

## AB Bank posts 100pc profit

The profit of Arab Bangladesh Bank Limited increased by almost 100 per cent during the year 2001 over the previous year, says a press release.

The bank posted a profit of over Tk 62 crore during the period.

This was disclosed at a manager's conference of the bank's Dhaka region branches held recently in the city.

CM Koyes Sami, Managing Director of the bank, presided over the conference.

Highlighting the performance of the bank, the managing director congratulated the managers for achieving growth.

The profit comprised 16.97 per cent in loan and advances, 59.15 per cent in foreign exchange and 37.14 per cent in global treasury management.

Abu Haniff Khan, Joint Managing Director of the bank, Iqbal Uddin Ahmed and M A Rais Khan also addressed the conference.

## EXIM Bank earns Tk 28.38 crore operating profit

Export Import Bank of Bangladesh Limited has earned an operating profit of Tk 28.38 crore during the year 2001 registering a growth rate of 177 per cent over the previous year, says a press release.

The bank made an operating profit of Tk 10.24 crore in the year 2000.

The total deposit of the bank stood at Tk 726.37 crore in the year 2001 while it was Tk 393.45 crore in the previous year; the growth rate is 85 per cent.

The advance of the bank stood at Tk 513.34 crore while it was Tk 217.05 crore in the preceding year; the growth rate is 137 per cent.

The bank has 10 branches nationwide, handled foreign exchange business worth Tk 1596.19 crore during the year while last year's volume was Tk 699.70 crore and the growth rate is 128 per cent.

## GMG now official domestic carrier of DFM-2002

GMG Airlines, the country's leading domestic carrier, has signed a memorandum of understanding (MOU) with The Bangladesh Monitor to act as the Official Domestic Carrier of the Dhaka Travel Mart-2002, the first-ever International Travel Fair of the country, says a press release.

The airlines will also be one of the co-sponsors of the Travel Mart.

Shahab Sattar, Managing Director of GMG Airlines, and Kazi Wahidul Alam, Editor of The Bangladesh Monitor and Chairman of DTM-2002, signed the MOU on behalf of their respective sides in the city on Monday. Abdus Sattar, Chairman of GMG Airlines, was present on the occasion.

The Bangladesh Monitor, the country's premier travel trade journal, is organising the Travel Mart from February 1-3, 2002, to project Bangladesh as a tourist destination and to highlight various tourism products, the country has to offer to tourists at home and abroad.

The Travel Mart is being jointly organised by the PATA Bangladesh Chapter and Tour Operators Association of Bangladesh while Biman Bangladesh Airlines, Bangladesh Guest House Owners Association, Amadeus, Dhaka Sheraton Hotel, The Daily Star, DHL, AccessTel and TravTalk will be acting as co-sponsors in different forms.

## Japan to propose steps to cement economic ties with ASEAN

AFP, Tokyo

The Japanese government has decided to propose measures to tighten economic cooperation between Japan and the Association of Southeast Asian Nations (ASEAN), a news report said Monday.

"Specifically, the proposed economic initiatives will be aimed at establishing closer cooperation in the fields of liberalization of investment, the development of information technology and the protection of intellectual property," the Nihon Keizai Shimbun said, citing government sources.

"They will also lead to the eventual signing of a free trade agreement," it said.

Prime Minister Junichiro Koizumi will propose the measures to his counterparts during his tour of five ASEAN countries, which is set to start Wednesday, the financial daily said.

## BGMEA seeks more devaluation of taka

### BCI appreciates depreciation

AP, Dhaka

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) president Kutubuddin Ahmed said the latest devaluation of taka would give the economy a breathing space amid depleting reserves and declining exports.

"But it hasn't been good enough. Piecemeal adjustments would not bring much good," he said, referring to massive devaluation of the currencies of neighbouring countries.

India devalued its currency by 22 per cent at one stroke and Thailand 40 per cent while Malaysia, Pakistan and many other countries heavily depreciated their currencies to overcome the global shocks and they have succeeded, he pointed out.

The issue entails such political bitterness that any government thinks twice before going for currency price readjustment in a bigger dose, although market demands it, said the BGMEA leader, whose associa-

tion commands 76 per cent of the country's total export earnings.

Another top business leader, who preferred not to be quoted, said the value of dollar needs to be adjusted down to Tk 60-65 in next one year to make Bangladesh exports effectively competitive with other exporting countries. "Whether it would be done in one stroke or more depends on the government's capability of handling it," he commented.

Meanwhile, Bangladesh Chamber of Industries (BCI) appreciated the devaluation saying it is "very justified in the present context of global economy to vitalise the export trade. "But the government will have to strengthen reforms in various sectors to tackle the overall economy," BCI acting president Abdul Wahid Majumdar said in a statement issued yesterday.

The devaluation that set the dollar price at Tk 57.90 (middle rate) would add dynamism to exports and encourage more remittances from abroad, casting a positive impact on the economy, he said.



CM Koyes Sami, President and Managing Director of AB Bank Ltd (3rd from left), delivers his speech at a managers' conference of the bank's Dhaka region branches recently in the city.

## Australia weathering global economic recession

AFP, Sydney

Economic figures continue to bolster the idea Australia is weathering the global economic downturn, with data on Monday showing strong job advertising, consistent retail sales and robust investor confidence.

The Australian Chamber of Commerce and Industry (ACCI) said while there was some evidence of the economy softening and hesitancy about the future, the country was doing relatively well.

"Overall, what is most notable about the Australian economy is how well it is performing in comparison with the depressed conditions in the rest of the world," ACCI acting chief executive Lyndon Rowe said when releasing the January survey of investor confidence.

"Most respondents believe that the economy is performing at a satisfactory level, if not better," he said.

On another positive note, Australian consumers continued to spend their way through any gloom in November, economists said.

Retail sales rose 0.4 per cent in November on a seasonally-adjusted basis to 13.8 billion dollars

(7.2 billion US), according to the Australian Bureau of Statistics (ABS).

With the exception of a 0.2-per cent fall in September, retail trade has risen every month since December 2000.

"Australians continued to shop and build their way out of an economic downturn in November," RBC Capital Markets senior economist Monica Fan said.

"It really does continue to be driven by strong growth in household goods, which is consistent with the housing boom that we have seen," she said.

Also, ANZ chief economist Saul Eslake said the relatively large increase in job advertisements in December might indicate employers are becoming more confident about the outlook for the Australian economy.

After three months of falls and a period of considerable uncertainty in the aftermath of the September 11 terrorist attacks on the US and the collapse of Australian airline Ansett, the number of employment ads in major newspapers in December showed the largest increase since January 2001.

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## Process of SAARC common market set to start rolling

Outgoing secretary general says

AFP, Kathmandu

The seven-member South Asian regional bloc representing one-fifth of the world's population on Monday said the process of forming a common market, mired in squabbling since 1998, is finally set to start rolling.

Nihal Rodrigo, the outgoing secretary general of the South Asian Association for Regional Cooperation, said the complex process of negotiations had been kick-started by the weekend SAARC summit in Kathmandu.

The last meeting of the SAARC members -- Bhutan, Bangladesh, India, the Maldives, Nepal, Pakistan and Sri Lanka -- was in 1998, with summits postponed by Indian-Pakistani bickering.

The draft SAFTA treaty will set various deadlines that will help bring about the ultimate objective of free trade in the region.

Rodrigo acknowledged it was not an easy task but said bigger countries such as India and Pakistan would probably have to take the lead

"while smaller countries may want a little more time."

He said there were at least 20 to

30 major points of contention that will have to be settled on a priority basis.

SAARC was originally expected to establish a framework treaty for a free trade area by the end of last year.

So far trade within the grouping is just four per cent of the total volume of trade conducted between the countries and the rest of the world.

But Sunday's declaration saw some positive signs with members agreeing on the need to remove tariff and non-tariff barriers and reducing bureaucratic hurdles that hamper investment.

They also agreed to improve transportation, such as air links, between the countries to make trade easier.

However, industry officials felt

these would not amount to much unless members agreed to synchronize duty structures and actually go ahead and reduce import tariffs.

Rodrigo said the association should come together so that it is not only World Trade Organisation-compatible, but more competitive in a globalised environment.

He said the WTO was the issue that brought together SAARC members for a trade meeting, with all countries including India and

Pakistan agreeing in New Delhi to take a common position against imbalances in the organisation and asking for a better share of trade.

"If there are seven voices which

## SIBL earns Tk 30.20cr operating profit

The operating profit of Social Investment Bank Limited (SIBL) rose to Tk. 30.20 crore in 2001 from Tk. 10.57 crore in the year 2000, showing a growth rate of 285.69 per cent, says a press release.

The bank has secured second position among the Islamic Banks in terms of profit earned.

The total deposit of the bank stood at Tk. 1062.85 crore in 2001 while it was Tk. 486.32 crore in the previous year with a growth rate of 118.55 per cent.

The investment of the bank stood at Tk. 549.86 crore during the period while it was Tk. 352.22 crore in 2000. The growth rate was 56.11 per cent.

## Indian banking liquidity comfortable

REUTERS, Bombay

The chief of India's central bank said Sunday the liquidity in the banking system was comfortable enough to take care of any excesses in the government's borrowing programme.

"We do not expect any pressure on liquidity," Reserve Bank of India Governor Bimal Jalan told reporters on the sidelines of a banking conference in the western city of Pune.

Jalan did not comment on whether the government will exceed its budgeted borrowing programme through bonds for fiscal year 2001/02 (April-March).

It has already marginally exceeded the target for dated securities, raising 1.01 trillion rupees (\$20.72 billion) through 29 bond issues in April-December.

Some analysts expect it will borrow another 250 billion rupees to compensate for any shortfall in tax revenues because of a sluggish economy.

Jalan also said the country's monetary authority expected to continue with its soft interest rates bias but did not comment on whether any further cuts were likely.

The central bank has cut its benchmark bank rate to 6.5 per cent currently from 8.0 per cent at the start of last year in three separate moves.

The bank rate is a reference commercial banks use to price loans and deposits.

## Thailand sees 5.7 pc export growth in 2002

AP, Bangkok

Thailand's Commerce Ministry forecast Monday that exports would grow by 5.7 per cent this year, following an estimated contraction of 6.5 per cent in 2001.

Commerce Minister Adisai Potharamit told a news conference that exports amounted to \$65.3 billion in 2001 and are expected to rise to around \$69 billion in 2002.

He said that gross domestic product, or GDP, growth was estimated at around 2 per cent in 2001, slowing from 4.2 per cent in 2000, due to the sharp contraction in exports.

Adisai said that exports would continue to account for about 60 per cent of the country's GDP in 2002.

tension which have lately been

hovering over the two countries."

said Mohammad Sohail of Invest

Cap.

The Pakistani president upstaged

Indian Prime Minister Atal Behari

Vajpayee Saturday by holding out his

hand and calling for dialogue to

resolve the heightening tension

between the two countries.

"The market was faced with

depression for quite some time, but

now signs of improvement are visible," said Karachi Stock Exchange president Salim Chandia.

"Pervez Musharraf's shaking

hands with Vajpayee has worked

significantly to defusing the war

between the two countries."

The regular consumers of Kali

Mehendi powder of Bangladesh will

now get a fresh product produced in

the country. One single 10-gram

sachet is suitable for one complete

hair colour.