

Fed sees signs of recovery, seeks caution on budget

AFP, Washington

US Federal Reserve chairman Alan Greenspan said Thursday the US economy is showing signs of recovery but he warned lawmakers to stick to long-term budget surplus targets.

"There have been signs recently that some of the forces that have been restraining the economy over the past year are starting to diminish and that activity is beginning to firm," he said.

The speech followed media speculation that Greenspan believed he had been overly pessimistic in a January 11 speech, when he warned of "significant risks" ahead to the economy.

In fact, in the new comments to the Senate Budget Committee, he made no mention of the risks.

"If the recent more-favorable economic

developments continue and gather momentum, uncertainties will diminish, risk premiums will fall and the pace of capital investment embodying these technologies will increase," Greenspan said.

"As we have witnessed so clearly in recent years, the resulting enhanced growth of productivity will lift our standard of living."

But after delivering his verdict on the economy, Greenspan issued a strong note of caution over the budget.

The US budget is set to plunge into deficits of 21 billion dollars in fiscal 2002, which runs to September 30, and 14 billion dollars in fiscal 2003, the Congressional Budget Office said Wednesday.

Just a year ago, it had tipped surpluses well in excess of 300 billion dollars for both years.

The cumulative 2002-2011 surplus forecast was slashed to 1.6 trillion dollars from an earlier projection of 5.6 trillion dollars.

Greenspan warned lawmakers to preserve long-term plans for a budget surplus, saying it would be needed to pay for an ageing population in the years ahead.

"Indeed, as you craft a budget strategy for coming years, you might again want to consider provisions that in some way would limit tax and spending initiatives if specified targets for the budget surplus and federal debt were not satisfied," he said.

"The significant improvement in the budget in the 1990s reflected not only decidedly positive economic forces but also much hard work and many difficult decisions on the part of the committee and others," he added.

Sony posts record sales thanks to weak yen

AFP, Tokyo

Japan's Sony Corp. said Friday it defied tough economic conditions to post record sales of 17.4 billion dollars in the three months to December thanks to a weak yen and strong demand for electronic games.

Its group revenue rose 7.4 per cent from a year earlier to 2.3 trillion yen (17.4 billion dollars).

Sony's net profit sank 14.4 per cent over the quarter to 64 billion yen and pre-tax profit fell 12.4 per cent to 119.3 billion yen, but both results beat those in the first half, which saw the firm wallowing in red ink.

"Despite the difficult global economic environment... Sony achieved the largest quarterly consolidated sales in history and a 10-per cent increase in operating income," the electronics and entertainment giant said in a statement.

Over the three months, operating profit surged 9.6 per cent to 158.6 billion yen, far higher than a market consensus of around 120 billion yen.

IFIC Bank annual branch managers' confce held

The two-day annual branch managers' conference of IFIC Bank Ltd concluded at a city hotel yesterday, says a press release.

It reviews the overall performance of the bank during the year 2001.

The conference was inaugurated by the Chairman of the bank, Manzurul Islam on Thursday. Syed Mohsen Ali, Director of the bank was also present.

The conference was attended by managers of 54 branches and senior executives of the head office.

Ataul Haq, Managing Director of the bank, highlighted the performance of the bank during the year 2001.

In his speech, the chairman of the bank laid special emphasis on earning more operational profit in the current year and for that purpose he suggested that the credit portfolio of the bank should be re-structured if necessary and managed more efficiently to achieve better results.



PHOTO: DBH

Delta Brac Housing Finance Corporation Limited (DBH) and National Housing Authority, Chittagong Circle, jointly organised a press conference to highlight different aspects of a multi-storey apartment project in Chittagong. DBH Head of Operations Ishtiaq H Chowdhury is seen at the conference along with Golam Mostafa, Executive Engineer of National Housing Authority - Chittagong Circle, and Asifur Rahman, DBH Chittagong Branch Manager.

Multi-storey apartment project starts in Ctg

The construction of a new multi-storey apartment project has started at Halishahar in Chittagong under the auspices of National Housing Authority (NHA) - Chittagong Circle.

This was disclosed at a press conference held at Chittagong Club on Monday. Delta Brac Housing Finance Corporation Ltd. (DBH) organized the press conference in collaboration with the NHA - Chittagong Circle, says a press release.

This project is first of its kind in the country under the supervision of the government. It comprises a total of 864 apartments, and would be a landmark in the real estate sector of the country.

The project has been planned in consonance with the "satellite township" projects in the developed world.

More than fifty per cent of the project area would be allotted to ensuring the modern civic amenities like school, college, mosque, shopping complex, wet market, play-ground, children park and other facilities to ensure a secure and self-sufficient life of the apartment dwellers.

In the first phase of the project, a number of 324 apartments will be built in two sizes: 1111 sq ft and 887 sq ft respectively.

Addressing the press conference, Ishtiaq H. Chowdhury, Head of Operations of DBH, expressed his appreciation for such noble initiative taken up by the government for the first time in Chittagong to mitigate the acute housing problem in the country.

He said DBH is ready to provide full co-operation to the initiative by offering its fast and easy housing loan facility to the discerning individual clients for buying apartments in the project. In this connection, the Chittagong office of DBH will be instrumental in providing counseling and prompt service to the clients.

He mentioned that DBH has already approved housing loans amounting to more than Tk. 315 crore to more than 4,500 clients in the first four years, and its business is expanding rapidly. Apart from buying apartments, DBH Housing Loan facilities are available for home construction, renovation and expansion of the existing houses and purchase of housing plots, he added.

ROK to speed up bank privatisation

AFP, Seoul

The South Korean government on Friday brought forward the planned privatization of banks rescued with public funds to the first half of the year.

The government had originally planned to start selling shares in the banks in the second half.

But faster-than-expected economic recovery and improving share prices enabled the government to speed up the sell off so the authorities can retrieve public funds,

the finance and economy ministry said.

A financial policy consultative committee decided Friday that the sale of shares would start this year and be completed in three to four years, said the ministry.

Among the nine banks that have received public funds are three large banks: Chohung Bank, Woori Financial Holdings and Seoulbank. The government controls 100 per cent of Woori and Seoulbank and 80.1 per cent of Chohung Bank.

Dano distributor confce held

Arla Foods Ingredients Milco Bangladesh organised its Distributors' Conference 2000-01 at Hotel Hiltown in Sylhet recently, says a press release.

High officials of Arla Foods-Denmark and Bangladesh met 53 distributors of the country at the conference.

Ahmed Kabir, Country Manager of Arla Foods Ingredients Milco Bangladesh, presented the sales report for 2000-01. Discussion topics included distribution and marketing plan for 2000-01 and Dano's vision for the future.

Top distributors and sales officers were awarded for their performance in 2000-01. Arla Foods Denmark business Unit Manager Jorgen Waage Pederson, Export Manager Viggo Madsen, Brand Manager Rune Dinsen and Chairman of Mutual Trading Azimuddin Ahmed, among others, spoke at the conference.



PHOTO: ARLA

Picture shows high officials of Arla Foods- Denmark and Bangladesh, distributors and sales officers at the Dano Distributors Conference 2000-01 held in Sylhet recently.



PHOTO: IFIC

Manzurul Islam, Chairman of IFIC Bank Ltd, inaugurates a two-day annual branch managers' conference of the bank at a city hotel on Thursday. Ataul Haq, Managing Director, and other executives of the bank are seen also in the picture.