

Canadian banks ready for Y2K

OTTAWA, Nov 28: The woman overseeing Y2K preparations for Canada's bankers already knows what she is going to say when the phone rings at midnight on December 31: "All is well, happy new year from Canada's banks," reports Reuters.

Karen Michelle, director of Y2K at the Canadian Bankers Association, said the country's 53 banks are confident it will be business as usual when the clock ticks into the year 2000, along with thousands of bank computer chips.

In Canada, the banks have been working on Y2K since 1995... they are considered to be world leaders in terms of preparation for the year 2000," Michelle said. "All of (our) systems have been tested, have been rolled over into a year 2000 environment, and they are ready for the new year."

The Y2K problem, or "millennium bug," refers to potential shutdowns or disruptions in computers programmed to read only the last two digits in a year. That could make them unable to tell whether the date advances to 2000 or recedes to 1900 at midnight on December 31, 1999.

Michelle said Canada's banking industry has cooperated to ensure that connected systems within the financial sector, those that handle direct deposits, credit card transactions and check processing, for instance, all work together.

In August, tests of widely used, industry-wide systems such as Interac went off without a hitch. Interac is responsible for the network that links 24,788 automated banking machines and more than 425,000 point-of-sale debit card terminals across Canada.

Visa and Mastercard, the credit cards issued by Canadian banks, have also passed the Y2K readiness test.

The banks will have an extra buffer, a long weekend, to start the new year with. Financial markets will be closed in Canada on Monday, January 3 for the New Year's statutory holiday. That will give banks more breathing room to reset any disabled systems.

Shamsul Kamal joins CDS as MD and CEO

Star Business Report
A G M Shamsul Kamal has been made the first Managing Director and Chief Executive Officer of the proposed Central Depository System (CDS) of Bangladesh.

He took over the charge of the company last week, says a press release.

The decision to appoint him MD was taken unanimously at a meeting of the Board of Directors of Bangladesh National Securities Depository Limited (BNSDL) held in the city last Monday.

Kamal brings with him rich experience in the commercial as well as capital market in the country.

Other members of the board were also present at the meeting.

Padma Textile declares 5 pc dividend

Star Business Report
Padma Textile Mills Ltd has declared a 5 per cent dividend for its shareholders for the year 1998.

The dividend was announced at the 15th annual general meeting of the company held in the city on Saturday, says a press release.

The meeting was presided over by A S F Rahman, Chairman of the Board of Directors.

The company earned a gross profit and net profit of Tk 600.403 million and Tk 236.687 million respectively for the year 1998.

The shareholders were highly satisfied with company's growth both in terms of turnover and profit.

Salman F Rahman, M A Qasem and A B Siddiqui Rahman, directors, attended the meeting.

A large number of shareholders attended the meeting.

Beximco Textiles announces 5 pc dividend

Beximco Textiles Limited has declared a 5 per cent dividend for its shareholders for the year 1998.

The dividend was announced at the 5th annual general meeting of the company held in the city on Saturday, says a press release.

The meeting was presided over by A S F Rahman, Chairman of the Board of Directors.

The company earned a gross profit and net profit of Tk 587.41 million and Tk 247.69 million respectively for the year 1998.

The shareholders were highly satisfied with company's growth both in terms of turnover and profit.

Salman F Rahman, Vice Chairman and Directors — Iqbal Ahmed and Shabbir Hashmi — attended the meeting.

Hardware, software fully-compliant, say providers DSE set to carry out mock Y2K trading in mid-Dec

By M Shamsur Rahman

The Dhaka Stock Exchange (DSE) is well set to carry out mock automated trading mid-next month by artificially changing dates to December 31 and rolling over to year 2000 to ensure a smooth transition to the new millennium.

DSE officials said that the hardware and software providers had assured them of the systems' compliance to face the Year 2000 glitches.

"We have obtained necessary papers certifying the compliance of our machines, but we plan to conduct the rollover test to ensure that nothing will go wrong," according to DSE Chief Executive Officer GQ Chowdhury.

The problems that are expected to arise out of non-compliance are:

• At midnight January 1, 2000, the internal date of the computers will change from 31/12/99 to 01/01/00.

• All the hardware and software that use the two-digit year convention will potentially start malfunctioning because the system will erroneously read 2000 as 1900 or some other wrong dates.

• Hardware shutdown.

• Data corruption.

mission (SEC) to upgrade their systems following fears of possible computer breakdown, which may cause serious troubles to brokers' workstations.

Both the stock exchanges launched automated trading systems last year, and since then, these have been functioning pretty well without reports of any serious malfunctioning.

But as the new millennium is about to set in, it poses serious threat to the country's stock business. And this prompted the regulators to call upon all concerned to make their machines Y2K-compliant.

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A company may end up with wrong calculations regarding its dividend pay-outs or a securities firm may execute transactions never ordered by an investor.

These mere probabilities may turn into hard realities if measures are not taken beforehand, experts say.

The introduction of automated trading by both the bourses has made Bangladesh Telephone & Telegraph Board (BTTB) an integral part of the stock business, as members of the bourses dial in to the system and trade on-line.

The DSE has a total of 575 terminals which the brokers use for conducting trade. Of these, 30 workstations use the wide-area-network (WAN) from remote areas.

Experts fear that the millennium bug can be so fatal that even if computers at a single workstation used by a broker is not updated to face the Y2K glitches, it may cause the total trading system to collapse.

The DSE CEO, however, said that the IT division of the bourse had already tested the PCs of every brokers and found all the machines ready for the big bug.

He said that after the rollover test, the authorities will be in a position to evaluate the possible effects of Y2K, if any.

He said that the hardware vendors were already in the city while the software providers, expected to be here shortly, would conduct the test next month.

During the rollover test, the DSE will preserve its entire database in a safe place while the test run will be conducted by changing the dates to December 31, 1999, and the mock trading will continue till January 1, 2000 he said.

He also said that the bourse already has a contingency floor to allow trading in case of failure by any member house. "In case of failures, the brokers would be able to trade on the contingency floor," the CEO said.

He also said that for tackling power failures, DSE had two back-up generators to ensure trading for the entire period.

UK Trade and Edn Fair begins in city Dec 5

Star Business Report

The Third UK Trade and Education Fair '99 will begin in the city on December 5.

The three-day fair aims at promoting the UK companies and educational institutions to expand the market of their goods and services in this

country," said Stephen Turner, acting British High Commissioner, at a press conference at Dhaka Sheraton Hotel yesterday.

A total of 63 British companies and educational institutions will participate in the fair

jointly organised by the British High Commission and British Council with financial support from British Trade International, a UK government body responsible for trade promotion.

The participants represent a wide range of sectors including banking, oil and gas, agriculture, transportation and construction. A total of 42 British companies participated in last year's fair, while the number was 35 in the first fair held in 1997.

"We are running the fair to encourage more British companies to come in a greater way and look for markets here in the country," said Turner.

Besides giving the business people a scope for looking at a wide array of British products and services, the exhibition will enable potential students to discuss education opportunities in UK, he added.

Foreign Minister Abdus Samad Azad and the British High Commissioner in Bangladesh David C Waker will inaugurate the fair.

Answering to a question, Turner said that the schedule of the fair would not be shifted if there is hartaal on these days.

Turner said that Bangladesh's exports to UK were showing a steady growth. According to the British High Commission, Bangladesh exports to UK amounted to 197.5 million pound sterling till September '99 and imports from UK figured 46.6 million pounds.

During the period, Bangladesh's exports increased by 10.2 per cent compared to the same period last year, while imports dipped by 21.2 per cent.

Clive Alcorn, Head of the Commercial Section, Jon Geddes, Second Secretary of the British High Commission, and Ripa Wale, Education Programme Manager of British Council, attended the press conference.

The fair will remain open for the general public from 12 noon to 9 pm on December 5, 10 am to 8 pm on December 6 and 10 am to 6 pm on December 7.

Japan okays \$380m loan for Philippines

MANILA, Nov 28: Japan will release 40 billion yen (380 million dollars) in new loans to the Philippines to finance train, port and flood control projects, Japanese Prime Minister Keizo Obuchi said Saturday, reports AP.

BRC preliminary test for Officer post Dec 31

The preliminary test of the candidates for the post of officer of the state-owned commercial banks and financial institutions will be held under the supervision of the Bankers Recruitment Committee at different city centres on December 31 this year, says a Bangladesh Bank press release.

"I think for the first time we can say that the Asian financial and economic crisis is come to an end," said Australian Treasurer Peter Costello after a week where several economies declared themselves out of recession.

Meanwhile, admit cards are being sent to the candidates.

The preliminary test of the candidates for the post of senior officer will be held later and admit cards will be sent to them in time, it added.

Welfare fund proposed at BIA AGM

Star Business Report

The Chairman of Bangladesh Insurance Association, M A Samad, has proposed that a welfare fund be created by the association to do some social work.

The proposal was made at the 12th Annual General Meeting of the association held at a city hotel on Saturday, says a press release.

The association is the apex body of 6 life and 24 general insurance companies.

In his annual report, Samad highlighted the progress and problems of private sector insurers.

In the field of life insurance in 1998, the premium income from life business in the country registered a growth. The total premium income from life business rose from Tk 3935.32 million in 1997 to Tk 4957.78 million in 1998, of which Tk 3555.88 million was earned by the private life insurance companies and Tk 1401.90 million by the Jiban Bima Corporation.

The annual growth rate of private sector life business was 33.70 per cent as against 31.67 per cent in 1997. Private sector life insurers made a substantial progress in new life business.

The total first year premium registered an increase from Tk 1287.65 million in 1997 to Tk 1527.20 million in 1998. The renewal premium increased from Tk 1361.51 million in 1997 to Tk 1837.56 million in 1998.

The life fund of private sector insurance companies stood at Tk 6337.08 million on 31st December 1998 as against Tk 4638.44 million on 31st December 1997.

The total investment of private life insurance companies increased from Tk 3225.99 million in 1997 to Tk 4222.10 million in 1998.

'Asian financial crisis officially over'

HONG KONG, Nov 28: The Asian economic crisis is officially over and a remarkably strong recovery is underway, say leaders and economists, while warning that a slide into complacency could prove disastrous, reports AFP.

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"Events in 1999 have turned out to be far better than expected," the Manila-based bank said in a report. "The 1999 per-

formance appears to be the beginning of a cyclical upswing as prospects for 2000 also appear strong."

Southeast Asian leaders Thursday announced their countries had finally shaken off the recession which set in last year in earnest.

Association of Southeast Asian Nations (ASEAN) members Indonesia, Malaysia, the Philippines and Thailand were at the centre of the mid-1997 currency meltdown that ushered East Asia to its worst post-war economic crisis.

ASEAN ministers said their economies should grow between two and three per cent on average this year compared to a disastrous seven per cent slump in 1998, and were now "poised for higher and sustainable growth" from 2000.

But at a meeting in Manila they said that "while our economies look much healthier compared to a year ago, the situation still remains vulnerable and there are risks."

ment this amount was to be paid before the end of next year.

The rescheduling was part of an overall relief package of 3.3 billion US dollars arranged through the Paris Club by the ousted Nawaz Sharif government earlier this year.

The agreement, signed in Islamabad on Thursday between Javed Akram, Secretary, Economic Affairs Division of Pakistan government, and the US Ambassador in Islamabad William B Milam, will help Pakistan to repay after the year 2003, the announcement said.

Under the original arrange-

ment this amount was to be paid before the end of next year.

The rescheduling was part of an overall relief package of 3.3 billion US dollars arranged through the Paris Club by the ousted Nawaz Sharif government earlier this year.

Pakistan, however, had to negotiate and sign bilateral agreement with the individual creditor countries of the Paris Club before December 31 this year.

The deal with the US was the largest in debt relief amount for

Pakistan, which would provide enough breathing time for the government, which is yet to set down.

The agreement has come at a time when the country's deepening economic crises shows little sign of recovery even as the Pakistan's foreign exchange reserve continues to hover around the danger level of 1.6 billion US dollars while the IMF is yet to resume negotiations for clearing a much awaited 280 million dollars loan package.

M A Samad, Chairman of Bangladesh Insurance Association, speaks at its 12th Annual General Meeting held at a local hotel Saturday.

— RIA photo

Foreign firms see profits in Indian midsize car market

NEW DELHI, Nov 28: Foreign car