

LCs for petroleum import up 27.5pc

UNB, Dhaka

Spending on petroleum imports is on rise in the first five months of the current fiscal year as the opening of Letters of Credit (LCs) increased 27.5 percent.

Import LCs worth US\$ 742.51 million were opened for petroleum and petroleum products during July-November period of the fiscal 2005-06, according to Bangladesh Bank figures released yesterday.

LCs for textile fabrics and accessories increased 17 percent to \$ 1,020.33 million while industrial raw materials rose 10 percent, capital machinery 10 percent and chemical fertilizer 7 percent.

However, the overall opening of LCs increased about 5 percent to \$ 5,732.41 million during the five-month period.

Authorized commercial banks opened LCs for rice (\$ 38 million), wheat (\$ 158 million), sugar (\$ 36 million), onion (\$ 35 million), fruits - fresh and dry (\$ 25 million), pulses - all sorts (\$ 83 million) and milk food (\$ 35 million).

20th branch of Bank Asia opens at Dhanmondi

Bank Asia Ltd inaugurated its 20th branch at Dhanmondi in Dhaka yesterday.

Chairman of the bank M Syeduzzaman inaugurated the branch with online banking facility, says a press release.

Vice chairmen A Rouf Chowdhury and Arifur Rahman Sinha, directors Sirajul Haque, Jahir Uddin and Sohana Rouf Chowdhury, and President and Managing Director Syed Anisul Huq were also present at the function.

M Syeduzzaman said Bank Asia is now a well-established bank and it is also making contribution to rural economy and social activities.

Saifur asks insurance firms to go for merger

STAR BUSINESS REPORT

Finance and Planning Minister M Saifur Rahman has asked insurance companies to go for merger and acquisition among themselves to boost their efficiency.

"It is high time for insurance companies to go for merger as a huge number of companies are competing in a small market," the minister said at the 20th founding anniversary programme of Green Delta Insurance Company Limited in

Dhaka Tuesday.

He also asked the insurance companies to comply with international standard financial disciplines to improve their efficiency.

Saifur asked the insurance companies to expedite claim settlement process for the benefit of policyholders.

The finance minister said a total of 43 general insurance companies and 18 life insurance companies are in operations

when 10-12 companies are working in India. "We don't need so many insurance companies," he said.

He also underscored the need for human resource development in the sector.

Barkat Ullah Bulu, commerce ministry advisor, AZ Mohammad Hossain, chairman of Green Delta Insurance Company, and Nasir A Choudhury, managing director of Green Delta Insurance, also spoke at the function.



Emirates' new area manager in Bangladesh

Hanif Zakaria has been appointed the new area manager of Emirates Bangladesh.

Prior to this new assignment, he was the sales manager of Emirates Bangladesh, says a press release.

Zakaria started his career with Emirates in 1989 as sales executive in Saudi Arabia. He also held various positions within the company including sales manager for western province of Saudi Arabia, commercial analysis manager in UAE and sales manager in Dubai.

Traidcraft president due today

BDNEWS, Dhaka

Traidcraft President Paul Chandler and Member of the Board of Business Ethics, School of Business, Durham University, UK Prof Geoff Moore will be visiting Bangladesh from January 5-8.

Traidcraft PLC, the leading Fairtrade organisation in the UK, started its operation by selling Bangladeshi fairly sourced jute products in England 26 years ago.

During their short visit, Chandler and Moore will meet and exchange ideas with the Traidcraft producers, partners, and a cross section of peoples including high officials from NGOs, donor and international agencies and civil societies.

SAFTA ACCORD

Regional trade to reach \$14b by 2010

Says India's apex chamber

BDNEWS, Dhaka

Strengthening of infrastructure and implementation of tariff reduction under Safta agreement will lift the regional trade to US\$ 14 billion from existing \$ 7 billion by 2010, hope Indian business leaders.

Safta, which came into operation at the beginning of this year, is expected to multiply intra-regional trade just as other groupings like Asean, Nafta and EU, said the Federation of Indian Chamber of Commerce and Industry (FICCI) in a press release yesterday.

"But, Bangladesh has to take initiatives to remove non-tariff

barriers to benefit from the South Asian Free Trade Area (Safta)," Mir Nasir Hossain, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), told the news agency.

Regional trade in the Asean before the grouping was only seven percent and shot up to 49 percent by 2003. Similarly, in Nafta, it was only 12 percent before the grouping, but became 44 percent by 2003 and, in the EU, it was 23 percent in the early '80s but went up to 67 percent in 2003, FBCCI president said.

The Indian apex trade chamber further said if South Asia becomes an integrated market, it could draw

a much higher FDI for the entire region that has a huge market size of over 1.5 billion people.

As per the agreement, developing members will bring down their customs duties to 0-5 percent by 2013 while the least developed country (LDC) members will do it by 2018.

Bangladesh, the Maldives, Nepal and Bhutan are the LDC members of the seven-nation Saarc. Afghanistan is expected to join the regional grouping later this year after completion of certain formalities.

Integrated transport policy key to railway development

Seminar told

STAR BUSINESS REPORT

Speakers at a seminar yesterday stressed the need for formulating an integrated transport policy for the development of Bangladesh Railway.

They said corruption and mismanagement have almost ruined the railway, adding that it is not feasible commercially to run the railway by giving subsidy for years.

Although the railway is playing a vital role in the country's communications, it is getting less policy support from the government.

The speakers were speaking at the seminar titled 'Rail Communication and Economics: Bangladesh Perspective', organised

by Committee of Mechanical Department of Engineers Institution, Bangladesh in Dhaka.

Presenting the keynote paper, former director general of Bangladesh Railway MA Rahim said the major problems in the railway sector include inadequate fund for maintenance and poor investment.

The speakers also urged the government to finish the rest of the works on Jamuna Bridge Rail Connection Project immediately.

Among others, President of Engineers Institution Dr M Anwarul Azim, Joint Director General of Bangladesh Railway Abdul Halim, and General Secretary of Bangladesh Railway Spares Manufacturers Association Abu Md Saad were present.

Gold hits 3-week high above \$535

REUTERS, Singapore

Gold rose to its highest level in three weeks above \$535 an ounce yesterday, lifting other precious metals with it as fund buying intensified, especially in Japan.

Spot gold rose to \$535.30 an ounce -- its best price since Dec 12 -- before easing to \$532.50/533.70 an ounce, still higher than \$530.30/531.10 an ounce late in New York on Tuesday.

Japanese gold futures jumped 2 percent, with the benchmark December contract on the Tokyo Commodity Exchange rising above 2,000 yen for the first time since mid-December on fund buying, gains in New York's COMEX and strength in dollar-priced gold.



PHOTO: BANK ASIA
M Syeduzzaman, chairman of Bank Asia Ltd, inaugurates the 20th branch of the bank at Dhanmondi in Dhaka yesterday. A Rouf Chowdhury, Arifur Rahman Sinha, vice chairmen, Md Sirajul Haque, Jahir Uddin, directors, and Syed Anisul Huq, president and managing director of the bank, among others, are seen in the picture.

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