

Govt cuts borrowing through T-bills

BSS, Dhaka

The government has reduced its borrowing from banking system through selling treasury bills (T-bills) yesterday by the Bangladesh Bank, the central bank of the country, where some banks placed competitive bids to purchase these treasury bills for their liquidity purpose.

The weekly auction for issuing the government's treasury bills held yesterday by the Bangladesh Bank, the central bank of the country, where some banks placed competitive bids to purchase these treasury bills for their liquidity purpose.

The call money rate slightly fell and ranged between 14-15.50 per cent yesterday from the previous day's 15-16 per cent as money inflow from government exchequer was

higher than the outflow through T-bills.

The strong deposit-based state-run Sonali Bank and Janata Bank did not purchase government T-bills due to, what fund managers said, lower returns in a time when call money rate is at its high level.

The call money rate remained at its high level above the bank rate of 7.00 per cent since long due to liquidity crunch of some commercial banks partly driven by government borrowing and mainly due to lower deposits growth.

The government sold Tk 144.50 crore (1.445 billion taka) worth treasury bills after investors bid for T-bills worth Tk 278.00 crore (2.78 billion taka) when it will repay loans of Tk 362 crore (3.62 billion) to banks this week due to premature encashment and maturity of earlier T-bills.

The net government's borrowing through T-bills this week, therefore, stood at Tk 217.50 crore (2.17 billion taka) only.

Meanwhile, the outstanding balance of premature encashment by banks against T-bills was at Tk 205.00 crore (2.50 billion taka) yesterday while Tk 217.50 crore (2.17 billion taka) worth T-bills would be retired this week, the statement said.

AB Bank's 20th founding anniversary celebrated

STAR BUSINESS REPORT

Arab Bangladesh Bank celebrated its 20th founding anniversary on Friday.

The bank organised a gala ceremony, which was attended by ministers, judges, lawyers, academics, bankers and journalists, to mark the day at Sheraton Hotel.

Speaking on the occasion, Foreign Minister M Morshed Khan, who is a former chairman of AB Bank, said private banks should be allowed to open branches abroad and financial institutions should be kept out of politics.

Finance and Planning Minister M Saifur Rahman attended the function as chief guest. AB Bank Chairman Faisal M Khan and Managing Director CM Koyes Sami also spoke on the occasion.

Saifur Rahman said he had great reservation about allowing banks in the private sector in the early eighties.

"Although there had been many interested parties to open banks in the private sector, I allowed only six banks to see how they perform and some of them are now doing well," he said.

Criticising the previous government for allowing several banks in the private sector, the finance minister said the size of the market should be understood.

But it allowed people to open banks like groceries, he said. "Not in the case of banks, it had also done the same in the insurance sector," the finance minister added.

AB Bank Chairman Faisal M Khan stressed the need for removing discriminatory policies and updating legal framework in the banking sector.

President and Managing Director of AB Bank CM Koyes Sami said the private banks were no more a mere push over rather collectively these are the strongest force that is playing a dynamic role for the development of private sector in the country.



PHOTO: STAR
Finance and Planning Minister M Saifur Rahman inaugurates an automated teller machine of AB Bank at a function organised at Dhaka Sheraton Hotel on Friday on the occasion of the bank's 20th anniversary.

Khasru sees huge demand for Bangladeshi items in Bhutan

UNB, Dhaka

There is a vast demand for Bangladeshi products in Bhutan and Bangladesh can easily add more items to its export basket for the neighbouring SAARC country.

"At present, we are exporting 26 products to Bhutan and they have a good market there. More products have potential market," Commerce Minister Amir Khasru Mahmud Chowdhury told UNB Saturday after

a market-exploration trip.

The minister, who returned Saturday ending a four-day visit to the tiny Himalayan Kingdom, listed many potential products having demand in Bhutan, including readymade garments, melamine products, shoes and leather goods.

"Bangladeshi products have a goodwill in Bhutan," he said narrating his experience of visiting some markets in Bhutan.

National Housing launches special scheme for Baishakh

National Housing Finance and Investments Limited, a non-bank financial institution engaged in providing housing loans, has launched a special scheme on the occasion of Pahela Baishakh, the Bangla New Year-1409, says a press release.

To mark the occasion, the usual loan processing fee of 0.75 per cent of the applied loan amount will not be charged from the applicants applying for housing loan during the month of Baishakh in 1409.

Interested individuals can submit their loan applications either to its corporate head office on Sonargaon Road or at its Motijheel office in the city, the release said.



PHOTO: BANK ASIA
Mohd Safwan Chowdhury, Director of Bank Asia Ltd, inaugurates an E-Cash ATM at Sylhet branch of the bank. The picture shows (L-R) Abu Ahmed Siddique, Manager-Sylhet Branch of Bank Asia, Syed Anisul Huq, Managing Director of Bank Asia, Mohd Safwan Chowdhury, Mohiuddin, President of Sylhet Chamber of Commerce & Industry, and Salahuddin Imam, Managing Director of Electronic Transactions Network Ltd, at the inaugural ceremony.

CURRENCY

Following is yesterday's foreign exchange rate statement by Standard Chartered Bank.

Selling	Currency		Buying		
	BC	TT Clean	OD Sight Doc	OD Transfer	
58.5500	58.5800	USD	57.4000	57.2314	57.1629
52.3028	52.3897	EUR	49.7635	49.5801	49.5035
84.9839	85.0259	GBP	81.7676	81.5011	81.4465
32.1414	32.1660	AUD	29.9783	29.8858	29.8057
0.4462	0.4463	JPY	0.4313	0.4311	0.4301
35.3732	35.3977	CHF	34.1903	34.0958	34.0113
5.7236	5.7288	SEK	5.5156	5.4980	5.4820
37.1104	37.1350	CAD	35.9869	35.8932	35.8100
7.5145	7.5158	HKD	7.3546	7.3369	7.3195
32.011	32.0322	SGD	31.1144	31.0706	31.9560
16.0710	16.0886	AED	15.4925	15.4706	15.4521
15.7369	15.7553	SAR	15.1901	15.1534	15.1352

Usance export bills						
	TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
USD	57.2817	56.9282	56.4564	55.9139	55.3242	54.0032
EUR	49.6689	49.3625	48.9534	48.4829	47.9716	46.8262
GBP	81.5920	81.0886	80.4166	79.6437	78.8037	76.9221

Exchange rates of some currencies against US dollar							
	Indian Rupee	Pak Rupee	Lankan Rupee	Thai Baht	Nor Kroner	NZ Dollar	AUD
48.89	60.025	95.7	43.535	8.6669	0.4421	0.5344	

The local interbank foreign exchange market was subdued Saturday. Demand for BDT for overnight borrowing at call was still high.

STOCK