial last month named the Tata group as the preferred bidder for the truck maker, which is under court receivership.

"The transaction is expected to close in the next two to three months subject to a final due diligence of Daewoo Commercial's operations, the negotiation of future agreements and receipt of applicable regulatory approvals in India and Korea," Tata Motors, the Tata group's automobile company, which signed the MoU in Seoul, said in a statement.

Tata Motors spokesman V. Krishnan said the MoU was the first step towards acquiring Daewoo's truck business.

CNBC India, quoting a Daewoo statement, said the acquisition was estimated to be worth more than 100 million dollars.

Attack on N'ganj garment factories FBCCI suspects local, foreign influences

UNB, Dhaka

The country's apex business body, FBCCI, suspected foreign influence or involvement of vested quarters at home in the unwanted incidents in Narayanganj which will have adverse impact on investment and export.

In an emergency meeting here yesterday, the Federation of Bangladesh Chambers of Commerce and Industry noted that the loss of exporters so far stood at Tk 84 crore due to stock-lot as they could not make shipment because of the November 3 attacks on garment factories and raging violence.

Loss of infrastructure and machinery of 250 factories that came under attack is estimated at Tk 25 crore while goods worth about Tk 20 crore were looted. Besides, the FBCCI said, the factories altogether are incurring a loss of Tk 30 crore daily following the troubles.

"Following the unwanted incident, our foreign buyers got a negative impact and they stayed away from making new orders. It'll have a serious consequence

on our export and the economy as a whole," said the FBCCI meeting, with its President Abdul Awal Mintoo in the chair.

The business leaders suggested immediate steps to ensure proper security for running the garment and textile factories in the industrial belt. If emergency measures are not taken for their smooth functioning, it'll have negative impacts on other sectors of trade, commerce and industry.

The FBCCI meeting condoled the death of a worker in firing and expressed sympathy for the bereaved family. It also emphasised a detailed report through neutral inquiry as to what situation warranted the shooting.

"It should be also investigated as to whether any external force or any vested-interest group inside the country was involved in it," the FBCCI said, adding that engagement of political forces in an industrial crisis situation so quickly is also not expected.

"The anarchy sweeping through Fatulla and Narayanganj over a minor issue is not an isolated incident," the

meeting said on a note of skepticism as to whether any quarter was behind the scenes so that Bangladesh's knitwear and garment industries failed to prepare for facing the post-2004 challenge.

In this respect, a resolution of the meeting said that FBCCI President Mintoo, who went to Narayanganj to know the real picture, was informed that a rumour was dished out that wages remained unpaid in the factory centering which the incident occurred. "The reality is that salaries, overtime payments and other dues of the workers and employees of that factory, having ISO certificate, were cleared up to the month of September," said an FBCCI release quoting the meeting resolution.

The FBCCI, BGMEA and BTMA also jointly urged the workers to ensure a production-friendly environment, called the politicians to play positive instead of negative role, requested the government to ensure full security and asked the owners of the factories to take necessary arrangements to ensure an environment for production.



PHOTO: STAR

Anwar Hossain, country manager of Sony Ericsson Bangladesh, shows off T-200 mobile set at a 'meet the press programme' held at a hotel in Dhaka yesterday while Iftekhar Matin, channel marketing manager of Sony Ericsson Bangladesh, looks on.