

## Mutual Trust Bank reduces interest rates

Mutual Trust Bank Ltd has decided to reduce interest rates upto one per cent on different loans and advances and three per cent on export credit backed by refinancing from Bangladesh Bank, says a press release.

The interest rates have been reduced in response to Bangladesh Bank's decision on lowering bank rate.

## DHL launches 3 sales campaigns

DHL Worldwide Express, the leading air express company of the country, has launched three sales campaigns from the first of this month, says a press release.

The campaign involves DHL's two premium services: Fashion 1st and Import Express; and cash shipments sent through DHL.

Throughout the campaign period the users of these services would find exciting surprises awaiting them.

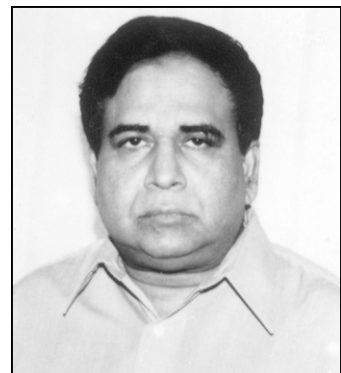
The campaigns are designed to raise customer awareness of the various latest service offerings of DHL.

Fashion 1st is a unique service of DHL Worldwide Express tailor made for Garments sector. The service offers customised packaging solutions for the garments exporters and importers. Some salient features of the service include Garment-on-Hanger facility for samples requiring photography; a documentation pouch for customs related papers and exclusively designed boxes that can withstand up to 300 kkg of pressure. DHL's bonded facility and clearance-on-air technology ensures that each fashion shipment reaches its destination safe and secure.

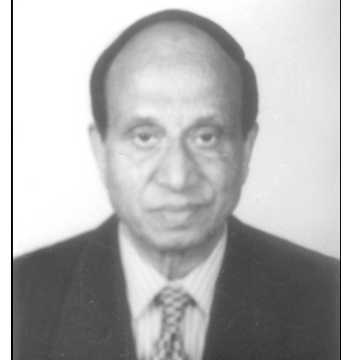
Import Express is another unique service whereby the customers can import anything from anywhere around the globe and pay their bills in local currency. DHL gives freedom from dealing with multiple parties and takes the responsibility of customs clearance on behalf of the customers.

DHL Worldwide Express is the pioneer and market leader on the global air express industry with an international network linking more than 80,000 destinations, serving 6,35,000 cities in 228 countries and employing over 68,000 people.

## New chairman, vice-chairman of Uttara Bank



Chairman



Vice-chairman

Azharul Islam has been elected new chairman of the Board of Directors of Uttara Bank Limited while Md Asaduzzaman vice-chairman of the Board, says a press release.

They were elected at a meeting of the Board of Directors held in the city on Sunday.

Previously Islam was Vice-Chairman of the Board of Directors of the bank.

Asaduzzaman was the Executive Director of the Islam Group.

On Thursday the 18th Annual General Meeting of the bank was held at the BDR Darbar Hall where the Annual Report along with appropriation of the profit and loss account for the year ending December 31, 2000 was approved.

Last year the bank achieved a total deposit of Tk 2594 crore 25 lakh, its total advance was Tk 2230 crore 71 lakh and an operating profit of Tk 102 crore 51 lakh.

After loan loss provision of Tk 66 crore 92 lakh, the profit before tax of the bank stood at Tk 35 crore 59 lakh and profit after tax stood at Tk 22 crore 54 lakh.

During 1999, the profit before tax was 3 crore 71 lakh and profit after tax was Tk 1 crore 90 lakh only.

## Export earnings clock 12pc negative growth in Sept

### STAR BUSINESS REPORT

The country's export earnings faced a sharp fall in the first quarter of this fiscal year, posting an over 12 per cent negative growth in September alone.

In the face of global recession, export earning in September fetched US\$443.51 million or 25.77 per cent less than the target of US\$597.50 million.

During July-September period of FY02, the export earning was 10.41 per cent short of this fiscal's target and recorded a 8.02 per cent negative growth from last fiscal's same period. The earning was \$1,605.98 million against the target of \$1,792.50 million for this year's first quarter. Last fiscal year's first quarter earning was \$1,746.05 million.

All major sectors including readymade garment (RMG), knitwear, frozen food, jute goods, engineering products, petroleum by products, raw jute, tea and chemical products could not achieve their respective targets and also marked substantial negative growth in the first quarter.

Both export volume and price index of primary products declined by 15.97 per cent and 14.65 per cent respectively and those of manufacturing products dipped by 5.25 per cent and 0.43 per cent during the period.

"The export earning is going down sharply. All out efforts are needed to retain the present status. Otherwise we may experience a disastrous situation in the days ahead," said an official of the Export Promotion Bureau (EPB).

RMG exports brought \$855.49 million, which was down 7.51 per cent

below the target and also showed a 7.47 per cent negative growth from last fiscal's same period.

Knitwear worth \$386.53 million was exported in the first quarter of this fiscal. This is 1.47 per cent less than the same period of the previous fiscal year and also 9.05 per cent short of this fiscal's goal.

During July-September period, frozen foods worth \$89.65 million were exported, posting a 8.05 per cent decline from the target and also a huge 32.43 per cent fall from last fiscal's corresponding period.

Jute goods worth \$53.30 million were exported against a target of \$68.75 million. The earning is 22.47 per cent less than the target and also 22.51 per cent less from last fiscal's corresponding period. During the July-September period, chemical products worth \$24.49 million were exported against the \$27.50 million target.

In the first quarter of the current financial year, raw jute worth \$9.11 million was exported against the target of \$17.50 million, which also is a massive 47.94 per cent short of the goal and shows a 35.94 per cent decline from last fiscal's same time.

Tea export amounted to \$5.33 million during the period against the \$7.50 million earning target. This is a 28.93 per cent fall from the goal.

Leather export fetched \$59.18 million, posting a 4.13 per cent growth from last fiscal's corresponding period, but this is 17.81 per cent less than the current fiscal's target.

Handicrafts worth only \$1.71 million were exported during the period against the \$2 million target. This, however, shows a 18.75 per cent jump from last fiscal's earning.



M Saifur Rahman, Minister for Finance and Planning, addresses the inaugural ceremony of Bank Asia Sylhet main branch on Sunday. M Syeduzzaman, Chairman, A Rouf Chowdhury, Vice Chairman, Mohd Safwan Choudhury, Director, and Syed Anisul Huq, Managing Director of the bank, are also seen in the picture.

## ADB chief backs Pak reforms

### AFP, Islamabad

The head of the Asian Development Bank (ADB) has backed Pakistan's military government campaign to pursue its ambitious economic reforms through the turbulence of the Afghanistan war.

ADB president Tadao Chino said this is a "critical time" for the Pakistan government because of the anti-terrorist military strikes launched after the September 11 attacks on the United States.

"The government of Pakistan has implemented many difficult reform measures but much remains to be done," said Chino in an interview late Monday after announcing a 50-per cent rise in economic assistance to Pakistan for this year to 950 million dollars. "Pakistan must stay the course of economic reform and development it has charted for itself," he told AFP before meeting President Pervez Musharraf.

"I think President Musharraf and his government has done a very good job pushing forward his reform agenda."

"This agenda is very wide-ranging, very ambitious -- with privatization, government restructuring, agricultural reform. We have to assist the government in every way we can."

Since taking power in 1998, the

general's government has launched a privatisation programme hoping to raise four billion dollars from the sale of state oil firms, banks and other enterprises. But it has yet to find many takers.

It has also sought to boost government accountability, agricultural production and export industries. But exports have been hit because of Pakistan's proximity to the US air strikes on Afghanistan.

Chino said he had met representatives of donor countries and institutions in Islamabad to discuss Pakistan's case.

"Even before September 11, because of the global slowdown their exports were falling and foreign direct investment was decreasing.

"So every donor knows very well the difficulties the Pakistan government is facing now."

He said that despite the international slowdown, countries had to find the extra resources to help Pakistan, which is already one of the top four borrowers from the ADB.

"All countries are becoming inter-dependent so even though everyone is under pressure the reality is we must assist each other," said Chino.

Pakistan Finance Minister Shaukat Aziz said Monday that "we

need support from our friends more than ever before."

But he said that despite the troubles in neighbouring Afghanistan, which has brought a huge refugee influx to the border, the government priority was still economic growth and improving the government structure and poverty reduction measures.

The minister said "we are determined to pursue our economic reforms as before. The main challenge we face now is to institutionalise what we are doing so that this continues over a long period of time."

Aziz has estimated the US-led war against the Taliban regime in Afghanistan will cost Pakistan between one billion and 2.5 billion dollars in lost trade and other damage to the economy.

The central bank warned last week that gross domestic product growth for the 2001-02 fiscal year could be cut from an expected four per cent to as low as 2.5 per cent because of the conflict.

Since September 11, the US, Canada, Japan and European countries have written off or rescheduled more than one billion dollars of Pakistan's 37 billion dollar foreign debt.

The US government said last week Pakistan could also expect up to one billion dollars in US aid.

## Seminar on footwear held at DU

A seminar on "Footwear Industries in Bangladesh" organised by Centre for Management Research and Publications (CMRP) of the Institute of Business Administration (IBA) of University of Dhaka was held at the IBA auditorium on Monday, says a press release.

Stephen J Davies, Managing Director of Bata Shoe Co (Bangladesh) Ltd presented the keynote paper while Dr Anwar Hossain, Director of IBA, presided over the seminar.

Dr Anwar stated that being a populous country, Bangladesh has a big market for footwear products.

Speaking of the footwear market in Bangladesh, Davies mentioned about the changing tastes of consumers who go for more variety and fashionable shoes.

He also highlighted that the young people constitute the major consumers of shoes in Bangladesh.

Dr Muhammad Z Mamun, Chairman of CMRP, and a large number of students attended the seminar.

## Malaysia's GDP may grow 0.3pc this year

### AFP, Kuala Lumpur

Malaysia's economy will grow 0.3 per cent this year, 3.2 per cent next year and 5.7 per cent in 2003, the Malaysian Institute of Economic Research (MIER) predicted Tuesday.

The independent think-tank said in its economic outlook report that while gross domestic product (GDP) growth is expected to be positive this year overall, the second half is seen declining 1.2 per cent year-on-year.

"Positive growth in 2001 (is expected) thanks to the fiscal boost, year-end festivities, a slight uptake in consumer sentiment and improved leading indicators," MIER said.

It added private investment is expected to decline by 6.7 per cent in 2001 before recovering in 2002 with 7.9 per cent growth.

## DSE finds SEC index calculation order difficult to follow

### M SHAMSUR RAHMAN

The Dhaka Stock Exchange (DSE) has failed to comply with a Securities and Exchange Commission (SEC) instruction to calculate its index under a new method.

The SEC ordered the bourses not to 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. The move was taken as the watchdog suspected foul play by some dealers with BAT shares to pull down the index.

Following the SEC order, the DSE on the next day informed the regulator that its index is calculated every 15 minutes and is continuously shown on the automated trading screen. As such compliance of SEC order was technically not possible.

The Securities and Exchange Commission (SEC) yesterday

instructed the Dhaka bourse to manually calculate its index to comply with the new method if it becomes impossible for the authorities to calculate it under the present automated system.

The SEC had issued the new calculation method after it detected that a few brokers traded 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.

As the blue chip company has 6.54 per cent weight on the total market capital, even a slight price drop of its shares results in overall market slide.

But DSE now says following the SEC instruction will give an unusual picture of the market and it would also be technically impossible," the DSE wrote to the SEC on Monday.

The DSE also said the index may be calculated manually after the same is done automatically.

## Business confidence in India hits 2-year low

### AP, New Delhi

Business confidence in India has reached a two-year low due to sluggish domestic demand and uncertainty about exports, following the Sept 11 terror attacks in the United States, a leading research group said Tuesday.

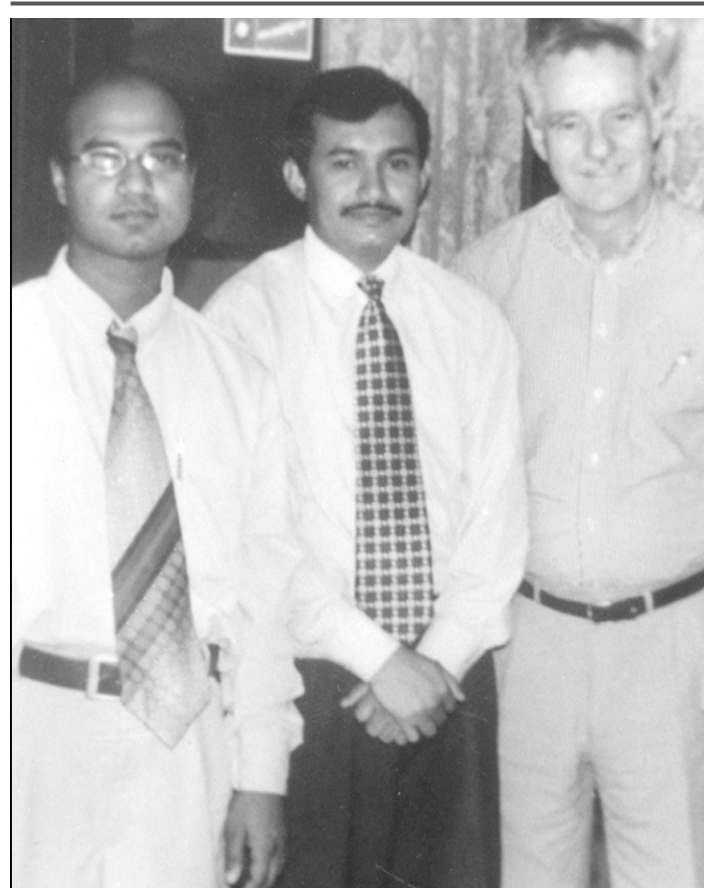
According to the latest business expectation survey, the Business Confidence Index dropped 11 per cent in the last quarter to reach a new low in October, the National Council of Applied Economic Research said.

The survey, held once in every

quarter, covered nearly 1,300 respondents from all sectors of the economy and all parts of the country.

The Business Confidence Index is compiled from replies to four key questions on overall economic conditions, financial positions of the firms, capacity utilization and the investment climate.

Business confidence dropped despite last month's cut in lending rates by most banks and several incentives from the government to minimize the impact of the attacks in the United States on Indian industry, especially exporters.



Peter Kunzi, Representative of Swisscontact, Switzerland and a small enterprise development and management consultant, visited Munshigi CEO Md Gias Uddin, and Chief Technical Officer Abdul Quader Bhuiyan.

## EU to refuse new WTO round if environment rules cloudy

### AFP, Paris

European Trade Commissioner Pascal Lamy says the European Union will refuse a new round of WTO trade negotiations if environmental protection rules are not better-defined, French business newspaper Les Echos reported Monday.

"My mandate is to refuse the launch of a round which would not include a clarification of rules governing the links between protection of the environment and the liberalization of trade," Lamy was quoted as saying in an interview.

Speaking before Friday's launch of a World Trade Organization ministerial meeting in Doha, Qatar, Lamy said if the ministers do not launch a new round of talks at the five-day meeting, "that would mean that the WTO is really sick."

"That would mean the multilateral system is no longer as capable of assuring a balance between liberalization and regulations as we would like it to be," he said.

Such a situation would be a "serious blow," he said, "especially

after the failure of Seattle" two years ago at which ministers were unable to agree to launch a new trade talks.

At issue were major disagreements between the EU and the United States, in particular on agricultural subsidies, and between the developed and developing nations.

Regarding the environment, Lamy said the EU was "no longer demanding the modification of the rules but a simple clarification."

"Some countries still don't want to hear any talk about the subject. They fear the European Union will erect, in the name of its environmental concerns, new trade barriers..."

"We must give them guarantees to show them that the use of environmental norms will not translate into illegitimate protectionist barriers."

Lamy said the EU was prepared to negotiate on agriculture, "essentially, on a greater discipline in terms of market access... but we don't want to enter into negotiation," he said.

## Business leaders to accompany govt delegation to WTO meet

The Commerce Minister, Amir Khosru M Chowdhury, is leading an 18-member delegation to the 4th ministerial meeting of the World Trade Organisation (WTO) due to be held in Doha from November 9 to 13, 2001, says a press release.

The high-powered delegation includes the Commerce Secretary, Bangladesh Ambassadors to the Permanent Mission in Geneva and Qatar.

The non-government members include Mahbubur Rahman, President of ICC-Bangladesh, Latifur Rahman, President of Metropolitan Chamber of Commerce and Industry, Dhaka, Benajir Ahmed, President of the Dhaka Chamber of Commerce and Industry, C K Hyder Secretary-General of MCC and Debapriya Bhattacharya, Executive Director of the Centre for Policy Dialogue (CPD).

It may be mentioned that the 4th WTO ministerial meeting has an important agenda. It will particularly discuss implementation of the commitments made at the WTO ministerial meeting in Singapore as well as introduction of a New Round of Trade Negotiations.

Commerce ministers of 154 member-countries of the WTO are scheduled to participate at these important talks.

## BRAC receives Tk 20cr from PKSF

BRAC has received Tk 20 crore from Pali Karma Shahayak Foundation (PKSF) for its micro-credit programme, says a press release.

Dr Salehuddin Ahmed, Managing Director of PKSF, handed over the cheque to Md Aminul Alam, Deputy Executive Director of BRAC at PKSF office yesterday.

The amount is part of PKSF's 252 crore 10 lakh for BRAC's Micro-Credit Programme.

Md Fazlul Quader, Deputy Managing Director (Programme), and Assistant Manager Zitendra Kumar Roy, and Chief Accountant of BRACSN Kairy were present.

## Unemployment rises again in Germany

### AFP, Nuremberg, Germany

The German jobs total rose again in October, as the global economic slowdown led more and more companies in the euro zone's biggest economy to lay off workers, official figures showed on Tuesday.

In seasonally adjusted terms, the total number of people looking for work in Germany rose by 27,000 in October from September, figures published by the Federal Labour Offices showed.

"The labour market in Germany deteriorated further in October," office president Bernhard Jagoda said in a statement.

"The decline in unemployment usually seen in October was substantially weaker than in previous years. The reasons for the growing problems on the labour market are the global economic slowdown and structural problems in eastern Germany," Jagoda explained.

In raw or unadjusted terms, the German jobs total fell, but only slightly, to 3.725 million in October from 3.743 million in October.

## BP profits slip 20pc in third quarter

### AFP, London

British oil giant BP said on Tuesday that profits fell almost 20 per cent in the third quarter to 3.049 billion dollars (3.39 billion euros).

But for the nine months to September, BP managed to post another record, as pro forma profits rose 8.5 per cent to 10.97 billion dollars.

Replacement-cost profit in the three months to September fell 20 per cent to 2.355 billion dollars, as BP grappled with the implications of the global economic slowdown and the falling crude prices that have ensued since the September 11 terrorist attacks on the United States.

The oil "supermajor" added that the return on the capital employed, a standard measure for oil company margins, fell to 18 per cent in the third quarter from 23 per cent a year ago.

"Despite a weaker world economy, BP continues to deliver great profits and great growth," said chief executive John Browne.