

Star BUSINESS

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Int'l cotton confce deferred for 3 months

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The two-day international cotton conference has been deferred for three months in view of the ongoing political impasse in the country.

Earlier, the conference titled 'Bangladesh Cotton and Textile Convention 2006' was scheduled to begin in Dhaka on December 3 and now the conference will be held in March next year, organisers said.

The conference will focus on the potential growth in the world cotton and textile trade, and investment opportunities for the textile industry.

Theme of the conference is 'Opportunities for Increased Trade in Cotton Textiles'.

Cotton Bangladesh, a global textile magazine, and International Cotton Advisory Committee (ICAC) in cooperation with BGMEA, BKMEA, BTMA, Cotton Outlook and Globecot will organise the convention.

Tata, CSN ready for Corus battle

ANN/ THE STATESMAN

The board of directors of Tata Steel met Friday to work on a strategy to counter the Brazilian steel maker CSN's higher offer to take over the Anglo-Dutch firm Corus. The Tatas, corporate sources say, considered raising its current bid of \$8.1 billion to buy out Corus. But official spokesman for Tata Steel said they would not like to issue any statement on yesterday's board meeting.

Tata had in October made a \$8.1 billion takeover offer, but Brazil's Companhia Siderurgica Nacional SA trumped Tata with a slightly higher offer of \$8.3 billion for Europe's second largest steel maker.

CSN last week approached Corus with an offer of 475 pence per share which is higher than the already agreed upon deal between Tatas and Corus, by 20 pence a share. The shareholders of Corus are scheduled to meet on 4 December to consider the approved deal between Tata and Corus boards over a fortnight ago.

Investment banking sources said in London that Tatas are believed to have informed Corus that they are willing to match the CSN bid, provided the Anglo-Dutch company supported them.

Sources, however, clarified CSN has not yet made a formal bid and it would be premature on their part to react.

Tatas had made an offer of 455 pence a share, which Corus Board had approved early this month. The issue is slated to come at the extraordinary general body meeting of Corus shareholders on 4 December.

Stock market sources apprehend that the price war between CSN and Tatas may compel the Indian corporate giant to overpay to snatch the bid from the Brazilian steel maker.

Vietnam's export revenue surges

XINHUA, Hanoi

Vietnam is estimated to reap export earnings of nearly 36.3 billion US dollars in the first 11 months of this year, a year-on-year rise of 23.7 percent, according to a local trade agency Friday.

Key items posting high export values in the period include garments and textiles, 5.4 billion dollars; seafood, over 3.1 billion dollars; pepper, 187 million dollars; and tea, 96 million dollars, said the Information Trade Center under the Trade Ministry.

Vietnam is set to import goods valued at nearly 40.8 billion dollars between January and November, posting a year-on-year increase of 21.4 percent.

Vietnam, which posted export turnovers of 32.2 billion dollars in 2005, a year-on-year increase of 21.6 percent, is boosting exports, diversifying markets and fostering trade promotion in an effort to gain this year's export growth of 17.4 percent as recently targeted by the country's National Assembly, its top legislative body.

Syndicate responsible for price hike of imported essentials

Says distributors' association

STAR BUSINESS REPORT

A syndicate of unscrupulous traders hikes prices of imported essentials by creating artificial shortfalls, Bangladesh Consumer Goods Distributors Association (BCGDA) said yesterday.

It is very easy to manipulate the prices, as only few big shots import essentials, members of the association told a press briefing in Dhaka.

The syndicate of dishonest importers is responsible for price hike of essential items such as sugar and soybean oil, said Khandker M Rafiq Hasan Rajesh, president of the association, which has 18,000 member firms.

"The government can easily catch the syndicate and control the prices of imported essential items, said Rajesh, also the proprietor of Sky Plus Trading.

The association also demanded the government to allow non-mechanised vehicles such as rickshaws and rickshaw vans on

VIP roads for a particular time for smooth transportation of goods.

Urging parties to avoid programmes such as strikes and blockades, the association said the ongoing political turmoil has cast a negative impact on business.

The BCGDA leaders said they are incurring a huge amount money due to the political turmoil.

"Our business faces closure. The blockade has affected the distribution network of essential products," said Rajesh.

General Secretary of BCGDA Morshed Alam Swapan the political parties should exempt their business from the agitation programmes.

He also demanded effective measures to stop extortion from the distributors across the country.

The BCGDA general secretary said some 10 lakh people indirectly involved in the distribution service bear the brunt of the political stand-off.

IOM launches BenQ brand projectors

International Office Machines (IOM) Ltd has recently launched two models of BenQ brand digital projectors in Bangladesh, says a press release.

The features of the BenQ projectors include colour matching technology, higher resolution and brightness, whisper quiet design, various sets of application mode, auto off, password protection, quiet cooling, front ventilation and high altitude mode.

Besides, the BenQ MP610 and MP620p are cross-functional projectors and suitable for both business and home environment, the release added.

Dollar near lows

AFP, Tokyo

The dollar traded close to a two-month low against the yen and near to its year low against the euro in subdued Asian trade Friday after the US Thanksgiving holiday, dealers said.

They said the euro remained pumped up by news overnight Thursday that business sentiment in Germany was back at a 15-year high.

The dollar rose to 116.37 yen in Tokyo afternoon trade from 116.25 yen in late European trade Thursday, when it briefly struck a two-month low of 116.04.

US and Japanese financial markets were closed Thursday for public holidays.

The euro firmed to 1.2958 dollars in Tokyo from 1.2948 in Europe and to 150.77 yen from 150.47.

The single European currency rose to as high as 1.2975 dollars in European trade Thursday, close to its year's high of 1.2979 dollars reached on June 5.

Dealers said the yen could also make further gains against the dollar amid signs that so-called yen carry-trade — when speculators borrow cheap funds in Japan to invest elsewhere — might be starting to unwind.

"US stock markets are giving the impression that the US economy is still firm and that it is making a smooth soft-landing," said Osamu Takashima, chief analyst at Bank of Tokyo-Mitsubishi UFJ.

S'pore's October industrial output slows sharply

AFP, Singapore

Singapore's industrial production in October grew at a slower-than-expected pace of 1.5 percent, pulled down by declines in electronics and chemicals, the government said Friday.

Analysts had been expecting a gain of 5.5-8.5 percent after the year-on-year rise of 6.7 percent in September.

"While the transport engineering and biomedical manufacturing clusters expanded, contractions were seen in the electronics and chemicals clusters," the Economic Development Board (EDB) said.

In the 10 months to October, manufacturing output was 12.6 percent higher.

In October, transport engineering grew 22.1 percent expansion, bolstered by the marine and offshore segment as well as aerospace.

ADB to lend Indonesia \$428m for infrastructure

AFP, Manila

The Asian Development Bank said Friday it will extend more than 428 million dollars in loans and grants to Indonesia to help develop its infrastructure and spur economic growth.

The financing will come as part of a program intended to meet the infrastructure needs of Indonesia by attracting more private investment, the Manila-based ADB said in a statement.

Before the Asian economic crisis in 1997, Indonesia spent about six percent of its gross domestic product (GDP) on infrastructure but that has now gone down to two percent, with the country's poor suffering as a result, the ADB noted.

WEEKLY ROUNDUP

DSE indices up 2.5pc

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The Dhaka Stock Exchange (DSE) witnessed a bullish trend last week with indices rising by around 2.5 percent.

The DSE General Index shot up by 37.59 points, or 2.47 percent, to close at 1560.03 points on Thursday, the last working day of the last week, from 1522.44 points on November 16, the last working day of the previous week.

DSE All Share Price Index also went up by 30.10 points, or 2.38 percent, to close at 1296.20 points last week from 1266.10 points of the previous week.

Besides, DSE 20 Index, which comprises blue chips, also increased by 43.30 points, or 3.31 percent, to close at 1352.08 points last week from 1308.78 points.

Turnover on the premier bourse also went up by 40.60 percent last week. The total turnover in terms of value on the DSE was Tk 154.61

crore last week against Tk 109.96 crore in the previous week.

However, the daily average turnover decreased by 15.64 percent last week from the previous week. In the last week, daily average turnover on the bourse was Tk 30.92 crore while the figure was Tk 36.65 crore in the previous week. However, trading on the prime bourse took place on five days during the last week against three days in the previous week that resulted in a downtrend in daily average turnover.

Total transactions on the DSE went up by 90.22 percent last week. A total of 2,36,78,449 shares of 261 issues were traded on the premier bourse last week while 1,24,47,709 shares changed hands in the previous week.

Of the issues traded, 128 closed higher, 74 ended lower and 24 remained unchanged.

The top ten turnover leaders in the week were Power Grid

Company of Bangladesh (PGCB) Ltd, City Bank Ltd, Dhaka Electric Supply Company Ltd, Rupali Bank, Summit Power, Bextex Limited, Pubali Bank, United Commercial Bank Ltd, Square Pharma and Heidelberg Cement.

PGCB, the state-owned power company, topped the list of turnover leaders with 17,70,500 shares worth Tk 39.71 crore, accounting for 25.69 percent of the total market turnover.

Talking to The Daily Star, DSE Chief Executive Officer Salahuddin Ahmed Khan said the indices and turnover went up last week, as there was an expectation among the investors that the ongoing political deadlock would be settled soon.

"Besides, the institutional investors were also more active last week that helped the stock market to witness an upward trend," he said.

China's 'Go West' policy gets mixed results

ANN/ CHINA DAILY

If you build it, they will come — except perhaps to China's vast, untapped western frontier.

Nearly seven years after Beijing launched its 'Go West' campaign to lift incomes, ease social tension and bring prosperity to an impoverished region, foreign firms have saddled up mostly only for minor investments, while domestic firms borrow cheap funds in Japan to invest elsewhere — might be starting to unwind.

"US stock markets are giving the impression that the US economy is still firm and that it is making a smooth soft-landing," said Osamu Takashima, chief analyst at Bank of Tokyo-Mitsubishi UFJ.

BNP Paribas' chief China economist, Chen Xingdong, summed things up with a Chinese proverb: "The government thought once the phoenix tree was planted, the phoenix would come. But it didn't."

The much-touted campaign, kicked off at the turn of the century, aimed to revive the fortunes of the country's 12 poorest provinces or regions, which are home to a quarter of China's people but account for just 15 percent of gross domestic product.

Beijing had hoped to narrow income disparities with the thriving east.

Some manufacturers have

Japan stops poultry imports from S Korea

AFP, Tokyo

Japan said Friday it has suspended poultry imports from neighbouring South Korea after a suspected bird flu outbreak there.

Japan halted the imports Thursday and started requiring arrivals from South Korea to disinfect their shoe soles when entering the country, Chief Cabinet Secretary Yasuhisa Shiozaki said.

"I understand that South Korea reported that about 6,000 chickens died and that the bird flu virus is feared. We are currently asking for more detailed information from the South Korean government," said Shiozaki, the government spokesman.

"We decided to implement the measures to be careful," he said. Agriculture Minister Toshikatsu Matsuoka said the ban would remain in place for the time being.

"We are suspending the imports for now and taking necessary measures to ensure there are no infections," he said.

Some 6,000 chickens at one farm died in three days in Iksan, a major center for South Korea's poultry industry. The suspected cases were the first since the country declared itself free of the disease last December.

South Korea on Friday announced its second apparent bird flu outbreak but said it was not the deadly H5N1 strain.

Mittal to give 10 years' wages to families of dead Kazakh miners

AFP, Almaty

Ginat steelmaker Mittal is to pay 10 years' wages to the families of workers killed in accidents in its mines in Kazakhstan in the past two years, a company official was quoted as saying Thursday.

"The families of all miners who died on the sites of Mittal Steel Temirtau in 2005 and 2006 will soon receive compensation equivalent to 10 years' pay," company financial director Vassiliy Telnov said, according to the Interfax-Kazakhstan news agency.

Speaking at Karaganda in central Kazakhstan, Telnov said the amount would be around 2.6 million tenga (20,000 dollars) in each case, without saying how many families would benefit.

In September an explosion and fire at the Mittal-owned Karaganda mine left at least 41 people dead. The blast was most likely caused by a build-up of methane gas around 500 metres (1,600 feet) below ground.

Kazakhstan's Lenin mine is part of a vast steelmaking complex in Karaganda and one of a number run in the former communist bloc by Mittal, the world's largest steelmaker. Coal is a vital raw material in the steel-making process.

"We deeply regret this tragic accident and extend our full sympathy and condolences to the families of everyone who has been affected," the company's president Lakshmi Mittal said at the time.

Mazda plans plants in Thailand, N America

REUTERS, Tokyo

Mazda Motor Corp plans to invest more than 50 billion yen (\$430 million) to build a small-car plant in Thailand together with top shareholder Ford Motor, and later may bring a plant of its own onstream in North America, the Nihon Keizai business daily reported on Friday.

By boosting output capacity, Mazda, held one-third by Ford, is set to play a key role in the Ford group's small-car operations amid growing demand for fuel-efficient Mazdas in the United States and Europe, the paper said.