Star Business

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KitKat launches live billboard

STAR BUSINESS REPORT

KitKat, a confectionery brand of Nestle, launched the first ever live billboard in Bangladesh at Dhanmondi in the city on Tuesday.

The newly appointed Managing Director to Nestle Bangladesh Ltd, Carlo Cifiello, unveiled the much-awaited live billboard as chief guest.

At the unveiling ceremony Carlo Cifiello said, "This live billboard ensures our commitment to the consumers in Bangladesh." He also said that Nestle has been doing better over the past years in Bangladesh.

While explaining the reason behind installing such a live billboard, the officials of Nestle Bangladesh Ltd said that KitKat makes ones break moment more enjoyable. "So, the billboard with the 'swing' reflects a real life 'Break' moment to be enjoyed by all."

Regional Sales Manager of Nestle Bangladesh Ltd, Khan Saleh Mahmood, and Brand Manger for KitKat, Rumana Zafar, were also present at the occasion.

Citibank wins Business India's Best Bank Award

This year's Best Bank Award from 'Business India' goes to Citibank India, says a press release.

Cutting-edge technology, a clear retail thrust, corporate banking initiatives, and value added services have come to rule the banking environment which brought Citi into a tough competition with State Bank of India and HDFC Bank, which was last year's best bank.

Citibank India CEO and Regional Head for South Asia Sanjay Nayar termed it as a "dominant local bank" with strong global linkages.

"We get access to all the Citigroup products and that's a major advantage," he said. The bank, he said currently has a 3 per cent market share in India and is targeting 6-8 per cent.

Despite global recession, Citibank also has its plans to expand its operation in Bangladesh and hopes to bring the best of financial products to the country.

SIA Engineering wins Asia-Pacific industry award

THE STRAITS TIMES/ANN

SIA Engineering Company (SIAEC) has clinched a top industry award for its commitment to safety and quality as well as for having successfully ""navigated one of the most difficult economic periods in the history of commercial aviation".

Singapore Airlines' engineering arm last night was named the Best Asia-Pacific Airline Maintenance, Repair and Overhaul (MRO) Operation of the Year by Aviation Week magazine.

Hongkong Aircraft Engineering Company bagged the prize for the best independent MRO operation.

This is the second year that Aviation Week and its sister magazine Overhaul and Maintenance have given out the MRO awards in Asia, the inaugural presentation having been held in Hongkong last year.

The awards have been given out for a number of years in Europe and the United States.

'China must help foreign jt ventures'

AFP, *Beijing*

China must ensure long-established foreign invested joint ventures can revise their operating conditions to compete with the new wave of post-WTO investment from abroad, the head of Siemens AG here said.

"We have been doing extremely well with our joint ventures, but (the big concern) is how can we remain competitive," Ernst Behrens, president and chief executive of Siemens AG in China, told a business conference.

Siemens, which has invested more than 700 million Euros (696 million US dollars) in China, has more than 40 joint ventures spanning telecommunications, transport systems and electrical appliances, he said.

"But under WTO (the World Trade Organization), companies today can come in and immediately form wholly foreign-owned enterprises. So how is China going to treat companies who came in early and followed the rules of that day," Behrens said.

Hawker eviction boosts Eid sale at city malls

ZAHIDUL HAQUE

Eviction of hawkers from footpaths adjoining some popular markets has enhanced sale volume of those market places this year.

The businessmen welcomed the eviction drive by the joint forces.

The markets in and around the city's Gulistan area yesterday witnessed huge Eid shoppers in Fulbaria Super Market, Pir Yeameni Market and Bangabazar.

Most of the shop owners were so busy with their sale that they could hardly spare a minute to talk to this correspondent yesterday.

"This year people in large numbers turned up at our market as a result of eviction of hawkers from the pavement," Nizam Uddin, a shoe-shop owner in Pir Yeameni Market said. "For this our sale volume has gone much higher than that of the previous years," he added. Other shop owners also echoed him.

"We can't say the exact figure or percentage of rise in sale volume in comparison with the previous years," said Alamgir Hossain, sales manager of Cloth Museum at New Market.

The joint forces began a country-wide anti-crime drive on October 17, that also saw eviction of hawkers from the footpaths. They drove hawkers away from areas adjacent to New Market and Gausia, Gulistan, Baitul Mukarram, Dhaka College and Farm Gate.

Both the shop owners as well as the shoppers welcomed the move to have pavements clean. "It makes my shopping very comfortable," said Nazmun Nahar, a banker who went to New Market with her two children to do their Eid shopping.

Hawkers were evicted initially from Gausia area by the joint forces which kept the hawkers away from the kerb market in the first 15 days of Ramadan. They, however, resumed their business.

The shop owners at New Market also made similar allegations that some hawkers returned to the market pavement creating chaos.

However, Selina, a garments worker said she usually does her Eid shopping from footpath as she finds it cheap. "This year I have to add some extra money in my Eid budget due to eviction of hawkers," she added.

PHOTO: AIRSPAN

Alexander Mazilin, country manager of Uzbekistan Airways, hands over a Dhaka-Tashkent-Dhaka air ticket to Sajal, winner of the first prize in the raffle draw of a month-long Uzbekistan Airways-Agora Superstores joint promotion at the office of Airspan Ltd, GSA of Uzbekistan Airways Ltd, recently. Niaz Rahim, executive director of Agora Superstores, Kazi Wahidul Alam, chairman, and Abdullah Al-Farooq, managing director of Airspan Ltd, are also seen among others.

Standard Bank Board meets

The 48th Board Meeting of Standard Bank Ltd was held in the city recently, says a press release.

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

The Board took various important decisions regarding bank's investment policy in the field of trade, commerce and industries. It also took decisions about import and export trade financing and deposit mobilisation.

Vice-Chairman Ferozur Rahman, among the directors Kamal Mostafa Chowdhury, Mohd. Nurul Islam, Mohd. Ayub, Ashok Kumar Saha, Harun Rashid Chowdhury, Monzurul Alam, S A M Hossain, Mohd. Abdul Aziz, Abdul Ahad, Al-haj Mohd. Nurul Haque Sowdagar, Advisor Sahazada Syed Nizamuddin Ahmed and Managing Director (CC) Mosharraf Hossain attended the meeting.

Pakistan economy seen growing 5pc next fiscal

REUTERS, *Karachi*

Pakistan's economy is likely to grow by more than five per cent in fiscal 2003/4 (July-June) from estimated growth of 4.5-4.6 per cent in 2002/3, an adviser to Prime Minister Mir Zafarullah Khan Jamali said Tuesday.

During the last three years Pakistan's economy had shown gradual but consistent growth, said Shaukat Aziz, who advises Jamali on financial and economic affairs.

"In the next financial year, economic growth will be over five per cent," Aziz told top business and industry leaders in the southern port city of Karachi.

He also assured them that the new civilian government was committed to the reform programme initiated by the outgoing military government to revive the country's ailing economy.

In a separate statement, the new Minister of Industries and Production Liaqat Ali Khan Jatoi said he was sticking to a target of $1.0 billion in foreign direct investment in 2002/3.

Foreign direct investment was $484.7 million in 2001/02.

It rose to $170.2 million in the first quarter of 2002/3 compared with $69.1 million in the corresponding period last year, but some economic analysts predict it may well fall short of the $1.0 billion full-year target.

Aziz, who served as finance minister in President Pervez Musharraf's cabinet, has been made Jamali's adviser to ensure continuity in economic policy.

Musharraf, who continues to enjoy sweeping powers despite handing over to a civilian government after an October 10 general election, has been widely praised by investors and donors for putting the country's economy on a more even keel.

Aziz said the country was on the brink of debt default when Musharraf took power in a bloodless coup in October, 1999.

But since then economic fundamentals had improved and the economy was growing, he added.

"In the first five months of the (current) financial year, our exports are showing buoyancy ... the agriculture sector is looking fine and industrial production is showing a good trend."

"In the next few months, foreign exchange reserves will cross the $10 billion mark," he added.

Last week Pakistan's central bank said the country's foreign exchange reserves exceeded $9 billion for the first time ever.

Pakistan's backing of the US-led military campaign in Afghanistan was rewarded by aid inflows from the United States and other Western countries, as well as debt rescheduling.

"Our long-term target is to boost the foreign exchange reserves up to the level of our foreign debt," Aziz said without giving any details.

Economists see ECB rate cut this week

AFP, *Frankfurt*

The European Central Bank will almost certainly cut rates this week, economists suggested on Tuesday, after ECB President Wim Duisenberg acknowledged that inflationary pressures in the eurozone were easing, while growth prospects remained far from rosy.

In the latest in a series of remarks by top ECB officials that appeared to be aimed at preparing markets for an imminent reduction in borrowing costs, ECB chief Duisenberg told the European Parliament's committee for economic and monetary affairs in Brussels that the evidence "has strengthened that inflationary pressures are easing somewhat" while the downside risks to growth "have not vanished."

Coming two days before the regular monthly meeting of the ECB's policy-setting governing council, the remarks sent a clear signal that a rate cut could be in the pipeline, especially as they came hot on the heels of similar comments by other ECB members.

Only last week, Bundesbank President Ernst Welteke said in uncharacteristically frank terms that the ECB meeting this week will "certainly discuss whether the time has come for a rate cut and if so, whether rates should be cut by a quarter or a half point."

US announces Bangladesh RMG quota for next year

UNB, *Dhaka*

US government has given advance quota permission to Bangladesh with effect from December 3 for apparel exports under three categories.

The exports under these three categories of apparels -- 347/348, 647/648 and 338/339 -- would be counted for next year's quota entitled to Bangladesh under special trade preference.

The advance permission is usually given at the year-end keeping in view the shipment time to reach the export items to US destinations right at the beginning of next quota year.

The US authorities imposed temporary restriction on category 347/348 in the current quota year (2002) on charges of over-shipment beyond the permissible quota.

Export Promotion Bureau (EPB) officials said the items fulfilled their quota for 37 lakh dozens of cotton trousers, breeches and shorts under category 347/348 by October 16.

Later, Commerce Minister Amir Khosru Mahmdu Chowdhury, leading a delegation, parleyed with US officials that resulted in 5 per cent quota grace, reaching total exports under this category to 39 lakh dozens.

Other apparels products, which also enjoy quota preferences in US market, are man-made fibre trousers, breeches and shorts (category 647/648), and knit shirts and blouses (category 338/339).

The Ministry of Commerce has already instructed the EPB to initiate the process of advance quota allotment and shipments for the three categories. Exporters of these categories have been advised to contact the EPB.

$6 lakh ADB aid for SMEs

UNB, *Dhaka*

Asian Development Bank (ADB) will provide a technical assistance grant of US$600,000 to help make small and medium enterprises (SMEs) in Bangladesh more competitive.

An agreement to this effect was signed between ADB's Bangladesh Resident Mission and Economic Relations Division (ERD) of the Ministry of Finance at the NEC conference room at Sher-e-Bangla Nagar yesterday.

ERD Joint Secretary Aminul Islam Bhuiyan and ADB Country Director Toru Shibuichi signed the agreement on behalf of their respective sides. Head of Economic and Development Cooperation Section of the Embassy of Japan Toru Maeda was present.

According to the agreement, a programme would be formulated for SME development and export expansion in close coordination with other donors under the grant from ADB's Japan Special Fund.

The grant aims at providing enabling environment, availability and cost-effectiveness of business development and support services, and the accessibility and sustainability of financing for SMEs.

There will be an agenda of reforms for promoting and developing a dynamic SME sector with particular focus on registered SMEs, preferably labour intensive and export oriented ones, in manufacturing, agribusiness, and information technology sectors.

The ADB said the programme would develop market access and export capacity of SMEs for higher value-added products, and provide trade finance facilities and export credit insurance schemes.

It would also promote female entrepreneurs and social development for women workers in readymade garment industry, said the donor agency.

India ups soyoil base price

REUTERS, *New Delhi*

India, the world's largest edible oil buyer, yesterday raised the base import price of soyoil but traders said it would have little impact on imports of vegetable oils or soymeal sales.

The government raised the base import price of crude soybean oil, used to calculate tariffs, to $600 a tonne from $542 a tonne, the customs department said in a notification.

"Whatever soyoil we need will come into the country even if the prices increase," said BV Mehta, executive director of Solvent Extractors Association of India.

Traders said the country's meal exports, which have been hit by high soybean prices in the domestic market, are also not expected to benefit from the increase in base price.

"Whatever gains a seed crusher will get from an increase in domestic soyoil prices will be offset by a similar increase in bean prices," said Davish Jain, managing director of the leading meal exporting firm Prestige Industries.

Domestic soybean oil prices firmed up by 500 rupees ($10.36) a tonne to 43,100 rupees in central Indian markets soon after the announcement, traders said. "The market should rally a bit further by another 500 rupees," Jain said.

India fixes base prices to check loss of revenue due to under-invoicing by some importers. It mainly buys palm oil from Malaysia and Indonesia and soybean oil from Argentina and Brazil.

Traders pay import duties on base values irrespective of the prices at which they purchase oils.

The government last week increased the base import price of palm oils.

The country imposes a basic import levy of 85 per cent on refined oil, 65 per cent on crude palm oil and 45 per cent on soybean oil.

Jain said soybean prices had also risen to 14,250 rupees a tonne from Tuesday's opening levels of 14,000 rupees.

The country has exported around 300,000 tonnes of soymeal since October compared to 700,000 tonnes shipped out in the same period last year, traders said.

Farmers and middlemen are holding back stocks hoping that soybean prices would rise further due to lower oilseeds output in the country. But soymeal prices have not risen in the same proportion in the global market making Indian meal uncompetitive.

PHOTO: STANDARD BANK

Chairman of the board of directors of Standard Bank Ltd Kazi Akramuddin Ahmed presides over the 48th board meeting of the bank in the city recently.

Asian stock markets fall as Wall Street rebound stalls

AFP, *Tokyo*

Asian sharemarkets fell Wednesday after Wall Street lost ground due to a slide in technology stocks following eight weeks' of gains.

Japanese share prices fell 2.2 percent after US tech stocks were hit, but also because of worries over the lack of action on domestic economic reforms.

The Nikkei-225 average of the Tokyo Stock Exchange declined 198.38 points to end the day at 9,006.73. The broader Topix index of all first section issues tumbled 16.10 points to 874.66.

Investors were concerned a multi-week rally in US stocks would again fizzle out after declines on Wall Street in recent sessions, along with a resumption of weak economic data and earnings numbers, dealers said.

In New York on Tuesday, the Dow Jones industrial skidded 1.4 percent while the tech-heavy Nasdaq composite dropped 2.4 percent.

HONG KONG: Share prices in Hong Kong closed 2.3 percent lower with the Hang Seng index falling below 10,000 points on profit-taking in telecoms and property stocks.

The key Hang Seng index lost 231.28 points to close at 9,995.73.

SYDNEY: Australian shares slumped 1.5 percent as market-wide falls mirrored Wall Street's losses, with financial services giant AMP leading the way after another restructure.

The benchmark SP/ASX 200 index fell 45.4 points to 3,027.2 while the All Ordinaries index was down 43.8 points at 2,993.4.

SINGAPORE: Share prices in Singapore closed 1.1 percent down, led lower by technology stocks and a poor trading debut by the city-state's second biggest mobile phone operator MobileOne.

SEOUL: South Korean share prices closed 3.0 percent weaker on foreign selling while losing most of the gains built over the past five days.

The composite index closed down 22.07 points at 714.50.

KUALA LUMPUR: Malaysian share prices closed 0.3 percent higher on some light buying ahead of the long weekend.

The Kuala Lumpur Stock Exchange composite index rose 1.91 points to finish at 618.37.

TAIPEI: Taiwan share prices closed 1.4 percent lower, led by electronics stocks after downbeat comments from AOL Time Warner and Nokia undermined Wall Street.

The weighted index closed down 66.44 points at 4,727.49.

MANILA: Philippine share prices fell 0.6 percent after the government released weak export growth figures for October.

The Philippine Stock Exchange composite index lost 6.28 points to close at 1,036.26.

BOMBAY: Indian share prices closed 0.7 percent lower led by software major Wipro on sustained profit-taking by retail investors and traders amid low fund buying.

The Bombay Stock Exchange's 30-share index shed 22.78 points to close at 3,207.36.

BANGKOK: Thailand's stock market rose 0.2 percent due to gains in building and energy concerns and a technical rebound ahead of a public holiday.

SHANGHAI: Shanghai B-shares closed 0.7 percent higher following the city's successful bid to hold the 2010 World Exposition, although profit-taking pared back early gains.

S'pore outlook brightens with new export orders

THE STRAITS TIMES/ANN

Singapore looks set to avert a second recession, with the key manufacturing sector poised to pick up in the next few months. The optimistic prognosis for the manufacturing sector is thanks to an increased demand for electronics goods from the United States, which is among the Republic's key trading partners.

Any upturn in the manufacturing sector is likely to augur well for the economy as a whole, given that it accounts for nearly a quarter of the country's gross domestic product (GDP).

The latest glad tidings stem from the so-called Purchasing Managers' Index, a lead indicator that signals manufacturing activity in the next two to three months.

The index rose to 51.7 last month, up 1.1 points over October. A reading of above 50 on the index indicates that the manufacturing economy is expanding.

Significantly, a crucial sub-index that mirrors activity in the electronics segment reverted to positive territory by moving up 1.5 points to 50.9. The sub-index had contracted in October.

"The electronics sector index has been very much influenced by the new export orders coming from the major overseas markets, in particular the United States," said Professor Philip Poh, chief executive of the Singapore Institute of Purchasing and Materials Management. The institute compiles the monthly index.

"The strong numbers for the new electronics exports have...diminished the possibility of a "double-dip' recession," he added, referring to the much feared prospect of the economy contracting yet again after last year's worst ever shrinkage.

There was good news on another front yesterday, with a survey of private-sector economists by the Monetary Authority of Singapore corroborating the optimistic prognosis for the economy.

Though the economists polled cut their growth forecasts to 2.5 per cent for the whole year, they expected GDP in the last three months of the year to grow by 3.8 per cent compared to the last quarter of 2001.

Compared with the previous three months, the economy is expected to grow by about 3.2 per cent.

This means that the economy will steer clear of two consecutive quarters of contraction, avoiding what is known as a technical recession. The Singapore economy had shrunk 10.1 per cent in the third quarter, as compared to the second.