



New BB deputy governor

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Executive director of Bangladesh Bank (BB) Ziaul Hassan Siddiqui has been promoted to deputy governor of the bank.

With inclusion of Siddiqui, who took over the charge yesterday, the number of BB deputy governors rose to four.

There were three deputy governors earlier, but the central bank created another post of deputy governor under its reform programme.



New CEO of Rahimafrooz

Samir Asaf has been appointed chief executive officer (CEO) of Rahimafrooz Group.

A member of the Fortune Business Leader's Council (USA), Asaf has 16 years of work experience in Bangladesh and USA in management positions in finance, strategy and planning, operations, sales and business development, says a press release.

He had been with AT&T Corp of USA for eight years as group finance director at its global corporate headquarters in New Jersey.

Asaf is also a consultant on global best practices in business to some of the leading global multinationals including IBM, Lehman Brothers, UBS Financial Services and Unilever.

HSBC launches 'My Bank' brand campaign

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The Hongkong and Shanghai Banking Corporation (HSBC) Ltd in Bangladesh on Wednesday launched a brand campaign styled 'My Bank'.

The bank, through this campaign, introduced a new marketing idea by using a helicopter that flew around different parts of the capital to draw attention of the prospective customers, according to a press release.

The idea behind the campaign is to define the HSBC brand as one, which understands that different customers have different needs and the bank tries to fulfil those needs, the release quoted Mustafizur R Khan, head of Marketing and Public Relations of HSBC Bangladesh, as saying.

BB forecasts 6.5-6.8pc GDP growth in FY07

Second MPS targets curb in inflation

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Bangladesh Bank has projected a GDP range between 6.5 and 6.8 percent in the current fiscal year expecting a growth momentum in sustaining or strengthening further in industry and services.

The projection was made in its second Monetary Policy Statement (MPS) that was released yesterday.

While briefing journalists BB Governor Salehuddin Ahmed said a 6.71 percent growth recorded in the last fiscal despite country's political unrest and high oil prices.

He said the ensuing election would not affect this higher growth.

The central bank aims to control inflation with continuing a tight monetary policy.

But economic observers have

expressed their doubt over curbing in inflation saying a further rise in lending rate is likely.

The MPS said monetary policies pursued by the BB are aimed at maintaining price stability while supporting the highest sustainable growth of domestic output.

It said although the growth would gain momentum, agriculture sector growth may ease down.

The BB governor admitted that an extra pressure on lending rate would be created. He, however, said if the banks can manage the funds professionally, the rate will not increase further.

Allah Malik Kazemi, deputy governor of BB, also spoke at the briefing. He said with the stance of the central bank the exchange rate will remain stable.

The BB in last December

released the MPS for the first time and targeted control in inflation.

But, as per the statistics up to May of the last fiscal year, credit flow in both the public and private sectors increased. The inflation and lending rate also increased during the period.

Average lending rate reached 11.60 percent in March, 06 against that of December 2005. According to sources, lending rate shot up further in June.

Point-to-point inflation stood 7.61 percent in May against 7.07 percent in December. On an average, inflation went up to 7.14 per cent in May from 7.05 per cent in December 2005.

The BB in its MPS said recent pressures on consumer prices are emerging mainly through the external trade channels. Growing

exports of daily consumer necessities such as vegetables and fishes are steadily pulling their domestic prices towards the higher export prices.

"Depreciation of taka associated with balance of payment pressure from rising import prices has also to some extent added to the upward trend in consumer prices," the statement said.

The statement further said manipulations by major market players and extortions in the supply chains also need to be addressed.

"For stable progress, mutually supportive well-coordinated monetary and fiscal policies are needed for sectoral structural reforms to proceed on a steady course, avoiding knee jerk response," the MPS pointed out.

India, Pakistan trade barbs over train bombs

AFP, Mumbai

Indian police searched hotels Thursday for clues in the train bomb attacks that killed 200 people, amid a sharp exchange of words with neighbouring Pakistan over its handling of Islamic militants.

Pakistan's foreign minister warned against a "knee-jerk" reaction blaming his country for the worst such attack in India in more than a decade, which also wounded more than 700 people, many of them seriously.

Anti-terrorist police scoured hotels as well as homes searching for signs of Mumbai's train bombers but admitted they had no concrete clues as to their whereabouts.

"We have particular leads but nothing concrete," said senior Mumbai police officer Jayjit Singh.

In a nationally televised address Wednesday night, Indian Prime Minister Manmohan Singh said India would stand united and not

bow to terrorism.

"This is not the first time that the enemies of our nation have tried to undermine our peace and prosperity," Singh said. "They have not yet understood that we will never let them win."

He did not mention Pakistan by name, but the Indian foreign ministry lashed out at comments from Islamabad and said Islamic militants continued to use Pakistani territory as a springboard for attacks.

"We urge Pakistan to take urgent steps to dismantle the infrastructure of terrorism on the territory under its control," foreign ministry spokesman Navtej Sarna said.

But in an interview with CNN, Pakistani Foreign Minister Khurshid Mahmud Kasuri said India should be careful about trying to attribute the attacks to Pakistan-based militants.

"Why should there be finger pointing every time?" he said.

"India is a vast country. There are attacks in other parts of India, there should not be a knee-jerk reaction that everything happening in India starts in Pakistan."

Analysts believe the bombers hoped to stoke Hindu-Muslim tensions and may have targeted first-class carriages to minimise casualties among Muslims, a minority in Mumbai and generally poorer than their Hindu counterparts.

A senior Indian police official on Wednesday said the attack bore the hallmarks of Lashkar-e-Taiba, a Kashmiri Islamic militant group which denied any involvement in the bombings. No arrests have yet been made.

Mumbai, formerly known as Bombay, is a city of 18 million that has come to embody India's growing economic might and its engagement with the rest of the world. But it has a history of tension between Hindus and Muslims.

GP benefits 1.1m prepaid clients thru 'Thankyou' programme

More than 1.1 million GrameenPhone (GP) prepaid subscribers have received free talk-time bonus of up to Tk 1000 at the end of the second quarter of 2006 as part of the mobile phone operator's ongoing 'Thankyou' programme.

The programme was introduced to benefit its existing subscribers and the total number of subscribers who availed bonus of Tk 1000 rose to 23,298, says a press release.

Besides, over 3.2 lakh GP post-paid subscribers received 'Thankyou' discounts during the second quarter.

As part of the programme, subscribers are being given airtime discount or bonus based on a combination of how long they have been a GP user and their airtime usage.

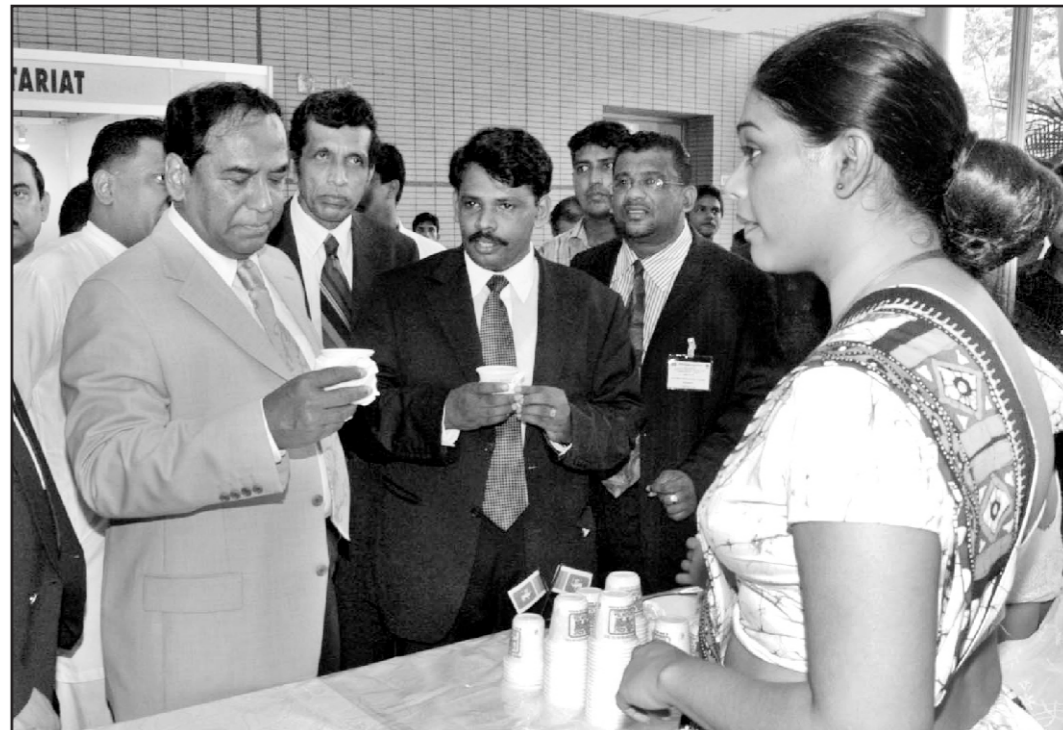
Discount and bonus under the programme benefit the users of GP Regular, GP National, Any Time 300, Any Time 500, Easy Gold, Easy and Djuice.

Citibank opens service counter in DEPZ

In a bid to meet the increasing offshore banking demands of business enterprises, Citibank NA recently opened its service counter in Dhaka Export Processing Zone (DEPZ) in Savar.

Sanjay Nayar, area head of Citigroup South Asia and chief executive officer of Citigroup India, inaugurated the service counter, says a press release.

AZM Azizur Rahman, DEPZ general manager, Moazzem Hossain Khan, former chairman of Bangladesh Export Processing Zones Authority (Bepza), and Mamun Rashid, Citigroup country officer (Bangladesh), among others, were present at the opening ceremony.



Commerce Minister Hafizuddin Ahmad visits a stall after inaugurating a four-day 'Sri Lanka Single Country Trade Show 2006' at Bangladesh-China Friendship Conference Centre in Dhaka yesterday.

Enhanced bilateral trade stressed

Lankan trade show kicks off

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Bangladesh and Sri Lanka can set up trade display centres in their capital cities for giving a boost to bilateral trade, Commerce Minister Hafizuddin Ahmad made this suggestion at a trade show in Dhaka yesterday.

He was inaugurating the 4-day 'Sri Lanka Single Country Trade Show 2006' at the Bangladesh China Friendship Conference Centre. Export Development Board (EDB) of Sri Lanka in association with Sri Lankan High Commission in Dhaka organised the show.

The minister said such centres will provide opportunities to the traders of both the countries of coming across the products the respective sides manufacture.

He also hoped that a free trade agreement will soon be signed between the two countries to enhance the existing trade relations.

Vadivel Krishnamoorthy, high

commissioner of Sri Lanka to Bangladesh, Thosapala Hewage, secretary of the Lankan Ministry of Enterprise Development and Investment Promotion, business community members, investors, Lankan expatriates in Bangladesh and high officials of the Sri Lankan government were present at the inaugural function.

Speaking on the occasion, the Lankan envoy stressed the need for reduction of tariffs by both the countries in order to increase trade volume and value.

A total of 35 companies and firms, including two government organisations, are showcasing their products and services, which include electronic appliances, garment accessories, agricultural machinery, perfume, herbal products and construction materials.

The show is open for all from 10 am to 8 pm every day without any entry fee.

Safa int'l confce begins in Dhaka tomorrow

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Safa International Conference begins in Dhaka tomorrow with an aim to strengthen harmonisation of accounting profession on uniform standards and codes in the region.

Prime Minister Khaleda Zia is expected to inaugurate the conference at BCFC Centre in Dhaka.

More than 600 delegates from Bangladesh, India, Pakistan, Sri Lanka and Nepal will attend the South Asian Federation of Accountants (Safa) conference jointly organised by the Institute of Cost and Management Accountants of Bangladesh (ICMAB) and the Institute of Chartered Accountants of Bangladesh (ICAB).

"Safa, an apex body of chartered accountants in the Saarc countries, is playing a very significant role in building the capacity of accountant professionals within the region in the changed global scenario," Jamal Uddin Ahmad, Safa Conference chairman, told a briefing at the ICAB auditorium in Dhaka yesterday.

Safa was formed in August 1984.

The theme of this year's conference is 'Resource Mobilisation and Management of Economic Growth.' Eminent economist Dr Wahid Uddin Mahmud will make keynote presentation at the inaugural session.

There will be six technical sessions where experts from home and abroad will pinpoint on trade, fiscal policy and management, infrastructure, education, poverty elimination, social and human resource development.



Jamal Uddin Ahmad (L), Safa Conference chairman, speaks at a press briefing in Dhaka yesterday while Satipati Moitra, president of the ICMAB, looks on.

Corruption cost Cambodian businesses \$330m last year

AFP, Phnom Penh

Cambodian businesses lost some 330 million dollars to corruption last year while the government failed to collect 400 million dollars in taxes, an economic think tank said Thursday.

The study by the Economic Institute of Cambodia (EIC) found that overall the private sector benefits from the corruption because the "unofficial fees" that businesses are forced to pay are more than offset by the lax tax collection.

"Unofficial fees paid by the private sector reach 330 million US

dollars ... (but) only about 25 percent of the potential tax was collected from the private sector in 2005," the EIC said in a policy brief.

"This is a likely consequence from the perceived complex and non-transparent tax system currently in place in Cambodia."

The think tank also surveyed 1,200 businesses and found that the commercial sector rates the judiciary as the country's most corrupt public institution.

Low marks were also given to the customs department, central government and health and education sectors, the survey found.

The EIC also questioned public officials about the findings. Generally the civil servants agreed with the results but pointed to their low salaries as the main reason that they solicit bribes.

Impoverished Cambodia is plagued by corruption at almost every level of government and the misuse of international funds has been the major focus of donors during their annual review of the country's reform efforts.

Cambodia's parliament has yet to pass anti-corruption legislation that has been demanded by the country's donors.