

Bank Asia's 7th branch opens in Sylhet

BSS, Sylhet

Finance and Planning Minister M Saifur Rahman Sunday said private banks can play an important role in building strong economic base to meet the challenges of the new millennium through creating employment opportunities and introducing micro-credit programme.

He was addressing the inaugural function of Bank Asia's 7th branch in Sylhet.

"We are developing our economy in line with the globalisation process, he said adding that the present government has already cut interest rate on bank loan.

The minister said the collapse of the World Trade Center and the war in Afghanistan have created negative impact on world economy. Remittance and export earning have shown downward swing affecting the economy severely, he added. "Bangladesh is passing through severe economic hardships," he said.

Pointing to bank loan default culture, Saifur Rahman said only political pressure was not responsible for the culture, banks management also cannot also evade their responsibilities in this regard.

Chaired by the Bank Asia's Chairman M Saifuzzaman, the function was addressed by A Rouf Chowdhury, Vice-Chairman of the bank and Safwan Chowdhury, president of Sylhet Chamber of Commerce and Industry.

BAT markets London brand in Bangladesh

British American Tobacco Bangladesh started marketing a new international brand London, from Saturday at Tk 27 per pack, says a press release.

With an attractive gold pack and an exceptionally high quality product in the international value for money segment, London is a successful brand in more than 25 domestic markets around the world.

The brand is now available in all urban areas of Bangladesh.

In compliance with government regulations, each London pack will have a tax stamp, which will help distinguish the brand from counterfeit or imitation products in the market.

UK preparing for euro entry

AFP, London

Britain has begun the task of assessing if it should join the European single currency and is spending "substantial" sums preparing for any decision in favour, finance minister Gordon Brown said Sunday.

Recalling that the government had pledged to complete its assessment within two years of June's election victory, Brown said euro preparations were going ahead.

"We are actually spending substantial sums of money in making our system ready to cope with the euro if that is the decision that we make," he told Sky television.

"And of course, we have already started the preliminary and technical work on that assessment."



New DMD of Premier Bank

Iftakhar Ali Khan has joined The Premier Bank Limited as Deputy Managing Director, says a press release.

Prior to his joining the Premier Bank, he held the position of Senior Executive Vice-President in EXIM Bank.

His career started with the British American Tobacco in 1984, but soon after he moved to ANZ Grindlays Bank and eventually held responsible position which included Manager of branches in Dhaka and Chittagong.

He moved to Standard Chartered Bank in 1994 as Area Head of Chittagong and later as senior Manager, Corporate Banking in 1998.

SEC orders index calculation change sensing manipulation

BATBC shares quoted lower to pull market down?

M SHAMSUR RAHMAN

The Securities and Stock Exchange (SEC) has asked the bourses to change the method of index calculation after it sensed some foul play by a few brokers with some heavy weight companies.

According to the new order, the stock exchanges will not take any transaction of British American Tobacco Bangladesh Co Ltd (BATBC) into consideration if shares of the company are traded one hour before close of trading session and if the number of such traded shares is less than 10,000.

SEC officials say that the order has been issued in public interest as facts indicate that certain brokerage firms are bringing down the market by trading a small number of BATBC shares at lower prices.

The SEC surveillance department has detected that these brokers are trading one or two market lots of BATBC shares at very low prices just minutes before the close of trading sessions to pull down the price index.

BATBC stocks constitute 6.54 per cent of the total market capital and

even a slight price drop of its shares results in overall slide in the market.

The market slid by 1.23 points yesterday to 636.14 points from 637.37 points.

SEC officials said BATBC share prices lost one per cent in the three hours trading session and the market had settled to 636 per cent.

"But just before the close of the trading session, one single firm had transacted shares at three per cent lower price which pulled the DSE All Share Price Index down by four points," a senior SEC official said.

If those few shares were not traded at the end of the day, then the market would have settled at a higher position, he said, adding that similar trades have been detected over the last few days.

"It is apparent that such transactions are done with ill motives," the official said. "Our surveillance department has launched an investigation."

Levy on airfreight adds to exporters' woes

RAFIQ HASAN

The additional insurance surcharge on air cargo freight would badly affect the already declining country's export business, exporters said.

The Biman Bangladesh Airlines imposed Tk 2.85 on every kilogram of cargo this month as insurance coverage following the terrorist attacks on the US.

The exporters said the new surcharge would increase export costs and goods would lose competitiveness in the international markets.

"This additional fee would badly damage the country's export business already suffering losses due to economic recession through out the world" said Kutubuddin Ahmed, President of Bangladesh Garments Manufacturers and Exporters Association (BGMEA).

Demanding immediate withdrawal of the levy, the BGMEA president said garments exporters send their goods by air only when they face difficulties in meeting

deadline.

Around 5-10 per cent of garments are exported by air, he added.

Kutubuddin said the BGMEA would approach the higher authorities for withdrawal of the surcharge.

On the other hand a number of vegetable exporters told The Daily Star that they would face business closure if the charge is not withdrawn.

"Vegetable export earnings has already declined by 40 per cent and this additional charge would cause further decline," said Mohammad Monsur, acting president of Bangladesh Fruits, Vegetables and Allied Products and Exporters Association.

He also unless the levy is withdrawn vegetable export would stop completely as exporters are bound to ship their goods by air.

"Only two years back the country earned around 250 crore by exporting fresh fruits and vegetable. But the amount declined to only Tk 150 crore last fiscal year," said S M Jahangir Hossain, joint

secretary of the association.

Ashikur Reza Chowdhury, a leading vegetable exporter and former general secretary of the association, said airfreight increased sharply in the last few years mainly due to depreciation of taka against the US dollar.

Airfreight from Dhaka to London increased to Tk 74.15 this year from Tk 51 in 1996.

Biman sources however claimed that all other airlines have also imposed such surcharges after the terrorist attacks.

M A Sattar Bhuiyan, Chairman of Bangladesh Finished Leather and Leather Goods Exporters Association, said around 20 per cent of leather goods is exported by air and the surcharge would affect exports.

Export earnings of the sector may decline by Tk 400 crore this year due to the global economic recession. The sector earned Tk 1624 crore last fiscal year.

He said his association has already sent a letter to the prime minister asking for urgent bailout measures.

PRAN signs deal with JB for EEF

UNB, Dhaka

PRAN Agro Ltd, an enterprise of PRAN Group, have signed an investment agreement with Janata Bank on Equity and Entrepreneurship Fund (EEF) for their agro-based industry being set up in Natore, says a press release.

Janata Bank have come forward with this first ever project of the EEF by way of undertaking appraisal for equity participation of the government to be financed by the Bangladesh Bank.

Out of the total project cost of Tk 17.86 crore, EEF support will be Tk 4.20 crore in the form of equity participation of the government together with a term loan of Tk 8.66 crore financed by Janata Bank.

The project, first of its kind in the country's agro-processing sector, will mainly engage in primary processing of produces like mango, tomato, pineapple, guava and various types of vegetables and horticulture items.

Farmers in the country's northern region will be encouraged through contract farming to maintain quality and increase quantity of fruits and vegetables.



Picture shows the signing ceremony of an agreement between PRAN Agro Ltd and Janata Bank on Equity and Entrepreneurship Fund held recently.

Dhaka seeks more WTO steps to arrest LDC marginalisation

UNB, Dhaka

Bangladesh will seek more efforts from the World Trade Organisation (WTO) for arresting further marginalisation of the Least Developed Countries (LDCs), hit hard by multilateral trading system for the last few years.

In the fourth WTO ministerial meeting, scheduled in Doha on Nov 9-13, Bangladesh will also plead not to use environmental clauses as protectionist measures to again corner the LDCs in world traderegime.

As a former coordinator for LDCs, Bangladesh has already prepared a draft for the WTO meet suggesting some amendments to the draft ministerial declaration to be adopted at Doha Conference.

However, Bangladesh position at the conference will be to achieve duty-free and quota-free market access of LDCs products to the rich countries.

The draft declaration, prepared by WTO General Council, contains 42 paragraphs proposing a broad and balanced work programme to ensure that all member countries

benefit equally from the opportunities of the multilateral trading arrangement and that the LDCs are integrated more effectively to the new era of international trade.

Bangladesh will propose amendments to five paragraphs, reconfirming the increasing need for further flexibility and liberalisation in the globalisation of services and movement of human resources.

"We take note of the urgent need of the LDCs to improve upon their existing trade facilitation measures with the help of development partners," one of the proposed amendments says, attaching the country's need for technical assistance and support for trade capacity building.

It will also stress the need for mandating increased flow of improved technology to the LDCs along with the expansion of global trade.

The work programme, proposed in the ministerial declaration, attaches importance on the implementation issues and related concerns of LDCs. It also calls for continuing the negotiations on free

movement of services, including natural persons, as raised by the LDCs in earlier conferences.

The declaration will call for reducing or eliminating tariffs and non-tariff barriers to provide LDCs with market access. The integrated framework for trade-related technical assistance for LDCs will be acknowledged and endorsed in the fourth WTO ministerial meet as a viable model for LDCs trade development.

For further integration of the LDCs into the multilateral trading system, a combined and inter-related action will be undertaken at three levels -- market access, trade related-technical assistance and capacity building -- and LDCs' domestic policy reforms.

Trade diplomats here want Bangladesh to raise the issue of implementation of the pledges earlier made by rich partners in various rounds of talks in the past. Not mere repetition of commitments; now is the time for implementation of previous ones -- was the central theme of a recent dialogue in Dhaka on WTO meet.

City Bank to use GP mobiles

The City Bank Limited signed an agreement with Grameen Phone Limited under its corporate sales package on Wednesday in the city, says a press release.

Under the agreement, 66 branches of City Bank have been provided with Grameen Phone's GP National mobile phone connections. Rest of the branches will be given connections depending on the expansion of network of Grameen Phone.

Grameen Phone connections are now being used by The City Bank for inter-branches connection.

In presence of Abbas Uddin Ahmed, Managing Director of The City Bank Limited, agreement to this effect was signed by A H M Nazmul Quadir, Deputy Managing Director of the bank, and Kafil H S Mueyed, Acting Director of Grameen Phone.

M Shafulq Alam, Executive Vice President of Common Services Division of the bank and other executives of the both organisations were present on the occasion.

Japan may need greater economic stimulus

AFP, Tokyo

Japan may have to work out ways of providing an economic boost beyond the planned 24-billion-dollar extra budget but it can still live with negative economic growth, a key economic minister said Sunday.

"The world economy is faced with unprecedented, very severe circumstances," Heizo Takenada, the minister for economic and fiscal policy, said in a television debate.

"If necessary, the government should act flexibly and boldly and it is part of our options, as a matter of course," he told the Japan Broadcasting Corp. (NHK) network.

Takenaka, a former university economics professor, was commenting on the possibility of the government drawing up a sequel to a projected supplementary budget worth three trillion yen (24 billion dollars).

The extra budget, due to be formally adopted by Prime Minister Junichiro Koizumi's cabinet next Friday, will focus on unemployment and massive bad loans at banks.



Anis Ahmed, Director of Gillette Bangladesh Pvt Ltd and Managing Director of MHG Group, speaks at a gathering of Gillette distributors in the city Wednesday.

Emirates announces its largest aircraft order

Emirates yesterday announced its largest-ever aircraft order valued at a massive US\$15 billion, says a press release.

In a dramatic gesture underlining its confidence in the entire long-term future of Dubai and air travel, the award-winning airline announced that it would acquire 25 Boeing 777s, 22 Airbus A380s, eight Airbus A340-600s and three A330s by the end of the decade.

Emirates' initial order, signed at Britain's Farmborough Air Show in July 2000 as a Letter of Intent, was for seven A380s, making it the world's first airline to commit to the A380.

The airline yesterday added a further 15 A380s to give it a total fleet of 22 firm orders, valued at US\$7 billion plus 10 options, 25 new Boeing 777s in two versions and valued at US\$6.6 billion, eight A340-600s valued at US\$1 billion, and three A330s valued at US\$415 million. Combined value of the 58 Boeing and Airbus on order is \$15 billion, which the airline will raise without a dollar in subsidy from any source to boost Emirates' total fleet to 100 by the year 2010.

The visionary 21st century fleet plan was unveiled by Emirates' Chairman MH Sheikh Ahmed bin Saed Al-Maktoum at Dubai's International Airshow, opened by General Sheikh Mohammed bin Rashid at Maktoum, Crown Prince of Dubai and UAE Defence Minister.

Sheikh Mohammad commented: "Our country today stands four-square at the crossroads of the world, and has transformed itself

into a major player on the global stage. Our goal now is to expand its dynamic growth into every area of commerce, tourism and transport.

Sheikh Ahmed said: "The timing of this order--hard on the heels of recent events--is no coincidence. We are determined not to allow present difficulties to deflect our resolve".

Emirates will use the A380s on routes from Dubai to London, Frankfurt, Singapore and other cities in Europe, Asia, North America and the Pacific. Its maiden flight will not take place until 2004, leaving Emirates time to select the best engines.

Feedback from Emirates and 20 other airlines helped designers reshape the giant aircraft with wider seats, greater comfort and lower operating costs. With nearly a fifth of its revenue earned from carrying cargo, the airline also suggested ways to increase the capacity of the freight hold.

Emirates also has yet to select the engines for its new Boeing 777s, one of the world's most efficient and versatile aircraft, with its excellent range, operating, economics and freight capacity, and ideal for very long routes such as Emirates' new non-stop Dubai/Perth service starting in 2002.

A total of 18 of the highly popular A330s are already in service with Emirates, making it the largest operator of the type in the world. Like its existing fleet, they will be powered by the highly successful Rolls-Royce Trent 700 engine.

Gillette starts new mission in Bangladesh

STAR BUSINESS REPORT

Gillette has started its new business mission in Bangladesh to become the market leader in all its core categories and make a triple digit growth in the coming years.

"Gillette's mission in Bangladesh is to become the market leader in all its core business categories where it chooses to compete," Anis Ahmed, Director of Gillette Bangladesh Pvt Ltd and Managing Director of MHG Group, told a gathering of Gillette distributors in the city Wednesday.

The programme was organised on the occasion of 'Gillette Centennial Celebrations' held at a city hotel, according to a press release.

Country Manager of Gillette Monishi Ghosh briefed about the importance of mass distribution of Gillette products in Bangladesh. Gillette launched a Centennial Programme for all its distributors.

MHG Group started marketing Gillette products in Bangladesh in 1991. Since then Gillette has grown over the years and has good market share in the country. From now on Gillette plans to aggressively market its products in Bangladesh and leapfrog its business into triple digit growth.

Apart from premium brands, Gillette has other economy products, which can meet the demand of any income group people, said Monishi Ghosh.



Lever Brothers Employees Union election held

Zulfiqar Ahmed has been elected president of Lever Brothers Employees Union while Shaful Azam its general secretary for the year 2002-2003, says a press release.

They were elected at a recently held election of union.