

Bank Asia recommends 18pc dividend

Bank Asia Ltd has recommended an 18 per cent dividend for the year 2001, says a press release.

The recommendation was made at a meeting of the Board of Directors of the bank held in the city on Thursday.

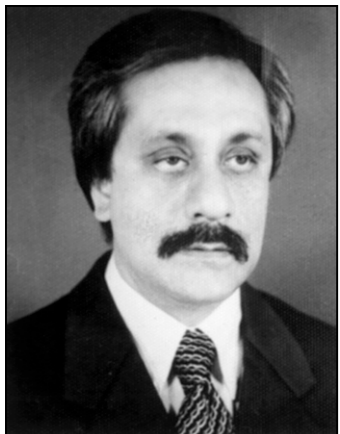
The meeting approved, among others, the audited Annual Accounts including Balance Sheet and Profit & Loss Account of the bank for the year 2001, the second full year of operation of the bank.

The operating profit for the year 2001 was Tk. 130.05 million as against Tk 19.97 million in the previous year.

After providing for preliminary expenses and staff incentive bonus, the net operating profit stood at Tk. 125.70 million.

The increase in profit was 549 per cent, while deposits increased by 154 per cent and advance by 170 per cent in 2001 over 2000.

New MD of Coats Bangladesh



Shafiqzaman took over as managing director of Coats Bangladesh Ltd. yesterday, says a press release.

He is the first-ever Bangladeshi managing director of the company.

An authority in his field, Shafiq started his career with BAT Bangladesh in 1980 and has been working for the company since its inception in Bangladesh in 1989.

Before assuming his new assignment he served as sales & marketing director of Coats Bangladesh and Coats Vietnam.

Coats Bangladesh Ltd. is the market leader in industrial and consumer sewing thread in Bangladesh and is a subsidiary of Coats plc, UK, one of the largest textile groups in the world.

Ctg-Muscat direct Biman flight from April 7

Biman Bangladesh Airlines will operate regular flight to Muscat direct from Chittagong from April 7, 2002, says a press release.

On every Sunday Biman flight BG 021 with Airbus A310 will operate on Dhaka-Chittagong-Muscat-Chittagong-Dhaka route departing Zia International Airport at 8:30 pm.

The flight will leave Chittagong at 10:10 pm to reach the Omani capital of Muscat 50 minutes past mid-night early Monday.

It may be mentioned that with this direct link between Chittagong and Muscat, Biman will be able to serve its valued passengers specially the business community and the wage earners in a far better way.

Passengers already reconfirmed their seats from Dhaka on BG 021 of April 7, 2002 are requested to report at Zia International Airport by latest 6:30 pm before the departure of the flight on April 7, 2002.

DCCI training course ends

The 5-day training course on 'how to operate export & import business successfully' ended at the DCCI Business Institute on Saturday, says a press release.

The training course was organised by DBI with the technical support from GTZ (German Technical Cooperation).

The course incorporated topics like export & import scenario of Bangladesh, steps for export & import procedures, negotiation of export documents, export incentives, disputes & settlement of export claims etc.

On the concluding day DCCI Director Syed Moazzem Hossain spoke at the certificate awarding ceremony.

DBI Acting Executive Director Md Emdadul Haque and Deputy Secretary (Training) Hasanur Rahman Chowdhury were also present on the occasion.

A total of 41 participants from different private companies attended the course.

Ninth BCS show a big boost to software developers

Strict implementation of intellectual property rights act demanded

MAHBUB ZAMAN

The just concluded ninth BCS computer show was a big boost to the country's software developers as they received overwhelming response from people.

The visitors at the country's biggest annual information technology exposition showed special interest in software on procurement management, inventory control system, sales performance monitoring system, general accounting garments payroll system, MCQ exam system, employee attendance, asset management, library management, besides references like dictionary, encyclopaedia, and Bangla language spell checker.

However, the software developers have sought state steps for strict implementation of intellectual property rights act to safeguard the fledging industry.

We urge the government to implement the copyright law passed in the parliament in 2001 immediately to encourage the software development in the country, said Md Sabur Khan, President of Bangladesh Computer Society (BCS), an organisation of the country's computer hardware vendors.

"Government co-operation is immediately needed to help boost the sector", said Motaheb Hussain Manik, Chief Programmer of software developing firm Tri-Gem.

The software developers said they got encouraging response from the buyers and got huge orders for customised software during the three-day fair.

Most of the software displayed and sold in the show were on business management, children's learning multimedia guide, Bangla keyboard interface and dictionary.

Besides, different application software from various enterprises were also on display.

Proshika Soft offered its accounting software for business solution in cheaper rate in the fair and also presented a new one Virtual Office that enables one to conduct his office activities from anywhere in the world.

ACME IT Ltd's products include Procurement Management System, Inventory Control System, Leave Management System, Sales Performance Monitoring System, General Accounting, and Garments Payroll System.

I-Tech offered a wide range of software including MCQ Exam System, Institute Management System, Employee Attendance System, Asset Management System, Simple Accounting System, LC Management System, Sales Management System and Accounts Management System.

Universal Systems developed software titled 'Sanjay Patra Automation System' to cope with the total management of the sales of different types of bonds sold by commercial banks.

Renowned multinational banks including Standard Chartered Grindlays Banks and HSBC are using the software, the firm officials said.

DacSoft developed 'Business Management Kit (BMK)', an integrated software for business organisations. It is a Windows-based software that helps analysing the financial strength and asset management. The cost of software is Tk 13 lakh.

It also developed two software for the children - 'Amar Chhelebel' and 'Tiny Tots Nursery' for English medium kids. The prices of the software are fixed at Tk 150 and Tk 250 respectively.

Promiti brought 'Micro-credit Management Information System' that handles all micro-credit programme processes effectively and the management can get instant reports using this software.

The firm's Library Management software that is being used by University Grants Commission and Bangladesh Agricultural Research Institute (BARI).

Computer Services has upgraded its popular

Prabartan Bangla spell checker.

BomoSoft is working to ensure extensive use of Bangla in electronic media. It developed word processing software titled Bangla 2000, which is similar to Microsoft word.

The application has auto-typing correction. The next version of the software will include spell checker and import and export file to other Bangla platforms like Bijoy and Munir.

Star Computer Systems showcased its Star Jewels for the jewellery management and Personal Finance System that enables users to record daily and monthly financial activities.

CD Media developed a number of tutorial CDs on different computer application and software. In the BCS fair, it released video and audio editing, Auto Cad 2002, MS Access XP, 3D Studio Max-4, SQL Server in Bangla.

CD Media also developed software Ekushey to send e-mail in Bangla. If one sends an e-mail using the software, the recipient does not require to have any Bangla font.

Tri-Gem Computers, a Gazipur-based software developing firm, experienced huge response for its educational software like Bangla-English and English-Bangla Taking Dictionary, 'Tense Tutor 2000', Easy Bangla-1.0 and Car Puzzle Game.

Its Bangla-English Taking Dictionary with 56,000 words attracted number of visitors as it was released in mini CD, smaller than a floppy disk that can be played in normal CD ROM drive.

Hitech Professionals displayed Sona-moni, Kobi and Bangladeshi 71.

Micro Tech Corp Ltd developed a Bangla typeface software that enables one to type Bangla using mouse. It also released a Bangla-English-Bangla dictionary titled 'Falgun 8'.

Micro Tech Corp Ltd also developed an easy PABX billing system that costs Tk 35,000.

Fornix Soft Ltd developed some religious multimedia software - 'Al Quaran', 'Namaj Sikkhya', 'Arbi Porte Shikha'.

Computer Services has upgraded its popular



Canadian Secretary of State for Asia-Pacific David Kilgour addresses the members of Metropolitan Chamber of Commerce and Industry, Dhaka, and guests at the Dhaka Sheraton Hotel yesterday. David Preston, Canadian High Commissioner to Bangladesh, and members of a business delegation from Canada also attended the meeting.

ADB sees rapid recovery of East Asian economies

AFP, Manila

East Asian economies are moving from last year's sharp and synchronised slowdown to a faster-than-expected but moderate rebound, the Asian Development Bank (ADB) said Monday.

But the Manila-based bank warned in its latest economic analysis of the region that the positive outlook could be marred by a weaker rebound in the United States and a possible extension of the US-led anti-terrorism operations to the Middle East.

On the domestic front, East Asian economies could strengthen regional recovery by supporting demand through further interest rate cuts and easing fiscal policy, said the bank's quarterly economic review of East Asia.

"Based on available economic indicators, many of East Asia's economies have started to pick up, lifted by stronger domestic demand and renewed business confidence," the report said. "Exports are also starting to turn around."

Overall improvements in economic prospects have also led to upward revisions in the 2002 growth forecast for East Asian economies analysed by the ADB.

The economies comprised China, South Korea and the 10 states of the Association of

Southeast Asian nations (ASEAN) -- Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

The ADB report would be tabled at a meeting of ASEAN finance deputies in Myanmar's capital Yangon this weekend ahead of talks among the region's finance ministers, ADB officials said.

ADB has been supporting a "surveillance process" for ASEAN after the region was hit by its worst financial crisis in 1997.

Last year, East Asia suffered weak to negative economic growth due to a significant drop in demand for the region's exports stemming from a synchronised slowdown in the industrial countries led by the United States and the collapse of the information technology industry worldwide.

The ADB report on Monday forecast 2002 growth for China at 7.2 per cent, Vietnam at 5.7 per cent, Laos 5.0 per cent, Indonesia 3.1 per cent, Thailand 2.8 per cent, South Korea 4.7 per cent, Cambodia 4.5 per cent, Singapore 3.8 per cent and Malaysia and the Philippines at 3.6 per cent each.

It warned however of "certain risks and uncertainties" that could dampen growth in the region this year, citing, among others, the possibility of 2002 growth in the United States turning to be lower

than the expected 2.1 per cent.

Another risk factor cited was higher crude oil prices from a possible spillover of the ongoing US-led anti-terror operations to the Middle East.

Crude oil prices had already risen by 24 per cent so far this year and "political uncertainties following any military operations could suddenly upset this sanguine outlook," the report warned.

The ADB said although domestic risks to the region's growth and recovery had generally subsided, "economic vulnerabilities in a globalised world could arise almost without notice" and the region should try to minimise them.

"The immediate policy challenge for the region is to support this year's economic rebound with appropriate demand management policies," it said, adding there was scope for further interest rate cuts, for example.

It also suggested further fiscal expansion in Malaysia and South Korea, based on their relatively low levels of public debt.

Beyond strengthening domestic demand through fiscal and monetary policies, ADB said there was a need to push ahead with structural reforms in the financial and corporate sectors.



Bank Asia's Chairman M Syeduzzaman, Vice-Chairman A Rouf Chowdhury, Directors Mohd Safwan Choudhury and Anwar Hussain and Managing Director Syed Anisul Huq sign the audited annual accounts of the bank for the year 2001 at a meeting of the Board of Directors held Thursday in the city.

Indonesian exports up as US, Japanese demands rise

AFP, Jakarta

Indonesian exports rose 4.5 per cent in February from the previous month as the US and Japanese economies began recovering, an official said Monday.

Exports in February stood at 4.18 billion dollars while imports gained 4.8 per cent to 1.98 billion dollars, said Central Bureau of Statistics head Sudarta Surbakti.

"The stronger exports in

February are attributable to the (recovery in the) US and Japanese economies," Surbakti told a press briefing.

Exports to the US rose to 570.9 million dollars in February from 498.1 million in January, while exports to Japan increased to 507.1 million from 432.6 million.

Exports to Singapore declined to 399.6 million dollars from 433.7 million.

Surbakti said non-oil and gas

exports rose to 3.37 billion dollars in February from 3.14 billion in the previous month, while oil and gas exports declined to 811.3 million dollars from 863.9 million.

Non-oil and gas imports rose to 1.60 billion dollars in February from 1.57 billion in January.

Surbakti said total exports in the two months to February reached 8.18 billion dollars, down from 9.13 billion a year earlier, while imports fell to 3.87 billion from 6.12 billion.

US recovery rolling, but growth may decelerate: Economists

REUTERS, Washington

The US economy seems to be rolling ahead after a year-long slump, but economists say growth could decelerate in the second quarter if businesses keep their wallets snapped shut and consumers don't open theirs as freely.

During the shallow recession, consumers were the key underpinning for the economy, making a more-than-healthy number of purchases of expensive items like homes and cars.

But economists say that with the benefits of tax cuts, lower energy prices, tax rebates and lowered interest rates mostly in the past, a rise in consumer spending will hinge primarily upon wage and salary growth.

Despite the cautious words, which echo comments by most Federal Reserve officials, including Fed Chairman Alan Greenspan, few economists see a double-dip recession as a credible threat right now.

Business spending remains a question mark for both the central bank and private economists.

Thus far, corporate profits have been relatively soft, breeding caution in executives and making businesses unlikely to increase wages or

make other investments in the work force.

"We've gone through a period where almost everything that could have, did turn positive for the economy," said Mark Vitner, an economist for Wachovia Securities in Charlotte, North Carolina.

"I think the economy is going to hit an air pocket in the spring," he added, just as the Fed contemplates when it should start raising interest rates.

US personal income rose 0.6 per cent in February after 0.5 per cent increase the month before, the Commerce Department said on Friday. However, wages and salaries, a more clear-cut indication of how much bacon Americans are bringing home, rose 0.4 per cent after remaining unchanged in January.

So far this year, the Fed has held interest rates steady at four-decade lows. It signalled earlier this month that it no longer viewed weakness as the main economic threat, which most economists saw as a sign higher rates were down the pike.

Last year, the central bank lowered short-term interest rates 11 times to help prop up the economy, which was slowing even before getting hit by the Sept. 11 attacks.

Now, many economists believe the Fed is poised to begin raising rates as early as June to keep the economy from overheating and stimulating price pressures.

A slew of data released over the past few weeks has shown that the US economy has indeed steamed ahead after the contraction during the third quarter of last year. But most of the gains reflect last year's huge inventory liquidation, which forced businesses to restock shelves.

Last week, the Commerce Dept. reported that economic growth in the fourth quarter of 2001 was stronger than previously thought, with gross domestic product (GDP) rising at a 1.7 per cent annual pace instead of the 1.4 per cent rate in the prior estimate, while after-tax corporate profits slid.

"The components that were revised up -- consumer and government spending -- were already doing well, but they aren't necessarily sustainable," said Bill Cheney, chief economist at John Hancock Financial in Boston. "The components that got weaker -- corporate profits and corporate spending -- were the ones where we most need the rebound."

The job cuts about nine per cent of Toray's total domestic workforce will be conducted over the next two years through expansion of an early retirement programme and shifting workers to other group companies, said Nohihiko Saito.

The measure will be taken to reduce labour costs at a time when the company's revenues have been squeezed by a sharp increase in cheap textile imports from China and other Asian countries, Saito said.

The latest measure will not affect any of Toray's workers at overseas ventures, which now number 86 firms, he said.

Toray, the world's largest maker of synthetic textiles, has 118 group firms in Japan and employs about 22,000 workers.

Faced with the global economic slowdown, many other Japanese companies, including auto and electronics makers, have been eliminating thousands of jobs.

Standard Bank declares 12pc dividend

Standard Bank Limited has declared a 12 per cent dividend for the shareholders of the bank for the year 2001, says a press release.

The dividend was approved at the 3rd annual general meeting of the bank held in the city on Saturday.

The Chairman of the bank, Kazi Akramuddin Ahmed, presided over the meeting.

It was also attended by Vice-Chairman Al-Haj Mohammad Ayub, Directors of the bank and Managing Director Sahazada Syed Nizamuddin Ahmed.

Deputy Managing Director, Mosharrif Hossain, and Sr Executive Vice President, S A Farooqui, were also present at the meeting.

The AGM declared that the bank made a total operating profit of Tk 8.02 crore during the year 2001 and deposited tax amount of Tk 2 crore 9 lakh to the public exchequer.

The deposit of the bank stood at Tk 274 crore in December 2001.

The loans and advances of the bank stood at Tk 236 crore. At the same time the bank successfully handled foreign trade to the tune of Tk 367.35 crore.

Japan's textile maker Toray to slash 2000 jobs

AP, Tokyo

Toray Industries Inc, a major Japanese maker of synthetic textiles, will cut about 2,000 jobs as part of its restructuring drive, a company official said Friday.

The job cuts about nine per cent of Toray's total domestic workforce will be conducted over the next two years through expansion of an early retirement programme and shifting workers to other group companies, said Nohihiko Saito.

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Japan lifts full guarantee on central bank deposits

AFP, Tokyo

Japan lifted a full guarantee on certain bank deposits Monday in a move analysts said has already sparked a flight of capital to quality lenders and led to the collapse of weaker institutions.

The government has imposed a 10 million yen (75,000 dollar) cap on its guarantee for time deposits, installment savings, loan trusts and other relatively illiquid forms of savings in case of bank failure.

A limit on current accounts and ordinary savings will be imposed next April.

"This will make savers choose their financial institutions," the government's top spokesman, Chief Cabinet Secretary Yasuo Fukuda, told reporters.

"In order to win the trust of depositors, it will be necessary for managers to operate with special care," Fukuda said.

The government sought to ease concerns that lifting the blanket guarantee would cause a run on savings at weaker institutions such as regional banks.

"Financial institutions are in fine shape," Hakuo Yanagisawa, state minister in charge of financial affairs, told journalists. "If the worst happens and it is decided there are fears of a financial crisis, we will take every measure, including strengthening banks' capital."

But analysts said savers had

already begun moving their deposits to protected accounts or to more reliable lenders, and that some smaller institutions have collapsed in the tougher environment.

In the year to March, two regional banks, 43 credit unions and 13 credit associations filed for bankruptcy, partially due to savers moving their accounts to bigger banks, according to the Financial Services Agency.

"You can't say that the approach of the lifting of the guarantee did not play a role," said FSA spokesman Isamu Kato.

The government has acknowledged this system may cause weaker financial institutions to go bust, but it has a 15 trillion yen emergency fund in case any large banks head for crisis, said Standard and Poor's banking analyst Ryoji Yoshizawa.

S and P noted deposits and certificate deposits at smaller credit cooperatives have been falling at an increasing pace over the last five years, while those at bigger city banks and top-tier regional lenders have been rising.

"Pressure for a flight to quality has already started to rise," the ratings agency said in a report on the demise of the so-called payoff system.

"The payoff system will, over the medium to long term, encourage weaker institutions to leave the market and may contribute to the

resolution of Japan's overcrowded banking industry," it said.

"In the short term, it will add further uncertainty to an already troubled business environment for financial institutions."

ING Barings chief economist Richard Jerram noted a shift of funds from unprotected to protected accounts.

"There has been a very significant flight out of (time and installment savings) deposits," Jerram said.

According to Bank of Japan figures, money left in time and installment-savings deposits at domestic banks has shrunk some 26.6 trillion yen in the year to January to 270.7 trillion yen, while total deposits have grown 7.1 trillion yen to 507.8 trillion yen over the same period.

However Jerram said the cap on guaranteed deposits was unlikely to cause a financial crisis. "If there was going to be then it would have happened by now."

Banks received a helping hand at the end of the fiscal year to March after the government implemented tighter rules on short selling which helped push the Nikkei-225 index up 17 per cent from an 18-year-low marked early February.

The move will boost the value of lenders' stock portfolios, inflating their capital base.



Kazi Akramuddin Ahmed, Chairman of Standard Bank Limited, presides over the 3rd annual general meeting of the bank in the city on Saturday.