

Prime Bank to open exchange house in S'pore next month

Special service month launched

STAR BUSINESS REPORT

Prime Bank Limited will open an exchange house in Singapore by the first week of next month while the processing of opening another exchange house in London is going on.

M Shahjahan Bhuiyan, managing director of the bank, disclosed this at a press briefing in Dhaka yesterday. The briefing was organised to announce the launch of a 'special service month' offered by the bank, marking its 11th anniversary.

The managing director also informed that they would open 10 new branches across the country this year. Presently, the bank has a total of 42 branches.

Under the programme of special service month, the bank will recognise three microcredit loan recipients, who are now self-sufficient, to encourage the microcredit entrepreneurs.

The bank will also hold discussions at its all branches to exchange views with the customers.

"Besides, we have already increased the deposit interest rate from 9.5 per cent to 12.5 per cent on the occasion of the 11th anniversary of the bank," said Bhuiyan.

However, he said the bank has also increased lending rate to highest 15 per cent.

Prime Bank deputy managing directors Nasiruddin Ahmed and Mahbulul Alam, and executive vice-presidents Manash Kumar Ghosh, IB Chowdhury and Mokhter Hossain were present at the press briefing.

Oil hits \$70

AFP, Singapore

Oil prices touched 70 dollars a barrel in Asian trade Monday on concerns over tight US gasoline stocks and continued fears Washington could attack Iran's nuclear facilities, dealers said.

At 2:45pm (0645 GMT), New York's main contract light, light sweet crude for May delivery, was up 52 cents at 69.84 dollars a barrel from its close of 69.32 dollars in US trading Thursday. US markets were closed on Good Friday.

On Monday, the contract hit a high of 70 dollars flat before easing slightly.

Two key issues were driving the market, said Victor Shum, an analyst with energy consultancy Purvin and Gertz in Singapore.

"One is the gasoline supply situation in the US and two is the issue over Iran," he said. "The issue is still there and it will continue to be with us."

Concerns of a possible US-Iran military conflict heightened after Tehran warned Washington Sunday against attacking its nuclear facilities, saying it had tens of thousands of would be suicide bombers at the ready and could count on the support of militants across the region.

Mobile phone operators oppose new BTTB tariff rate

STAR BUSINESS REPORT

Mobile phone operators have strongly opposed Bangladesh Telegraph and Telephone Board's (BTTB) new tariff rate to make calls from land phone to mobile phone without signing a revenue sharing contract.

The BTTB has signed a revenue sharing contract with only state-run mobile phone operator, Teletalk, but its negotiation with other operators on revenue sharing did not succeed.

According to sources, the BTTB had earlier offered Tk0.30 per minute to the mobile operators who demanded Tk0.70. But the BTTB is going to charge Tk 1.50 per minute to make calls from land phones to the

mobile phones from tomorrow without signing any agreement with the cell phone companies.

"We are going to lodge a complaint with the Bangladesh Telecommunications Regulatory Commission on BTTB's tariff hike without signing any contract with the mobile phone operators," said a top official of a cellphone operator, wishing not to be named.

Singing a revenue sharing contract would prompt the mobile phone companies to withdraw their incoming charges in case of receiving calls from the land phones, he said.

"In fact, all the telephone subscribers are going to face penalty due to lack of a contract between the

parties," the official observed.

"Fixed phone subscribers are going to pay more for making calls to the mobile phones and cellphone subscribers are also paying for receiving incoming calls on the other hand," he said. "The sooner BTRC intervenes the better."

The BTTB now charges Tk 1.50 for five minutes on both fixed and land phone calls. However, charge for land phone-to-land phone call will remain unchanged.

The finance ministry in January approved the BTTB proposal for increasing the call charge submitted to it on December 22 last year. The BTRC recently gave its approval to the new tariff rate.

Coca Cola launches 'Under The Crown' promotion

STAR BUSINESS REPORT

Coca Cola has launched an 'Under The Crown' (UTC) promotion for its consumers.

Under the offer styled 'Coca Cola Fun Island' a total of 50 winners will get opportunities to travel Pattaya, Bangkok for four days.

Consumers will get their prizes such as Tk 50 and Tk 100 and 250 and 500 ml free Fanta drinks written under the green coloured crowns of different size bottles of Coca Cola, Sprite, Fanta and Sunfill.

"Buyers will get the money and the beverage from the retail shops instantly," said Saumindra Bhattacharya, country director of Coca Cola, at a press briefing in Dhaka yesterday.

On the other hand, buyers will need to collect the pictures of three aeroplanes, answer the question of "What is the highest score of Bangladesh in the One-Day International cricket?" and send it to the Tabani Cook Factory, Chirakhana Road, in Mirpur, Dhaka, for participating in the raffle draw.

There will be some boxes in a selective number of shops and the buyers can drop the envelopes in these boxes.

The first raffle draw will be held on April 22 and satellite channel NTV, media partner of the offer, will air the event the next day. A total of 50 winners will be chosen through 7 draws. A winner will also be able to take another person with him or her.

Speaking at the briefing, Zulfikar Ahmed of Unirent said the buyers participating in the raffle draws will get confirmed prizes, as they will get a chance to buy a 'Call & Control M2M' mobile connection of Banglalink at Tk 250 against its original price of Tk 1350 from a Banglalink point.

Redaur Rahman, deputy general manager (marketing) of Tabani Beverage Company Limited (TBCL), said the company parched five million cases of beverages in 2002 that declined to three million in the 2005.

The offer will continue until June 10.

Citigroup reports record first quarter earning

Citigroup, owning company of Citibank, NA, reported first quarter revenue of US\$22.18 billion and a record net after tax income for the three months ended March 31, 2006 of \$5.64 billion.

International earnings increased by 47 per cent, driven by record international revenues up 19 per cent, says a press release.

Return on common equity was 20.3 per cent. Results include \$846 million of compensation expense (\$520 million after-tax) related to stock grants to retirement-eligible employees required under SFAS 123(R), and a \$657 million tax benefit related to the resolution of a federal tax audit for the years 1999 through 2002, the release added.

Japan, Indonesia start 4th round of trade talks

AFP, Tokyo

Officials from Japan and Indonesia started a fourth round of talks Monday on a bilateral free trade agreement, with Tokyo expressing hope for a swift conclusion of the deal.

The two Asian nations agreed in July last year to begin working towards the signing of a comprehensive Economic Partnership Agreement, which includes trade in goods and services, investment, movement of people and competition policies.

The Japanese delegation is headed by Deputy Foreign Minister Mitoji Yabunaka while former Indonesian Ambassador to Japan, Soemadi Brotodiningrat, leads the team from Jakarta.

Yabunaka told the meeting he hoped the two sides could move quickly to reach a deal, saying: "Time is important."

Japan has mainly focused diplomatic efforts on Southeast Asia at a time when its relations with closer neighbors China and South Korea are strained, largely over its wartime history.

Japan this month proposed the formation of a vast Asian economic free-trade zone including China, India, ASEAN and South Korea, a market that would cover half the global population and rival the European Union and NAFTA markets.



Saumindra Bhattacharya (centre), country director of Coca Cola, speaks at the launch of an 'Under The Crown' promotion for consumers in Dhaka yesterday.

China keen to import seafood, jute goods from Bangladesh

STAR BUSINESS REPORT

Chinese business leaders have shown their keen interest in importing seafood, rubber, jute and jute goods from Bangladesh.

"We have a big consumers market where Bangladeshi businessmen can export more products," said Si Wei, head of the visiting eight-member delegation of Dehong Chamber of Commerce, China, at a meet with Metropolitan Chamber of Commerce and Industry (MCCI) in Dhaka yesterday.

He, however, said lack of adequate communication between the two countries stands in the way to doing business properly.

Citing an example, he said the distance between China and Bangladesh is only two hours by air. "But unfortunately, we have no direct air link," he added.

Si Wei said China exported goods worth \$1.2 billion to Myanmar in 2005. At the same time, the country exported goods worth \$2.4 billion

to Bangladesh, which proves that Bangladesh is a potential market for China, he added.

"So, we are very interested to export vegetables, tea, fruits and flower to Bangladesh," the delegation chief said.

Speaking at the meeting, the MCCI leaders urged the Chinese business leaders to invest in light engineering, agro-machinery, light transport (motorcycle), food processing, tourism and infrastructural sectors in Bangladesh.

According to a study of Japan External Trade Organisation (Jetro), they said Bangladesh has the second cheapest labour force and labour productivity is higher in nearly all sectors.

"Obviously, foreign investments do not come for wages alone. However, advantages in other relevant factors for investment coupled with the cross-border trade can make investments profitable in Bangladesh," said Latifur Rahman, president of the MCCI.

He said South Asian Free Trade

Area (Safta) and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (Bimstec) will provide significant opportunities for the Chinese investors to export their products to a third country.

In 2004-05, China's exports to Bangladesh amounted to \$1613.49 million while Bangladesh's exports to China \$57.87 million. However, the Chinese government issued a list of 83 items, which, if imported from Bangladesh, will be given tariff and other incentives.

"We look forward to hear about the steps taken by the Chinese government to implement the scheme," the MCCI president said.

AKM Rafiqul Islam, vice-president and CK Hyder, secretary-general of the MCCI, were, among others, present at the meeting.

Dhaka may seek duty-free access for 1,700 items at WTO meet

BSS, Dhaka

Commerce Minister Altaf Hossain Choudhury yesterday said Bangladesh would seek duty- and quota-free access of 1,700 items to the global market at the upcoming WTO meeting in Geneva.

He said the list of items has been prepared on the basis of the country's exiting export basket, the GSP facilities it is enjoying, the goods being imported by major countries and the prediction of its future export items.

The commerce minister was speaking at the first meeting of a high profile committee on the WTO (World Trade Organisation) at the conference room of his ministry at the Secretariat here.

Advisor of the Commerce

Ministry Barkat Ullah Bulu, Commerce Secretary MA Karim, President of Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) Mir Nasir Hossain, President of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Tipu Munshi, among others, attended the meeting.

The commerce minister said two separate lists have been prepared of the country's export items, which are to receive duty- and quota-free facilities in the international markets. One of the lists has a total of 1,017 goods and the second list was made with 276 items, he added.

Altaf Hossain said effective measures have been taken to ensure duty-free facilities for the

least developed countries' products for marketing them in the developed countries by September this year.

On the other hand, he said, the least developed countries would provide duty-free market facilities for the developed countries' goods by December 2006.

Officials said Bangladesh exported a total of 602 items to the USA last year. Of them, 369 items, including 314 textile products, have been exported without receiving any duty facility from the USA.

Besides, a total of 108 items have been exported with duty-free facility under the MFN rate and another 125 exported under GSP facility to the USA market.



Managing Director of Prime Bank Limited M Shahjahan Bhuiyan (C) speaks at a press briefing in Dhaka yesterday. Deputy managing directors Nasiruddin Ahmed (R) and Mahbulul Alam (L) are also seen.

FICCI for diversifying India-China trade

PTI, Beijing

A high-level delegation of CEOs from Indian trade representative body FICCI is here to open up a track II diplomacy to help to diversify India's export basket to China and identify niche areas, crucial for the sustainable long-term growth of bilateral trade which touched a record USD 18.7 billion last year.

"The broad intent of the visit is to open up a second track diplomacy that would enable India to diversify its exports to China as well as to find the niche areas... at a time when China is opening up more to the outside world," Secretary General of the Federation of Indian Chamber of Commerce and Industry (FICCI) Amit Mitra said.

The delegation, led by FICCI President Saroj Kumar Poddar, arrived here Sunday and will have

bilateral meetings with its Chinese counterpart, the China Council for the Promotion of International Trade (CCPIT) today on how to sustain the impressive growth in India-China trade and identify new areas of cooperation in the manufacturing sector, Mitra told Indian journalists here.

India-China bilateral trade has shown remarkable growth in recent years and according to Chinese customs statistics, two-way trade during January-December last year surged to USD 18.7 billion, up 38 per cent over that of 2004.

The average monthly trade during 2005 was in excess of USD 1.5 billion and if the high growth could be sustained, India-China bilateral trade could soon overtake Indo-US trade, which is hovering around USD 30 billion.