

Sponsor directors exempted from share de-matting

STAR BUSINESS REPORT

The Securities and Exchange Commission (SEC) has exempted sponsor directors from de-matting their shares, a move aimed at encouraging more companies to settle their share transactions through the central depository system (CDS).

A commission meeting yesterday took the decision.

De-matting (converting paper shares into electronic ones) of shares belonging to sponsor directors was mandatory when CDS began its journey with the lone company - Square Pharmaceuticals Ltd - on January 24.

Sources said many multinational companies are willing to adopt CDS but expressed reluctance to de-mat shares of sponsor

directors which are rarely traded and transferred.

"De-matting of share certificates belonging to sponsor directors like individual shareholders is now optional. The move would encourage company management to bring their companies under CDS," Mansur Alam, executive director of SEC, said.

The meeting also decided that the bourses will have to enlist a company within two months of application or explain to SEC the reason for disqualifying the company.

Chaired by SEC Chairman Mirza Azizul Islam, the meeting with drew trading suspension on Therapeutics Bangladesh Ltd, one of the 16 Z-category companies faced SEC embargo on December 3 last year following an abnormal surge in their share prices.

Setting a timeframe for bourses to enlist initial public offering (IPO) issuers would make the function of bourses more accountable and transparent. It will also help protect shareholders' interest removing uncertainty over the listing, Alam said.

If the listing committee finds inadequate information in the application for listing, it can ask the company to furnish the facts and the company is liable to provide that. The applications often remain pending for long time.

As there is no time limit for bourses to enlist an IPO issuing company, the delay in listing deprive the investors of daily trading benefits.

The SEC move to set a time limit would also help take uniform action by the two bourses regarding listing of any, market analyst said. Last year

Dhaka Stock Exchange rejected listing application of Khaza Mosaic but Chittagong Stock Exchange enlisted the company.

Presently, listing application of Daffodil Computers Ltd is pending with DSE.

The commission lifted trading embargo on Therapeutics Bangladesh Ltd as the company has restored its annual general meeting and submitted annual audited report and financial statement as advised by SEC.

About bringing in more quality IPOs in the capital market, Alam said the merchant banks should encourage multinational companies to offer shares to general public to give the market a sound footing.

HSBC Dhanmondi branch celebrates 1st anniversary

The Hongkong and Shanghai Banking Corporation (HSBC) Limited in Bangladesh celebrated the first anniversary of its fifth branch in Bangladesh located at Dhanmondi, Dhaka on Thursday, says a press release.

Rohit Bhargava, deputy head of Personal Financial Services, HSBC Asia Pacific, and David JH Griffiths, chief executive officer of HSBC in Bangladesh, Mamoon Mahmood Shah, manager, Personal Financial Services, HSBC, and other executives of the bank were present at the ceremony.

Speaking at the function, Griffiths said the branch that started its operation with the objective to provide a full range of personal financial services with modern banking facilities to customers now caters to over 5000 customers.

HSBC Dhanmondi branch features a modern banking hall with a wide customer service area, counters for cash and non-cash transactions and an ATM.



A man walks past shuttered shops on Bangabandhu Avenue in Dhaka yesterday during the dawn to dusk strike which disrupted economic activities across the country.

EU rules out chances of free trade pact with US

REUTERS, Washington

A top European Union trade official ruled out chances Friday of the world's two largest economic powers, the United States and the EU, negotiating a free trade agreement.

"We're not looking forward to free trade negotiations with developed partners at this point in time," Karl-Friedrich Falkenberg, director of the European Commission's trade office, told a group of lawyers and lobbyists. The commission is the EU's executive branch.

Washington and Brussels have busily pursued bilateral and regional free trade pacts with countries around the world.

Two months ago, Spanish Prime Minister Jose Maria Aznar said the two economic heavyweights should set a goal of a trans-Atlantic free trade pact by 2015.

But Falkenberg said the EU's No. 1 trade priority was a successful conclusion of world trade talks. After a disastrous meeting last September in Cancun, Mexico, those negotiations have shown renewed life in recent months.

Brussels believes leading developed nations - such as the United States, the 15 members of the EU, Canada, Japan and Australia - should negotiate tariff reductions through the World Trade Organisation, rather than bilaterally, he said.

"One of the underlying reasons for that is not to totally undermine the WTO," Falkenberg said.

The United States and the EU have long been the driving forces behind world trade negotiations. A decision by the two to launch bilateral free trade talks would likely set off alarm bells among many smaller trading partners.



Rafiqul Islam, customer service manager of The Hongkong and Shanghai Banking Corporation (HSBC) Limited, Dhanmondi Branch, cuts a cake to celebrate the first anniversary of the branch on Thursday. Among others, Rohit Bhargava (2nd from L), deputy head of Personal Financial Services, HSBC, Asia Pacific, David JH Griffiths (3rd from L), CEO of HSBC, Bangladesh, and Mamoon Mahmood Shah (1st from L), manager, Personal Financial Services of HSBC, Bangladesh, are seen in the picture.

Qatar Airways plans to up flights to Dhaka

Qatar Airways, one of the world's fastest growing airlines, hopes to up its number of flights to Dhaka from April this year against the backdrop of continued passenger growth.

Shamshad Ahsan, area manager-Bangladesh, Qatar Airways, disclosed this at the Top Agents Award Ceremony (2003-2004) organised by the airline at a city hotel on Thursday.

At present, the flag carrier of Qatar flies to Dhaka five times a week, says a press release.

"We are working on additional frequencies," Ahsan said, adding that the airline started serving Dhaka with only one frequency in 1997.

"We shifted to a new office in Gulshan, opened a special desk there for the travel agents and kept a small office in Motijheel for those who find it convenient," he said.

Speaking at the function D Goonettilleke, regional manager-South Asia, Qatar Airways, said the airline will take delivery of 13 new aircraft in 2004, boosting its fleet to 38 by year-end.

He also distributed awards among twenty top passenger and cargo agents of the airline.

Brazil, India, S Africa defend peaceful co-operation

among developing countries which banded together at the failed WTO talks in Cancun last September to press the developed world to phase out farm subsidies.

The Cancun talks collapsed after delegates failed to agree on eliminating farm subsidies in industrialized nations and proposals to extend the WTO mandate to cross-border investment.

Brazil has been seeking a free trade deal among developing countries as a way of offsetting the trading clout of developed nations, and is keen to work on a trilateral trade agreement with India and South Africa.

"The objective is to have a Free Trade Area but it is a step-by-step process," said Amorin.

"We are negotiating with India and we are negotiating with South Africa. There will be a moment when we will have to co-ordinate our efforts to make our geography into a FTA," he added.

India and South Africa, meanwhile, agreed Friday to the Brazilian proposal to establish a trilateral business council, which will help businesspeople from the three countries forge joint ventures.

"If we have very strong trade and economic links we will always be friends," South African Foreign Minister Nkosazana Dlamini-Zuma said.

To further overall strategic co-operation, the defence ministers of India, Brazil and South Africa will meet later this year.

"The defence ministers of our countries met last month in Pretoria and looked at various avenues for co-operation like joint military production and research and development," said Sinha.

"It is not merely a buyer-seller relationship but is taking broader ties forward," he added.

South African minister Zuma said that India and Brazil were "strong candidates" to become permanent members of the United Nations Security Council as the two developing countries had large and stable democracies.



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Shell boss sacked because of 'loss of confidence'

AFP, London

Royal Dutch/Shell fired its chairman Philip Watts because of a "loss of confidence" in his leadership, new boss Jeroen van der Veer said Friday.

Watts's departure was announced this week after a backlash by investors over the oil giant's admission last month that it had overestimated its proved oil and gas reserves by 3.9 billion barrels, or one-fifth.

Another senior executive, Walter van de Vijver, the head of Shell's exploration and production division, also lost his job.

"The reason for the resignations is loss of confidence," said new chairman van der Veer, previously vice chairman of the group and president of Royal Dutch Petroleum, the Netherlands-based arm of the business.

Forex reserves hit 8-yr high on increased remittance

STAR BUSINESS REPORT

Foreign exchange reserves yesterday hit an eight-year high at \$2.81 billion mainly because of an increased flow of remittance.

According to the Bangladesh Bank statistics, remittance witnessed a 10.75 per cent rise during the first eight months of the current fiscal year.

Expatriates sent \$2.18 billion during July-February period of this fiscal while the amount was \$1.97 billion during the same period of last fiscal.

The country had the highest \$3.07 billion forex reserves in 1994-

95.

Officials at the central bank said the flow of remittance marked a significant increase before Eid-ul Azha bringing \$350 million in January.

The amount however came down to \$256 million in February, still higher than \$234 million sent in February 2003.

The remittance in the 2002-2003 fiscal was \$3 billion. Bankers said it was unusually high because of global economic uncertainty in the wake of September 11 terror attacks and the Iraq war build-up, bank officials said.

Of the total remittance, 70

percent came from the middle-eastern countries. Saudi Arabia accounted for the biggest share of remittance.

Apart from the middle-eastern countries, the US is a major source of remittance. During July-December, Bangladeshis in the US sent \$245 million, a 10.45 per cent increase from \$221 million in the same period of the previous year.

Officials attributed the rise in remittance from the US to people's increasing interest in sending money home through official channels following the adoption of new American laws in the post-9/11 scenario.

Sell-off plan for Thai power co put on hold amid protest

ANN/THE NATION

The Thai government yesterday postponed indefinitely a plan to privatise the Electricity Generating Authority of Thailand (EGAT) amidst growing pressure from state-enterprise workers.

Prime Minister Thaksin Shinawatra softened his stance towards the tens of thousands of workers who have rallied outside EGAT headquarters for almost two weeks.

He said it was himself who was to blame for rushing the public offering of EGAT's 25 per cent shares.

"When I rushed it, authorities, the (energy) minister and the (EGAT) governor went ahead with the plan without looking around, and misunderstandings followed," Thaksin said in his weekly radio address yesterday morning.

It was the first time that the prime minister took a soft tone towards the matter in public.

"I have asked my ministers why workers have had to rally and I found out that I myself must be blamed for rushing officials to privatise and that a lack of explanation to the public has caused misunderstandings," he said.

Prime Minister Thaksin Shinawatra began the climbdown earlier Saturday in his regular radio address, taking a softer tone towards the tens of thousands of state workers who have rallied outside EGAT headquarters.

Thaksin said the public had gained the wrong impression that the entire 25 per cent stake would be sold to foreigners, but that in

fact only about two to three per cent would find its way to overseas investors.

But he insisted he was not caving in to the protesters, and that he would not agree to a public hearing on the privatisation issue which is one of their demands along with

the removal of EGAT's chief.

"It's not about retreating or not retreating but it's a matter of clarity, fairness and the national interests, while we also have to take staff welfare into consideration," he said.

CURRENCY

Following is Saturday's (March 6, 2004) forex trading statement by Standard Chartered Bank

Sell		Buy				
TT/OD	BC	Currency	TT Clean	OD Sight	Doc	OD Transfer
59.4000	59.4500	USD	58.5050	58.3332	58.2633	
74.5232	74.5860	EUR	71.5282	71.3181	71.2328	
110.6147	110.7078	GBP	107.1929	106.8780	106.7501	
45.9934	46.0321	AUD	43.7793	43.6507	43.5985	
0.5350	0.5355	JPY	0.5167	0.5152	0.5146	
46.9268	46.9663	CHF	45.4302	45.2968	45.2425	
8.0037	8.0104	SEK	7.4561	7.4342	7.4253	
45.2778	45.3160	CAD	43.8601	43.7313	43.6789	
7.6374	7.6438	HKD	7.5017	7.4797	7.4707	
34.8489	34.8783	SGD	33.9652	33.8654	33.8249	
16.3039	16.3176	AED	15.8002	15.7538	15.7349	
15.9669	15.9803	SAR	15.4775	15.4321	15.4136	
10.2814	10.2901	DKK	9.3244	9.2970	9.2859	
202.3161	202.4864	KWD	190.8187	190.2582	190.0304	

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kronner	NZ dollar	Malaysian ringit
45.27	57.215	96.67	39.475	7.0236	0.7246	3.80

Local Interbank FX Trading

Local interbank market was subdued on Saturday as the international market was closed. Dollar remained almost unchanged against the Bangladesh taka in the thin interbank trade.

Local Money Market

Money market was active. Call money rate increased slightly and ranged between 3.00 and 3.50 per cent compared with 2.50-3.00 per cent previously.

International Market

International market was closed on Saturday. The dollar fell sharply on Friday against most major currencies after US

payrolls data showed far fewer new jobs than expected in February, diminishing chances of an interest rate hike in 2004. US labour department reported only 21,000 jobs were created last month against the forecast of 125,000 jobs. Euro rose about 1.5 per cent against the dollar, while the sterling rose by 1.3 per cent. But against the yen, US dollar surged to five-month highs against the yen on suspicion of hefty dollar-buying intervention by Bank of Japan.

At the closing of New York on Friday, euro was at 1.2376/80, GBP was at 1.8462/68, yen was at 112.02/07 against US dollar.

This memorandum is issued by Standard Chartered Bank and is based on or derived from information generally available to the public from sources believed to be reliable. While all reasonable care has been taken in its preparation no responsibility or liability is accepted for errors of fact or any opinion expressed herein.

ReadyCash Raffle Draw Winners

The latest ReadyCash Raffle draw was held at ReadyCash Bangladesh office at Dhanmondi in Dhaka on Saturday, says a press release.

Prizes	Name of Winners	Card No
China Junction Chinese Free Lunch for Two	Bimal Chandra Das	504798000051611
TOMBOY Chinese Free Lunch Package	Shah Jalal	504798001002824
Meal in the Box free Lunch	Rezwaniul Haque	504798000051630
Sentosha Chinese free Lunch/Dinner Package	Md Tanisul Tanvir	504798000051488
Everyday Everything FEDS free Gift Box	Pinto	504798000051502
Patna Cloth Store free Gift Box	Md Irish Sharif	504798000051516

Winners can collect their prizes from the Executive, Promotion of ReadyCash within 30 days of this news circulation by producing their ReadyCash card transaction vouchers. ReadyCash encourages its cardholders to read The Daily Star and the Daily Prothom Alo on every Sunday or call our Customer Service at: 8123850, 8130497, and 8125294-7.

China plans to create 9m jobs in 2004

AFP, Beijing

China will seek to create nine million new urban jobs in 2004 as millions of new laborers and rural peasants are seeking work in crowded cities, a leading planning official said Saturday.

"We still have about 14 million laid off workers and unemployed people in cities and towns," said Ma Kai, head of the National Development and Reform Commission, at a session of the National People's Congress.

"Approximately 10 million new urban residents are expected to enter the labor force this year, in addition, large numbers of surplus rural laborers still need to shift to non-agricultural industries and urban areas," Ma said.

To meet the rising tide of job seekers, the state would create nine million new jobs in cities, maintaining an urban unemployment rate below 4.7 percent, he said.

"We will further implement existing measures such as fiscal and credit support and tax and fee cuts and exemptions and do everything possible to create more jobs," he said.

"We will give full play to the role of labor-intensive industries, small and medium sized enterprises and non-public sectors of the economy in expanding employment."



D Goonettilleke, regional manager-South Asia, Qatar Airways, and Shamshad Ahsan, area manager-Bangladesh of the airline, pose for a photograph with the top passenger agents at the Top Agents Award Ceremony (2003-2004) organised by the airline for both cargo and passenger agents at a city hotel on Thursday.

British finance minister a top candidate for IMF job

AFP, London

Britain's powerful finance minister, Chancellor Gordon Brown, is one of the top candidates to head the International Monetary Fund (IMF), a newspaper reported Friday.

Britain's finance ministry sought to play down the report in the Guardian daily, while stopping short of an outright denial.

The Guardian said IMF sources had confirmed Brown was one of the top candidates after Horst Koehler announced Thursday he was quitting as the body's managing director to accept a nomination to become German president.

If Brown were to take the IMF job in Washington, it would effectively spell the end of his ambitions to succeed Tony Blair as prime minister, according to the

Guardian.

Reacting to the report, a spokesman for Britain's finance ministry said: "This is speculation. It would be far too premature to comment."

Koehler's decision to resign, with immediate effect, has put pressure on the IMF to find a successor quickly.

If Brown, 53, took over the post, his departure would have a huge impact on British politics, which he has dominated along with Blair since the Labour party came to power in 1997.

While there have been reports in the past that Brown was interested in heading the IMF, it was thought in British government circles that his interest had waned in recent years.