

Focus on consumer credit-1

Banks tapping new opportunity, middle-class finding comfort

By Sharier Khan and Inam Ahmed

Consumer credit, an unexplored area for the country's banking sector, is drawing greater attention by the banks in their lending programmes and increasing interest from the middle-class consumers trying to add some little comforts in their life.

Nearly Tk 200 crore have been disbursed by six local and foreign banks under different consumer credit schemes during the last five years catering to some 50,000 clients in the country.

Their credit programmes for consumer goods ranging from microwave oven to cars have been enthusiastically welcomed by the country's growing middle class, with little cash to spare for the luxuries.

Fueled by a reform-driven growth in the nineties, with import liberalisations and rising exports, Bangladesh's middle-class developed its appetite for the hitherto unknown luxuries like microwave oven, washing machines, colour TVs, VCRs, music systems, cameras, videos, cellular phones, computers, cookers, carpets, sofas etc.

Housewives today prefer a

washing machine, instead of hiring a maid for Tk 500-700, to pay the money instead to a bank or company offering hire purchase, a marketing executive said.

"Dad was 40 plus when he had his first car. But I am in my twenties. I didn't want to wait to reach forties to drive my own car. So the banks are the best friend for me to provide my dream car to drive in affordable installments", a multi-national company executive says.

"Such credit options should have been there long ago," says Taufiq Elahi, a young designer in an advertising firm. "I had been desperately looking for easy loans to buy a computer for long. I came to know about such credits a year ago or so and now I own a computer back at my home."

"These schemes are a tremendous boost for both the consumers and the local electronics manufacturers," says businessman Afzal Hossain who purchased a car, a TV and a VCR under such credit schemes. "If the schemes could be popularised by a greater extent, these could clearly help our economy grow."

Consumers feel that the cost of the everyday-electronics items, which are now an essential part of a speedy city life remains much higher than that of any other country. "For instance, a labourer in Malaysia can afford a 14 inch colour TV which costs his two months minimum wage. A labourer in Bangladesh will have to spend his 14 months salary for the same item," observes businessman Imran Alam.

"That is why," says Imran, "banks should help our people purchase these electronics. The more they would buy the more the electronics companies would be able to cut their costs and in the long run our electronics market would be accessible for the common men."

Although the clientele is mostly urban based, this credit market is expanding rapidly because of its success in terms of recovery, usually in the range of 95 to 99 per cent, bankers say.

The consumer credit scheme was first introduced by Islami Bank in January, 1993, and later other banks including ANZ Grindlays, Prime Bank, Uttara Bank, Prime Bank,

South East Bank and Social Investment Bank.

Islami Bank has so far disbursed Tk 96 crores under consumer credit schemes among some 35,000 clients.

ANZ Grindlays has disbursed Tk 90 crores among some 6000 clients under its planz and miscellaneous schemes since June 1993.

Since the Prime Bank introduced consumer credit schemes from April 1995, some 4150 clients were given Tk 18 crore credit till December last year.

The Social Investment Bank provided Tk three crore among some 982 clients since last year.

South East Bank disbursed Tk two crore since starting its consumer credit in November, 1995 among some 250 clients. The Uttara Bank, another new comer in the consumer credit field, has disbursed Tk 2.34 crore in three months since starting the programme in October, 1996. Till January, it had attracted some 1128 clients, mostly middle class. Uttara's annual target of Tk five crore as consumer credit now looks easily achievable as the scheme has created quite a ripple among its account holders.

UK trade fair ends on good note

By Rafiq Hasan

The UK Trade Fair '97 at Hotel Sheraton drew attention of the city dwellers where about two dozens of British Multinational companies have set up attractive stalls to sell and display their products.

Beside computers, consumer goods and electronics items, a number of British Multinational companies working in the country since long have put some heavy machinery on display.

BOC Bangladesh Ltd, a famous UK based multinational company, has set up 4 stalls to demonstrate their different machinery and equipment relating to gas, oxygen and medicinal use.

"As we are already in the mind of the local people for quite some time, we have come here to let the people know what we are doing," said Javed Islam, a representative of the company.

At his stall, set up in the middle of the fair premise, Javed was demonstrating a gas based machine which can produce dry ice within a few minutes. The product is mainly used for preserving food items.

"People who had little knowledge about various products and goods made by British companies acquired a lot of information through this fair," said another representative of a participating company.

Mir Trading Company, a local representative of British "Petbow", decorated its stall with power generating machine.

The company has already set up more than 300 generators for producing electricity at different industrial units including garments, textile and leather factories.

James Finlay Plc, a noted tea producer having 100 years of experience in tea business, was offering free cup of tea to the visitors.

The other reputed British companies which participated in the first UK trade fair in the country were Lever Brothers, British Petroleum, BTS Computer UK Ltd, Mackie International Ltd, Massey-Ferguson, Mott Mac Donald, Crown Agents Duncan Brothers, British Airways, Hong Kong Bank and Tootal Thailand Bangladesh Ltd.

A large number of young people specially college students crowded a number of stalls set up by different colleges in the United Kingdom for counselling local students.

Talking to the Daily Star, Carry McClellan of St Andrew's Cambridge College said, "We are getting tremendous response from people about our education programme including admission test, tuition fee and part time job opportunity."



Visitors crowding the stalls at UK trade fair at Dhaka Sheraton Hotel in the city. —Star photo

Coming AGMs

Company	Book Closure	AGM/EGM	Date	Venue / Time	Dividend Proposed
Chittagong Cement	01/03/97-20/03/97	AGM	20/03/97	Hotel Agrabad Ctg 10 am	18.2.20
National Tube	01/03/97-25/03/97	AGM	25/03/97	Factory Premises 11 am	18.2.15
Eastern Cables	01/03/97-20/03/97	AGM	20/03/97	(Half yearly interest)	18.5.10
BD Luggage (pub)	18/03/97-24/03/97	AGM	19/03/97	—	35
Eastern Lubricant	13/03/97-19/03/97	AGM	19/03/97	—	3R:1Pr: Tk 50
Ctg Vegetable	20/03/97-28/03/97	AGM	28/03/97	—	18.5
Bengal Biscuit	15/03/97-28/03/97	AGM	28/03/97	Hotel Sonargaon,	2R:1Pr: Tk 150
Alfa Automobiles	22/03/97-25/03/97	AGM	—	—	—
Beximco (Pub)	25/03/97-10/04/97	AGM	10/04/97	(Interest for 12th installment)	—
Umanisa Glass	02/03/97-21/03/97	AGM	21/03/97	Regl. Office 10:30 AM	25
Saver Refractor	20/03/97-21/03/97	AGM	21/03/97	Hotel Sonargaon 11:30 AM	—
Singer BD	27/03/97-16/04/97	AGM	16/04/97	Hotel Sonargaon	75.182
Prima Oil	23/03/97-28/03/97	AGM	28/03/97	—	20
Jute Spinners	24/03/97-30/03/97	AGM	30/03/97	Head Office, House No. 98, Road 9A (New) Dharmad 12 Noon	25
Wata Chemical	01/04/97-09/04/97	AGM	09/04/97	Jadavpur hall, Hotel Putani 4 PM	—
Pharmaco Int.	17/03/97-30/03/97	AGM	30/03/97	60, Motiheel C/A, BCC Auditorium 10 AM	25

PEREGRINE BANGLADESH INDEX

Tuesday's market comment

The PBI bounced back after three consecutive days of sharp losses at it surged 3.84% on strong volume. Market sentiment was very positive with 24 issues advancing over only 1 loser. BTC (+9.61%) and Apex Foods (8.52%) gained on retail demand whilst Beximco Synthetics (+6.35%) and Beximco Pharma (+4.96%) appreciated on institutional buying. Square Pharma and Bangladesh lamps were also amongst the notable winners as they added 7.12% and 6.21% respectively. Chittagong Cement was the only issue to decline as it fell 0.83% under retail selling pressure.

Exchange Rates

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 11/03/97

Selling	T.T. & B.C.		Buying		O.D. Sight	O.D. Transfer
	Name of Currency	T.T. & B.C.	T.T. Clean	O.D. Sight		
US Dollar	42.9120	42.9650	42.6200	42.4550	42.3438	
GB Pound	68.9008	68.9809	67.8942	67.6151	67.4379	
E. Mark	25.3483	25.3777	24.9265	24.8241	24.7590	
F. Franc	7.5148	7.5235	7.3898	7.3594	7.3401	
J.P. Yen	0.3576	0.3581	0.3492	0.3478	0.3469	
C. Dollar	31.4423	31.4788	30.9133	30.7863	30.7056	
S. Franc	29.3034	29.3374	28.8014	28.6830	28.6078	

Janata Bank's selling and buying rates in cash currency for public:

SELLING	US DLR	GBP	S RIVALRY	UAE DH	KU DINAR
43.0000	67.6508	11.7000	11.6500	141.0000	
BUYING	42.5000	65.6508	11.3500	11.1500	135.5000

Shipping Intelligence

Chittagong Port

Berth Position and Performance of Vessels as on 11-3-97

Berth No	Name of Vessels	Cargo	L Port	Local Agent	Date of Arrival	Leaving
J/1	Banglar Kiron	Rice(G)	Kara	BSC	6/3	16/3
J/2	Marc	Gl (Copro)	Sing	Jpl	19/2	11/3
J/4	Bismilaha-La	Wheat(P)	Argen	Owl	22/2	14/3
J/5	Mariupl	Wheat(G)	P Kel	AASS	19/2	12/3
J/6	La Paiz	Gl	Pena	AASS	20/2	18/3
J/7	Jin Jiang	Gl	Xing	Prog	23/2	12/3
J/8	Yi Yang	Gl	Xing	Prog	15/2	12/3
J/9	Banglar Kiron	Rice(G)	Kara	BSC	8/3	16/3
J/10	AN DA	C China	Sing	MBL	28/2	25/3
J/12	Akhis Fighter	Gl(P, Mat)	Sing	Sunshine	R/A	11/3
CCT/1	Consistence	Cont	Sing	RSL	9/3	11/3
CCT/2	Kota Pusaka	Cont	Sing	PH(BD)	10/3	13/3
CCT/3	Vanessa	Cont	Mong	RSL	7/3	13/3
RM/14	Al Salma	Idle	Bomb	Assl	7/3	12/3
CCJ	Arcadia-1	C Clinc	Bomb	Seacom	4/3	17/3
CSJ	Banglar Robi	Repair	Bomb	BSC	R/A	12/3
TSP	Hemlock Wheat(P)	Idle	DAR	Owsl	19/2	14/3
RM/5	Ping Shun	Cement	Qing	Delmure	23/2	25/3
DOJ	Banglar Jyoti	Repair	Para	BSC	R/A	11/3
DDJ/1	Tanary Star	Idle	Para	Psal	7/6	
DDJ/2	Banglar Shobha	Repair	Marc	BSC	11/1	12/3
RM/8	Banglar Asha	Repair	Mong	BSC	6/3	14/3
RM/9	Banglar Doot	Repair	Mong	BSC	R/A	20/3
Cutlj	Blue North	Cement	Qing	Psal	3/6	15/3
Katco(U) Trade Dawn	Ureac(G)	Switch	Litmond	16/2	14/3	

Vessels due at outer Anchorage

Name of vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
An Long Jiang	11/3	Sing	Everett	Urea	Q
Sea Master-1	11/3	Busa	Oil	Gl	
Emeral Halo	12/3	Linc	Lams	Wheat(G)	
Brunei Eagle	11/3	Sing	B.Bay Survey	Purpose	
Ocean Prize	12/3	P Linc	Ancient	Wheat(G)	
Veg Territas	13/3	Col	Karna	Empty	
Pulsna (Cont) 3/3	12/3	Sing	Rsl	Cont	Sing
Future(Cont)/24/2	12/3	Sing	Bdship	Cont	Mong
Fong Lee 12/3	13/3	Col	Bdship	Cont	Cong
Xing Ye	12/3	P Land	Rainbow	R.Seed(Bulk)	
Arcadia Pride	12/3	Rml	Psal	Gl(D, Cement)	
Al Safi	13/3	Sing	Psal	Gl(D, Cement)	
Kota Berjaya 4/3	14/3	Sing	PH(BD)	Cont	Sing
Meng Kiat 20/2	13/3	Sing	Am1	Cont	Sing
Vishva Parag	13/3	Mad	SSL	Gl	
Fong Yun 24/2	15/3	Sing	Bdship	Cont	Sing
Ultima 6/3	14/3	Col	Baridhi	Cont	Col
Emeral Venture	15/3	Sing	Simni	Scraping	
Rafhu	15/3	Adab	Litmond	Fert(BAG)	
Ocean-1	16/3	Cal	Cross	Gl	
Susak 4/3	16/3	Col	Baridhi	Cont	Col
Timber Trader-VI	16/3	Col	Everett	Gl	

Tanker Due:

Lady Helene	13/3	Rainbow	Ordo
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Vessels at Kutubdia

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Danat Qatar	C Oil	Rast	USS	10/3
Banglar Shourabh	C Oil	Sing	BSC	R/A
Ismaya		Sing	B Bay	9/1
Orizont		Sing	B Bay	25/2
Mighty Tide		Sing	B Bay	R/A/9/3
Pandia	HSD	Rwa	Ecl	4/3
Destiny	HSD	Rwa	Ecl	R/A
Canopus	HSD	Rwa	Ecl	R/A

Vessels at outer Anchorage:

Ready On:	Fay	Banglar Urm	Gregory Kovalchuk	QC Pintall(Cont)	Banglar Moni (cont)
	Gl	GL	Gl	Cont	Cont
	Mumb	Mong	Sing	Sing	Sing
	RSA	BSC	Bdship	Qsl	BSC
	7/3	6/3	8/3	11/3	11/3

Vessels not entering:

Chelyabinsk	Hydroussa	Aegensea-1	Banglar Sampad	Peang Xing Ling
Cement	Ballast	Ballast	Ballast	Ballast
CCNL	Monr	Tampa	BSC	Delmure
R/A/6/3	Oil	Gel	R/A/17/1	R/A/9/3

Vessels not entering:

Professor Vuznik	Plees	Sevan	New Broitkyn	Ocean Rover
Scraping	Scraping	Scraping	Scraping	Ballast
CEL	Hoan	Mong	Kott	Cal
R/A/11/3	CEL	Litmond	JF	Fairmax
3/3	7/3	8/3	6/3	

Movement of Vessels for 12-3-97

Outgoing	Incoming	Shifting
J/5 Marup	J/7 Gregory Kovalchuk	J/12 Fay to J/5
J/7 Jin Jians	J/12 Steamers Future	GSJ B Rabi To J/13
J/8 Yi Yang	Doj B Jyoti	RM/5 Ping Shun to RM/6
J/9 B Lalji	J/9 B Urm	
J/13 B Mori	CCT/1 QC Pintall	
CCT/1 Consistence	J/NB Sea Master-1	
DOJ B. Shourabh	J/8 Xing Ye	
DDJ/2 B Shobha	NB Chelyabinsk	

The above are the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

Commerce Minister tells EPC meet

Maintain political stability to help attain economic uplift

Commerce and Industries Minister Tofael Ahmed has called for maintaining political stability in the country to help attain economic development by boosting trade, investment and export, reports UNB.

"We have to work unitedly for it. The ruling and opposition parties will have to reach a national consensus on economic issues," he said at the 29th half-yearly meeting of Bangladesh Export Promotion Council here yesterday.

The meeting, organised by Export Promotion Bureau (EPB), was participated by leaders of different chambers and trade bodies, exporters, commercially important persons, bankers and officials of concerned ministries and departments.

The Commerce Minister said the development of export sec-

tor depends on facing successfully the challenges of post-Uruguay round situation. "The government is ready to assist you in this regard... but you have to play the key role," he told the exporters.

Tofael said the National Committee for Exports headed by the Prime Minister in its last meeting took some steps towards solving a number of major problems in the export sector. He said the task force headed by him is also active.

The minister informed that goods worth Taka 10,886.14 crore were exported from Bangladesh during the first seven months of 1996-97 fiscal marking a 12.63 per cent increase over that of the corresponding period of the previous year.

He hoped that if the present

rate continues,