

NIIT to set up centre at Chandpur

NIIT, an information technology training company, has signed an agreement with BN Enterprises to open a centre at Chandpur, says a press release.

The agreement was signed at a function held in the city recently.

The signing ceremony was attended, among others, by Tulika Sinha, Zonal Head of NIIT, Sanjeev Shrivastava, Location Head-Bangladesh, NIIT, and Dr AKM Sahabub Alam, Managing Director of Beximco Systems Limited.

Kazi Nasimul Hoque, of BN Enterprises, also attended the function.

Maj Burhanuddin Ahmed (ret), managing partner of BN Enterprises, signed the agreement with NIIT for its Chandpur centre.

Mitsubishi Motors to outsource IT services to IBM

AFP, Tokyo

Japan's Mitsubishi Motors Corp. (MMC) said Thursday it will outsource information technology services to IBM Japan as part of a restructuring scheme aimed at returning to profit.

"The alliance with IBM is expected to cut costs of current information technology operations," the troubled automaker, 37.3 per cent owned by US-German counterpart DaimlerChrysler AG, said in a statement.

But the firm will increase its overall IT budget by some 10 billion yen (80 million dollars) a year and further align its information technology business with DaimlerChrysler's operations.

"The partnership with IBM Japan is the first step toward engaging in IT on a global scale and to change processes within Mitsubishi Motors," said MMC president Takashi Sonobe.

MMC employees working with IT systems will be transferred to IBM Japan subsidiaries to facilitate the alliance, scheduled to start next April.

Sunsilk 'free hair wash' festival held

Sunsilk, an international brand of Lever Brothers Bangladesh Limited, organised a free hair wash festival in the city recently, says a press release.

The week-long festival named Sun Silk Free Hair Wash was held in different salons of the city from December 1 to 7, 2001 mainly for beauty-conscious young girls.

The festival provided free and quality hair wash experiences to more than 4000 young ladies.

Sunsilk is the only brand to carry out such programme that generated huge response amongst the consumers. Every salon saw long queues of eager young ladies. Long hair, stylish hair, normal hair, oily hair, coarse and dry or thin ladies with different types of hair waited to have the ultimate hair wash experience.

Judging by the type of hair, experienced beauticians from the different well-known salons in the city recommended Sun Silk Mehendi for some, Sun Silk Black Shine for some or Sun Silk Bouncy Volume or Sun Silk Silky Strength for others. After each wash, the faces of the young ladies glowed up with vibrancy.

Along with a free hair wash, ladies got valuable hair care tips and free samples from Sun Silk at the partners in the hair wash festival La Belle, Peacock, Geeti's, Femina, Hong Kong, Mei Mei's, Dreams, Persona, Figuerijna, Lady Care, Extra Care, Nilos and Rose Beauty Parlour.

Sunsilk lovers were also keen to exchange opinions about their own hair.

S Arabia banks on gas to fuel reform

REUTERS, Dubai

Saudi Arabia is banking on its rich gas reserves to power its reform drive as low oil prices threaten to stunt economic growth in the world's largest crude exporting nation.

"In terms of economic reform, the kingdom is relying on its strong suit energy," said a western analyst. "Aside from the gas initiative, virtually no progress has been made." "It was the shock of low oil prices in 1998 which encouraged de facto ruler Crown Prince Abdullah to introduce sensitive reforms by inviting international oil firms to invest in the kingdom's gas sector, the world's fourth biggest.

Blanket producers losing market to illegal business

Leakage in bonded warehouse takes toll on industry

SHAHRIAR KARIM

Country's blanket manufacturers are losing their market to unscrupulous producers who are using 'polar-fleece fabric' from bonded warehouse as raw material for making blankets and selling in local markets.

The industry owners say they are going through difficult times and losing market due to the leakage in the bonded warehouse, according to the industry sources.

Over the past few years a number of blanket industries, developed in the country, have been meeting the demand of a large portion of domestic market. The industries also meet the demand of the country's defence forces and law enforcers, which consume the substantial amount of the domestic blankets.

The country's blanket industry started gaining momentum following a government decision in 1994 that made use of local blanket compulsory for the defence and law enforcing agencies, according to industry sources.

Different non-government development organisations are other big consumers of the products. They procure blankets through bidding before winter sets in and distribute these items among the destitute people.

This time, however, the industries are struggling to win supply order as many of the orders are being awarded to the people who neither produce blanket nor import it, industry people alleged.

"Rather, they make the blanket using 'polar-fleece fabric', which is basically a contraband item mainly imported for the export-oriented garment industry under bonded warehouse facility," an industry owner said seeking anonymity.

He said such leakage in the bonded warehouse is damaging the local industry and also depriving government of due revenues.

The polar-fleece fabric is imported without any duty under bonded warehouse facility and it is supposed to be re-exported as finished products. "But some unscrupulous traders are leaking the fabric to produce blanket and sell it in local market depriving government of its due revenue," another owner alleged.

He said the polar-fleece fabric is used for making sportswear and jackets in the export-oriented garment units.

In the wake of such uneven competition, the industry owners brought the issue to the Prime Minister, the finance minister and the National Board of Revenue (NBR) high officials.

Meantime, instructed by the PMO (Prime Minister's Office), the bond commissionerate has initiated an investigation into the alleged leakage of the fabric from the bonded warehouse and selling of the item in the open market, according to sources.

The sector, a labour-intensive industry, employs a large number of workforce of the country. However, the present situation threatened job cuts in the industry, the sources said.

"If this trend is not tackled, it will be difficult for the local blanket industry to survive and many of the workers will lose their jobs," an owner of a blanket industry told The Daily Star.

In the face of this uneven competition, the industry owners urged the government to make it mandatory for every government and non-government development organisations to procure blanket with manufacturers' certificate for the sake of the local producers.

Global growth to eke out 1.4pc in 2002: EIU

REUTERS, London

The global economy will eke out 1.4 per cent growth in 2002 and US real interest rates will stay negative in the first half of the year, a survey released today said.

The annual "country by country" report from the London-based Economist Intelligence Unit surveyed more than 180 nations. It forecast that after global economic growth estimated at 1.2 per cent in 2001, the world economy will be weighed down by falling growth in North America.

The figures compare with global growth in 2000 of 3.9 per cent.

North America will witness annual growth of 0.9 per cent in 2002, the slowest region, down from 1.1 per cent estimated for 2001, the EIU said.

The US economy, the world's largest, will be mostly to blame, with growth forecast at just 0.9 per cent in 2002.

The US will share a place as the 11th-slowest growing economy with Germany and Switzerland, also recording the same sluggish growth. The US will continue to ease interest rates into 2002, the survey said.

The world's second-largest economy, Japan, was forecast to record a decline of 1.1 per cent in 2002, making it the world's third slowest-growing economy behind Zimbabwe, down 5.0 per cent, and Argentina, down 1.7 per cent.

But Latin America as a whole will see growth jump by 1.5 per cent from an estimated low base of 0.5 per cent this year, although none of its contributing economies made it into the top 20 league of growing economies.

Asia and Australasia will rebound from 0.9 per cent growth to 1.4 per cent in 2002, while sub-Saharan Africa will grow by 3.6 per cent, rising from 2.8 per cent this year.

Equatorial Guinea will be the fastest growing country for the

second successive year, thanks to expansion of its oil industry.

The Middle East and north African region will see 2.4 per cent growth, up from 2.3 per cent this year, the survey said, with Iraq and Sudan leading the gains. Oil exporters Kuwait, Libya, Saudi Arabia and United Arab Emirates will be harder hit by efforts to curb oil production.

Although slowing, the transition economies, which include east Europe and Russia, will post the best gains, of 3.8 per cent after 4.4 per cent in 2001.

Western Europe was the only region forecast to see static growth in 2002, posting a gain of 1.4 per cent for the year.

Germany's growth was seen contributing to slower growth for the whole region.

"Germany is more exposed to extra-euro area trade than most other members of the single (euro) currency area, and will therefore be harder hit than other members by the US recession," the report said.

IMF to revise global forecasts next week

REUTERS, Washington

The International Monetary Fund (IMF) said Wednesday it will revise its forecasts for global economic growth next week, offering the first glimpse for many countries of the lender's latest growth expectations.

The international lender normally publishes its World Economic Outlook twice yearly, in the spring and the fall but will add an updated version next Tuesday.

The latest report will take account of the rapidly changing global economic outlook, which has recently seen the United States and Japan, the world's two richest economies, both pronounced as being in recession.

The last publication of the WEO was in late September. But at that time, the lender cautioned it had not had enough time to digest the economic impact of the attacks on the United States on September 11, which delivered a massive economic jolt to the global economy by battering consumer confidence and rattling a whole host of industries from airlines, tourism and insurance.

JP Morgan Chase, one of the main lenders to bankrupt energy group Enron, filed suit seeking 2.1 billion dollars in cash and other assets from the Houston-based company, a bank spokeswoman said Wednesday.

JP Morgan Chase took the step even though it remains one of the



Ator, a locally-made strong-smelling perfume, is mostly used during Muslim religious occasions. With barely two days to the Eid festival, the city's pavements are already packed with small sellers trying to lure passers-by to purchase a bottle of ator to be opened before saying of the Eid prayers. Our Chief Photojournalist AKM Mohsin captured a middle-class consumer tempted to have a look at the cosmetics put on display by a street vendor.

JP Morgan sues Enron

AFP, New York

JP Morgan Chase, one of the main lenders to bankrupt energy group Enron, filed suit seeking 2.1 billion dollars in cash and other assets from the Houston-based company, a bank spokeswoman said Wednesday.

JP Morgan Chase took the step even though it remains one of the

energy trader's most important financial supporters, taking a leadership role in providing 1.5 billion dollars in post-bankruptcy financing.

The spokeswoman said the suit was being filed on behalf of all lenders to Enron, which filed the biggest bankruptcy case in US history after a spectacular meltdown.

The banking group, along with Citigroup and UBS Warburg, is believed to be considering forming a joint venture to keep Enron's large energy-trading operations alive.

The New York Times said the new suit is an effort by lenders to sort out Enron's assets that have been used for collateral.



Sunsilk, an international brand of Lever Brothers Bangladesh Limited, organised a week-long hair wash festival -- Sun Silk free hair wash -- recently. Picture shows consumers having a look in one of the salons during the festival.

Microsoft says states' demands worse than break-up

AFP, Washington

Microsoft asked a court Wednesday to accept its anti-trust settlement with the US government, vehemently attacking demands for tougher action from nine states.

The proposals from the nine states, which have rejected the settlement, were as bad as breaking up the company, it said in a deposition to the US District Court for Washington DC.

"It is readily apparent that the non-settling states seek to punish Microsoft and to advance the commercial interests of powerful corporate constituents -- Microsoft competitors such as Sun Microsystems, Oracle, Apple and Palm," Microsoft said.

"Neither objective is appropriate under the antitrust laws."

Microsoft, found guilty last year of abusing its operating system monopoly, reached a settlement with the US Justice Department last month that restricts some business practices.

China may face severe difficulties in first year as WTO member

AFP, Beijing

China's economy is expected to face "severe difficulties" in the country's first year as a member of the World Trade Organization (WTO), a senior economics minister said Thursday.

"China is joining the WTO at such a time that the major economies in the world, mainly the US, EU and Japan, are experiencing economic slowdown," said Zhang Zhigang, vice minister of the State Economic and Trade Commission.

"Such an economic situation will impose severe difficulties for our own economic growth next year."

Speaking to reporters two days

after China officially joined the global trade body, Zhang suggested a rough road ahead for the country, at least in the short term.

The economies of the United States, Europe and Japan make up 70 per cent of the total world economy and their slowdown will have a big impact on China, Zhang said.

Trying to keep China's economy stable will be a particular challenge while the country opens its economy to unprecedented competition under the terms of WTO membership.

"For the next year, we'll have a tough situation," Zhang said at the news conference.

The biggest impact would be on

China's exports, he said.

The US, European and Japanese economies are major markets for Chinese exports, which have already suffered due to the global economic downturn.

China's trade surplus fell 13 per cent in the first 11 months of 2001 from the same period last year, according to official statistics.

Exports in the first 11 months rose 6.3 per cent, a figure down dramatically from a growth rate of 30.1 per cent in the same period of 2000.

Zhang said, however, that Chinese officials remained optimistic the government's plan to maintain domestic demand through a

continued policy of massive pump-priming, which began in 1998, would ease the pain.

"Last year, domestic demand contributed to 61 per cent of growth of our economy. Today, we'll have roughly the same number," he said.

"So in the future, we'll continue the proactive fiscal policy, the stable monetary policy and make the increase of domestic demand a major driver of our economic growth," he said.

Boosting domestic consumption would be a long term strategy, Zhang added, predicting China could achieve the growth target of 7.0 per cent the government has set for 2002.