

From the Yep Desk

THE word media itself carries with it lots of challenges and opportunities. Even a few years back, satellite channels were a luxury product. But now, it is a common man's product. Even a child on the street, who doesn't get to eat two meals regularly, knows all Hindi songs. This has been possible in such a short time because of the electronic media. The electronic media has mingled with our life in such a manner that we cannot even think about what happened when there was any electronic media. It is very good to know that with the fast moving world our country is also coming up with satellite channels. But all these private channels are based on sponsors. If they get sponsors they can give better programs. But the question is, what is wrong with BTV? The people of this country are paying for this channel. Then, why is it that we do not get better programs from them? It is observed that the same artists are performing much better in private channels. We are happy that more private channels are coming up. We send our heartiest congratulations and heartfelt thanks to Channel 1, to take the initiative to start private channels in our country. Also we are glad that ETV, another private channel is starting, which is not a satellite but a regular channel. We hope that all these channels can fulfill the dreams of the young members, and serve us with quality programs. It is our earnest request to BTV, that they start changing their old style and come up with something new and productive.

We must say that these are very positive steps for our country.

Rafi Hossain

Problems of Financial Analysis In Bangladesh Share Market

by M. Minhaz Zia

Continuation from last week

Elements of Fundamental Analysis: Role of Subjective and Qualitative Information. As stated earlier, fundamental analysis makes extensive use of company, industry, country and even global data and information. But interestingly these data are not used mechanically rather these are blended with the analysts own judgmental assessment based on his insight.

Now, there are two elements here. First of all the data that we talked about are not necessarily all quantitative in nature; there are several other qualitative information deserving equal attention for proper analysis. Secondly, even in the quantitative side the available data with which the analyst starts working with relate to 'past'. But the idea is to predict the future price, which will be influenced by the future data. Here comes the role of forecasting i.e. developing an estimate for each variable, which influences the price. For example in a top down approach he can start with macro-economic variable like interest rate (which affects all security prices). Based on the past data and equipped with an appropriate technique (e.g. multiple scenario analysis) he can attempt to do forecasting (though he has to be careful about some common human weakness like linear perception, group think, messenger syndrome etc.).

But the fact of the matter is that since there is simply no model to accurately forecast anything the analyst's subjective judgment plays a significant role in every aspect of forecasting (like what data is relevant to pick-up, what technique is appropriate to apply etc.). However, no matter how rich database he has or how good technique he uses the question is: can he make any prediction without taking into account the qualitative factors? The answer is: no. Factors like changes in the country's domestic political situation or its relationship with the other country or even mood and confidence level of investment community may greatly affect the price. Here again we see the role of subjective judgment and insight of analyst. In a similar way he can develop his estimate at industry level and lastly at the corporate level.

Analysis at the corporate level is however most important and therefore most rigorous. Because if the company performance itself which is most important explanatory factor for price variation. At this level both quantitative and qualitative information are extensively used by the analyst. It is true that financial statement or any other quantitative data like production figure, workforce, sales center etc. (which are not normally reflected in the financial statement) form the core or basic raw-material or earning forecast. But as rightly said by an analyst 'financial statements are like perfume: to be sniffed but not swallowed'. Financial statement is the representation and record of past performance, which at best it gives you an idea about the present Accounting Value. But you job is to find the Economic Value based on its future earning prospect. You can not simply do it without applying subjective judgment or taking into account a wide array of qualitative factors. These include:

- Shareholding structure and the sponsors
- The quality of management
- Strategic planning
- Quality of manpower
- Company's competitive strength in

Technology
Marketing skill
Distribution network
Resource procurement
All those factors have to be properly identified, analyzed and blended with quantitative aspects to make a reasonably good forecast.

Problems of Analysis in Our Market:

Regarding the relevance of the qualitative information or subjective judgement of analyst our market cannot be an exception. On the quantitative side however we suffer from some serious drawbacks. Though I believe in the context of developing economies these are of differences of degree not substance.

Availability and Reliability of Data
The single most important problem is availability of data both in terms of quantity and quality and at both macro and micro level.

Macro level data are mostly fragmented, unsystematic and therefore unreliable. I don't think this can be improved overnight because it is related to many issues like information infrastructure of a country, the level of technology, administrative and political commitment etc. But it is the sorry state of micro level information (at company level) which is most shocking.

Disclosure
Mostly it derives from regulatory failure on 'disclosure' issue. Not only that our financial statements failed to reveal vital material information but also sometimes contains a distorted one. The regulators (like SEC, Central Bank) should play an important role in ensuring full disclosure of all relevant information.

Auditing
Another problem is poor Auditing standard. Number of competent and reliable audit firms are limited.

Shortage and low use of independent and professional Analyst

In our country it is the individual as opposed to institution which play a major role in the capital market and these individual investors mostly takes decision on 'herd instinct' without any sort of systematic analysis or depending on advice of market intermediaries who often give advice from their own vested interest point of view. Institutional investors on the other hand tend to take professional service of independent investment advisor. I believe the more institutional investment or mutual fund type investment takes place there will be more and more use of professional approach and the role of competent and knowledgeable investment advisor which in turn will make the market more transparent and efficient.

Unfortunately, even at the highest professional level in our country there seems to be a bit of shakiness in analysis. Most brokerage firm report on company profile I have gone through attempts to value the stock on P/E basis which is a relative valuation technique. Hardly I have seen any use of absolute valuation like DDM which is theoretically more correct but though difficult to apply. The major problem with P/E is that it is based on accounting earning and therefore may not be reliable if there is a wide variation in inter-company accounting policy and another serious problem is determining 'normalized' earning and multiplier without which the P/E technique is not very relevant. One solution could be instead of single multiplier i.e. P/E using a matrix of multipliers in the form P/Cash, P/Book Value and P/E.

The electronic media and its impact

Today's writing discusses the electronic media and its impact, especially on the young generation, who are interested to work in this field. The interviews don't include artists, seen on the screen, but artists who work behind the cameras.

Interviewed by Elora Ferdous and Bushra Faruq Rinta.

As soon as we entered a comparatively new production house, in front of us, were a group of young boys and girls. At the first sight, to anyone who entered, it would look like a recreation room. Music blaring, someone talking on the phone, three reading newspapers and two busy putting make-ups. But soon, one can realize that actually they were all working. The two putting make-ups were getting ready, to face the camera for anchoring, one over the phone was trying to motivate an artist to perform for the program, three were busy scanning news, and one was sitting in the corner concentrating on the music and planning to give it a visual effect. But the whole atmosphere gives one, a great feeling as soon as one enters the office, the young team's attitude is that vibrant. After a few minutes of observing them, one can see that they are a very agile and friendly team. You can easily see their dynamism, and can also feel their confidence. In that environment one will soon start appreciating their hard work and dedication. We took this opportunity to talk to this young team. We discussed about many things, which included their reason to work in the electronic media, their expectations from the media, their views on the present situation of the media, and of course also their future plans regarding this sector.

As soon as we asked them why they joined this line of work, their unanimous answer was that, this is the era of electronic media, and as the group mostly consisted of students from Mass Communication and Journalism background, they thought electronic media proved to be the most effective way to reach maximum number of people in a short time span.

One of the group members Mustafiz, a journalism student of Dhaka University said, "In this fast moving world we cannot stay behind. It is the duty of this young generation to take our country side by side to the other developed countries, in every way possible. Hence, in the case of media, electronic media is the most advanced. Therefore, we should be considering this media more, and this line also has more opportunities now. With all the satellite channels, especially Bangladeshi channels coming up, now it creates a vast prospectus field to build up one's career. But this sector also needs a lot of hard work

and dedication. One should not join this line of work, just to show his face and become famous. Those who join should have the thrive to help our country and show the world that we do not lack behind. It is through this media we can directly aver the whole world about our status, our country's prospects and of course let them know about all the good and beautiful things of our country. Working in this line, especially for a satellite channel, I personally feel like a diplomat representing my country, and presenting my country to the whole world, through the programs. Thus, I feel proud and great to work here. Because I know I am doing something good for this country, however small it may be."

Another group member mentioned, "Being a BBA graduate, I became attracted to this field, because I felt that here I could learn all about business as well as communication and to some extent get the flavor of journalism. It is of immense pleasure to learn how sponsors are found, how people are motivated to work according to the director's thoughts and of course how products and services are promoted in various ways. On top of it, I get to meet well-known and talented artists and also dignitaries. Besides all these, working here gives me the opportunity to show my country to the world. And definitely, it feels great when I know that thousands of people all over the world is watching the program and they are being entertained by me. We might be criticized by some but whatever appreciation we receive, it is enough for our motivation. We never lose the drive to do something better and more creative, in order to entertain people. The world has become so stressful that entertaining people is a hard but a great deed."

Ripon, who was sitting at the corner and was deep in thoughts, commented at this point that, "Since childhood I was very fascinated by this media. I used to watch all the programs of TV. I was always interested and curious to know about all the artists, how all these things were made etc. etc. In childhood our idols are specially



Ripon Chitra Reba Azam Mithila Rinta
Elora Mustafiz

some TV personality. I had, not only one but many such idols, at the different stages of my life. But now at this age, when I have the capacity to work, I want to become some child's idol. But I want to do something good and different. This is still a dream, but it is my belief that with the help of all my young colleagues, my dream would definitely come true."

Though all of these young members were very enthusiastic to work in this field, but all showed disappointment about the present situation of the electronic media of our country. According to them, presently the channels are not being able to present our country to the world in a positive manner. We asked them "Are you satisfied with the present situation and condition of the electronic media of our country?" One member, Reba answered, "In journalism we learned that it is our duty to serve the people with facts. But, I think, when we are presenting the facts of our country, to the whole world, through the electronic media, and specially in satellite channels, it should be presented in such a manner that people of other countries, instead of feeling pity or being demotivated to do business or visit our country, should get attracted. It is the duty of this media to make the international world interested in our country. Even in the case of entertainment programs, it should be such that people of the world appreciate them and say that, though the people of

Bangladesh are deprived of many extravaganzas or even many necessities, we still know how to enjoy life."

Another student from English said that being a literature student she has learnt to see the hidden world. She wants to give something that was always there but we were unable to see. While working in this media "I can dig out the hidden news".

I can understand what is there in peoples mind. I can visualize their feelings and I am sure it would be a challenge to work in this media.

Ripon, another student of Dhaka University said, "It is really a disappointment to sit in front of the television and watch all the local programs. You watch news, you feel frightened to live in this country, you watch documentaries concerning this country; you would feel scared and start thinking that this country holds no future for you. You sit in front of the TV to relax and watch a drama, a serial or a film you can easily get bored because the end is always very predictable. And the entertainment programs all look alike. There is nothing new or educating in our channels. You tell me, with what should we be satisfied?"

To the same question, Azam replied, "I must say that it is a beginning of advancement. Through these satellite channels the world would know us. All these channels are the roads to take us one step ahead of what we are today. Indifference has become a demar-

cation on us, people know us as one of the poorest country. Through the satellite channels we can give the international world a chance to explore our culture and tradition. We can prove to the world that we have the talents and we also have the efficiency to complete a challenging work. But the present status of the TV channels is not at all proving these. All the programs are not satisfactory. Most are only mimics of Hindi programs. All we seem to do is, change the language only. Even the sets are similar. Sometimes the anchors wear copied dresses. The programs do nothing to show our culture. According to me all these copying is only degrading us and showing the world that we do not have any values of our own. Hence, the upcoming satellite channels should show something original and also those should be related to our tradition and culture. Our country has a historic background and we also have a very rich culture. So, why should we take other country's ideas and concepts? And I believe it is this young generation who should come forward and make the programs better and satisfactory."

Chitra shared her thoughts by saying, "One of the main reason our young generation is being diverted to bad habits is the lack of entertainment. We should have something that is entertaining as well as educating. We hardly have any programs for the young generation. This is very essential. Even the children's programs are not enough. Hence the present situation is not at all satisfactory."

What do you expect from this media?

As soon as we asked this question, another member of the team, promptly answered, "We expect quality programs". When we asked them to explain quality, one of the youngsters, Mithila replied, "By quality we mean programs that can really make you relax and take your thought away from all the tensions and strains of one's life. The programs should be such that it makes one feel optimistic about life and gives you the initiative to dream

for the future. It should make us see that, good things await for us in the future."

To this Mustafiz added, "Basically we expect the media to relay everything on a positive note. And as workers of this line, in this group we always keep this point in mind, while working. This is not only this team's expectation but we are trying to meet the expectations of the common people of our country."

Chitra, an honors student of Mass Communication and Journalism of Dhaka University, said that, "As we now have satellite channels we should make programs that are of international standard. I must say that this is not a very easy job. Our dedication is not enough. We need the support from people of all walks of life, and also the government. In our country people carry this belief that those who work in this line is not of good characters. We are often looked down, especially women. This is a very wrong concept. This thought process should be changed and more young people who have the potential should join this line. The intellectuals of this country should come forward and help the workers of this line. We need everyone's support. And when we are truly appreciated by all, we can do much better. We might not have the economical or technological support to make programs of the best quality, but I believe, we possess the intelligence and creativity to make much better programs."

As they shared their disappointments as well as their hopes, we became eager to know about their future plans, and if they really wanted a carrier for themselves in this line.

Ripon was the first to answer to this. He said that he was determined to stay in this line and become successful. He was ready to face all the problems and he was sure that he could overcome all barriers and come out successful. All the others were also enthusiastic to stay in this field. According to them if given the chance, they can contribute highly to this country through this media.

It was surely a great pleasure to see all the young people, to be so filled with hopes, and their optimism towards life really is amazing. We also hope that all their dreams come true, because all this would definitely benefit our country immensely.

Meeting Probe

We were happy to meet this young and challenging group and felt the urge to be a part of them. With all our best wishes for these young members of the group, we went to Dhanmondi to visit another dynamic News Agency PROBE.

PROBE is a versatile one-stop media service, offering services ranging from investigative reporting, feature writing, translation and transcription to printing, publishing, documentary filmmaking and more. It is an amalgamation of a number of enterprises. These include PROBE News Agency, PROBE News Magazine, PROBE Visuals, PROBE Printers, and PROBE Toy Bank.

Launched in 1992 PROBE began basically as an investigative news agency, but gradually spread out, responding to the growing demand for varied services in today's world. As a result the organization has built up a sound reputation of professionalism and reliability in the media field. Its client includes international, multilateral agencies, foreign diplomatic missions, government and non-government organizations, commercial firms as well as newspapers and journals of the region.

PROBE News Agency is a pioneer in the field of investigative reporting in the country. It offers a variety of media services in addition to its basic investigative reporting. Today PROBE News Agency has a number of services related to the media and communication needs of the day.

PROBE News carries out investigative news reporting, digging out stories behind the scenes to come up with in-depth reports for its subscribers. It has won a name for coming up with breaking news stories. The prominent work done by these News Agency were 71 Calcutta and Zia killing, which were published in "Bhorer Kagoj" and "Daily Star".

Alongside investigative reporting, PROBE also carries out a feature service, drawing up features of current interest in the fields of economic and social development, culture and more. PROBE features appear in the press regularly at home and abroad, providing sound information of various issues pertaining in Bangladesh. These features highlight the success and stride being made in the field of development, the

problems and other details.

PROBE's professional photographers offer attractive, meaningful and evocative photographs on any topic, whether it is political violence rural development, fashion modeling, famous personalities and more.

Irtiza Nasim Ali the chief editor and Managing director of PROBE News Agency had taken up journalism from the very start of his professional life, or in-fact as a student. He has always been interested in investing reporting. While a student he dabbed with the media and his first work was with the New Nation. In the early '90s Irtiza set up an agency to introduce a trend in modern journalism, in investigative reporting. Thus in 1992 along with his friend he launched PROBE News agency and has worked on its development and expansion ever since. During his own career

As a journalist, Irtiza has taken undertaken many interesting assignments at home and abroad. He was first Bangladeshi journalist to cover the Gulf war on spot from Kuwait when it broke out.

Yep: What has inspired you to take this decision to establish such an organization?

A: Rather than the run-of-the-mill mundane news, which fails to detect the real news, we dig out stories behind the scenes to come up with in-depth reports. We have started basically as an investigating news agency we wanted to give our nation a true picture, which was always behind the scene.

Yep: Why did you shift from print media to electronic media?

A: We actually did not shift. It is just that we have expanded. We still deal with print media. I had a keen interest in filmmaking and through the electronic media I can explore this with my innovative ideas and plans. I firmly believe in the grave responsibility of media persons.

Ayesha Kabir is the Feature Editor and Chairperson of PROBE News Agency and Editor, PROBE News Magazine. She has been in the field of Journalism for about nine years, involved in the various facets of the

profession, from reporting, feature writing, editing, and translation and such. As part of the founding team of PROBE, Ayesha has been committed to building up the agency as an organization committed to a modern, professional and fresh approach to journalism.

Yep: As you have now started working in the electronic media what do you expect from this media?

A: This media still needs lot of upgrading. But we are happy that new channels are coming up and that makes an opportunity for all the interested people to contribute further. More of development issues should be relayed in this media. It should delve deeper into the significance of the subject matter. This would help to develop our country further.

Chief Reporter and Director of PROBE News Agency, Saiful Huda has ten years of experience in Journalism. During the course of his career, Saiful carried out several national and international assignments including the Gulf War. Saiful Huda is also the Chief of PROBE Visuals, having keen interest in the production of documentaries and other films.

Yep: What do you think will be the impact of this upcoming media industry in our country?

A: I think the impact is immense. As we know nowadays people are more media pro. Due to satellites even the other planets have now become our neighbors. So it is apparent how much the satellite system has influenced our life. Because of the electronic media we are now more aware of our human rights and environmental issues. We can know more about the international world and should take the opportunity to develop ourselves accordingly. Hence the impact can already be felt. With further expansion in this sector, our country will be benefited and globally recognized.

Through all these interviews we can come to the conclusion, that if the electronic media expands, it is beneficial for us. There are many people who are interested to work in this line but due to the lack of opportunity they are not being able to show their talents. But all the upcoming TV channels and productions houses are giving welcoming hands to these unexplored talents. May the future be equally promising for all those who even have the slightest interest in this field.