

Prime Finance and Investment okays 20pc stock dividend

Prime Finance and Investment Limited has approved 20 percent stock dividend for its shareholders for the year 2003.

The approval was made at the 8th annual general meeting of the company held in Dhaka recently, says a press release.

Chairman of the company MA Khaleque presided over the meeting. Among others, Managing Director of the company Tapan K Podder was present.

Prime Finance's total disbursement was Tk 1050 million in 2003 against Tk 700 million the previous year.

IBBL fixes profit rates on deposits

Islami Bank Bangladesh Ltd (IBBL) has declared final rates of profit on different types of Mudaraba deposits for the year 2003.

The rates were approved in a board meeting of the bank held recently in Dhaka with Shah Abdul Hannan, chairman of IBBL, in the chair, says a press release.

The bank will provide 10.85 percent profit on Hajj Savings Deposit of above 10 years 10.45 percent on the same deposit of upto 10 years, 10.45 percent on Special Savings (Pension) Deposit of 10 years and 8.84 percent on the same deposit of five years.

The profit rates are 10.45 percent for Muhor Savings Deposit (10 years) and 8.84 percent for the same deposit of five years. For Savings Bond of eight years, the rate is 10.04 percent while for the same bond of five years it is 8.84 percent.

The bank will provide the clients with 9.64 percent profit on Monthly Profit Deposit.

The profit rates for different types of Term Deposit are 8.04 percent for 36-month deposit, 7.87 percent for 24-month, 7.71 percent for 12-month, 7.39 percent for six-month and 7.07 percent for three-month deposit.

Qatar Airways participates in Moscow Show

Qatar Airways participated recently in the 11th Moscow International Travel and Tourism Show, says a press release.

A delegation of senior officials of the airlines led by Ali Al Rais, regional manager for the Arabian Peninsula, Iran and CIS, Qatar Airways, travelled to Moscow for the event.

Terming the show as the largest event of its kind in Eastern European market, Al Rais said Russia and East European region is still a largely untapped market.

Qatar Airways launched its services to Moscow in August, 2003.

US eyes EU open skies accord despite clouds

AFP, Brussels

US Transportation Secretary Norman Mineta vowed Tuesday to try to agree a "historic" air traffic deal with the European Union this year, despite persistent clouds notably over market access.

Speaking at the European Parliament in Brussels, Mineta said the latest session of talks last week on the so-called "open skies" accord had made progress, and expressed hopes for the next talks in May in Washington.

"I really want to get this completed this year," he told AFP, noting that EU transport commissioner Loyola de Palacio's term of office ends in October.

"This would be a great legacy for her to leave behind," he added.

"We both believe that a window of opportunity exists to arrive at a historic first agreement. We envision an agreement that will propel the already fast-moving rocket of air travel to new heights," he said in an address to European lawmakers and airline officials at the EU assembly.

According to officials, last week's talks between the US and the European Commission -- which is negotiating on behalf of EU member states -- remained blocked in particular on issues of access to the US for European carriers.

Correction

In a news item published on this page on Tuesday, it was inadvertently mentioned that three Asian Paints outlets were inaugurated. In fact, three Asian Paints Colourworld outlets were opened.

EU green paper on rules of origin to cover Bangladesh

STAR BUSINESS REPORT

Ambassador and head of delegation of the European Union in Dhaka yesterday said the EU is preparing a 'green paper' under preferential trade arrangements as apparel manufacturers sought relaxation of 'rules of origin' for readymade garment exports to the region.

The EU ambassador, Esko Kentschynsky, said the green paper, which is dealing with the future of rules of origin, will also focus on Bangladesh.

Kentschynsky told this to the leaders of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) when they met him.

"EU Trade Commissioner Pascal Lamy is sincere to resolve the problems facing Bangladesh," said

the ambassador.

Kentschynsky also hoped developed countries including USA will follow the EU in extending trade facility under special consideration to least developed countries.

EU First Secretary Ann Marchal said the EU has already started its Euro-Bangla Apparel Project under the EU-Asia Invest project to create an opportunity for Bangladesh to earn some Tk 210 crore.

During the talks, BGMEA President Annisul Huq, who led the delegation of garment manufacturers, also demanded global cumulation facility from the EU instead of regional cumulation.

Huq informed the delegation members that Bangladesh's RMG export to the US has dipped over the last six months, as the US has signed bilateral and free trade agreements

with several countries in recent years. Huq said The EU has given duty-free access for all Bangladeshi items but the country fails to achieve the desired outcome from the facility due to strict rules of origin.

He urged the EU to reduce the amount of local value addition on woven products' export to a reasonable level.

EU Second Secretary Hans Farnhamer and First Counselor Anthony Goodwin, BGMEA vice-presidents Golam Faruque and Anwar-ul-Alam Chowdhury, directors Lutfar Rahman, Ferdous Amin and Shafiqul Islam and Social Compliance Committee Chairman Iqbal Chowdhury were present during the meeting.



PHOTO: STAR

Two boys walk past covered merchandises on the New Market over bridge in Dhaka yesterday during the main opposition Awami League-sponsored countrywide strike that crippled business activities.

Nine-month remittance registers 11.4pc growth

STAR BUSINESS REPORT

The first nine months of this fiscal witnessed an 11.4 percent growth in remittance putting a positive impact on the country's foreign exchange reserves, which largely depend on remittance and export earnings.

During July-March period of 2003-04, expatriates remitted \$2,503 billion, compared with \$2,247 billion sent during the corresponding period of 2002-03.

The country received \$275 million in remittance in the month of March this year, which was \$21 million higher than the amount received in March last year.

Meanwhile, during July-February period of the current fiscal, export earnings marked a 13.8 percent growth over the same period of last fiscal year although the earnings fell \$75 million behind the eight months' target.

"It was because of the worldwide tension following 9/11," said a senior official of the central bank. "Usually we expect a double digit growth."

About the moderate export

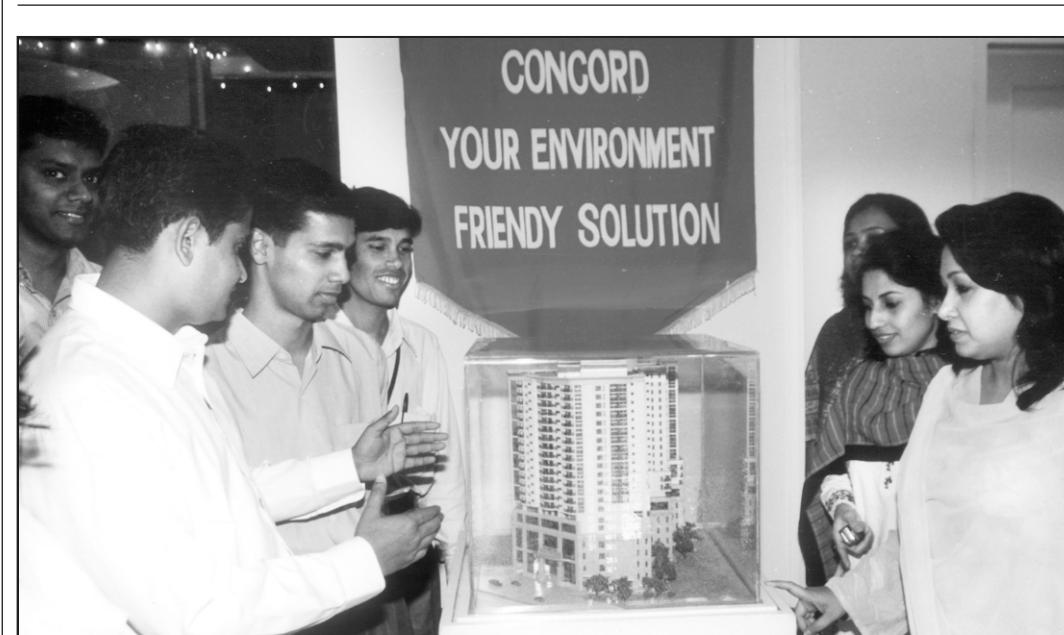
growth, he said it could be achieved because of Bangladesh's growing market in Europe and Canada. But exports to the US have been showing a declining trend, he added.

Commerce Secretary Suhel Ahmed said exports of least developed countries (LDCs) to the US declined as China grabbed a huge share of American market.

The country earned \$6.55 million from exports during 2002-03 fiscal year. This year's target is attaining an overall 14 percent growth.

The commerce secretary said export performance was good until January, when it achieved a 28 percent growth on monthly earnings. But the month of February saw a negative growth of 4 percent.

"We are hopeful of achieving this year's export target, though some people say it is an ambitious target," Ahmed said.



Visitors crowd a stall at the 10-day Concord Property Fair 2004 in Dhaka.

Brussels warns EU quartet over rising deficits

STAR BUSINESS REPORT

The European Commission Wednesday put Britain and the Netherlands under formal surveillance for letting their budget deficits breach an EU target, while issuing a warning to Italy and upbraiding Greece.

In its spring economic forecasts, Brussels said that both Britain and the Netherlands last year broke the deficit ceiling laid down in the EU's Stability and Growth Pact -- 3.0 percent of gross domestic product (GDP).

Italy and Greece were in danger of violating the rules this year, the commission said.

It placed Britain and the Netherlands under an "excessive deficit procedure". Britain is outside the eurozone so not liable to face fines for letting its deficit bust 3.0 percent.

France, for its part, was expected to breach the deficit limit for a fourth year running in 2005, although Germany was likely to come back

under the bar next year.

There was better news for Portugal, which was the first EU country to be slapped with the excessive deficit procedure in 2002 but -- unlike France and Germany -- has strived hard to get its finances in order.

The commission said it was ending the procedure against Portugal after the country's deficit stayed below 3.0 percent in 2002 and last year.

Britain was unlikely to stay under surveillance for long, the commission added, as its deficit was expected to come back under the ceiling this year thanks to stronger growth.

Britain's financial balance sheet has been hit by massive spending on the war in Iraq and military commitments in Afghanistan, as well as huge investment on public services.

The data reflected heavy currency market intervention aimed at curbing the yen's rise against the dollar to help Japanese exporters better compete with manufacturers from countries with weaker currencies.

Desco customers can pay bills thru' E-cash ATM

Desco (Dhaka Electric Supply Company Ltd) signed an agreement with Electronics Transactions Network Ltd (ETN), the service provider of E-cash shared ATM network, on Saturday in Dhaka on collection of electricity bills through the ATM network, says a press release.

Under the deal, Desco customers will be able to pay electricity bills through E-cash ATM network.

AMH Nurul Huda, company secretary of Desco, and Zahir Ahmed, managing director of ETN, signed deal on behalf of their companies.

Citigroup tops list of 'Forbes Global 2000' ranking

Citigroup, the holding company of Citibank NA, has topped the list of Forbes Global 2000, which is measured by composite ranking of sales, profits, assets and market value.

The list covers 51 countries and 27 industries, says a press release.

US-based financial institution Citigroup's total sales amount was \$94.71 billion, profit was \$17.85 billion, assets volume was \$1.26 trillion and market value was \$255.3 billion.

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The new connection to Christchurch will be an extension of the upcoming Dubai-Melbourne non-stop service, which Emirates will operate with A340-500 aircraft, says a press release.

Emirates has announced that it will fly to Christchurch from June 10, marking its second footprint in New Zealand after Auckland, which joined the Emirates route network in August last year.

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Japan's foreign reserves hit record high

AFP, Tokyo

Japan's foreign exchange reserves hit a record high for the seventh consecutive month in March, according to official data released Wednesday.

The Finance Ministry said the country's foreign reserves rose 49.72 billion dollars to 826.58 billion dollars -- the highest in the world for the 52nd straight month ahead of China, Europe and Taiwan.

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