

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 airline liberation 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 Kentschynskyj, said the green paper, which is dealing with the future of rules of origin, will also focus on Bangladesh.

Kentschynskyj 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.

Kentschynskyj 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 stiff 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 Famhammer 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.

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.

According to official statistics,

the country earned \$4792 million from exports during the first eight months of this fiscal while the amount was \$4211 million during the corresponding period of last fiscal.

The export target for the period was \$4867 million.

The strong remittance flow and increased export earnings contributed to a higher foreign exchange reserve which, according to central bank data, was \$2.70 billion on Tuesday. The reserve was \$2.36 billion in July last year.

Banking sources said this year's remittance growth is normal and it is a positive sign that the remittance flow is getting stable. Last year, the country had an unusual 32 percent growth in remittance.

"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

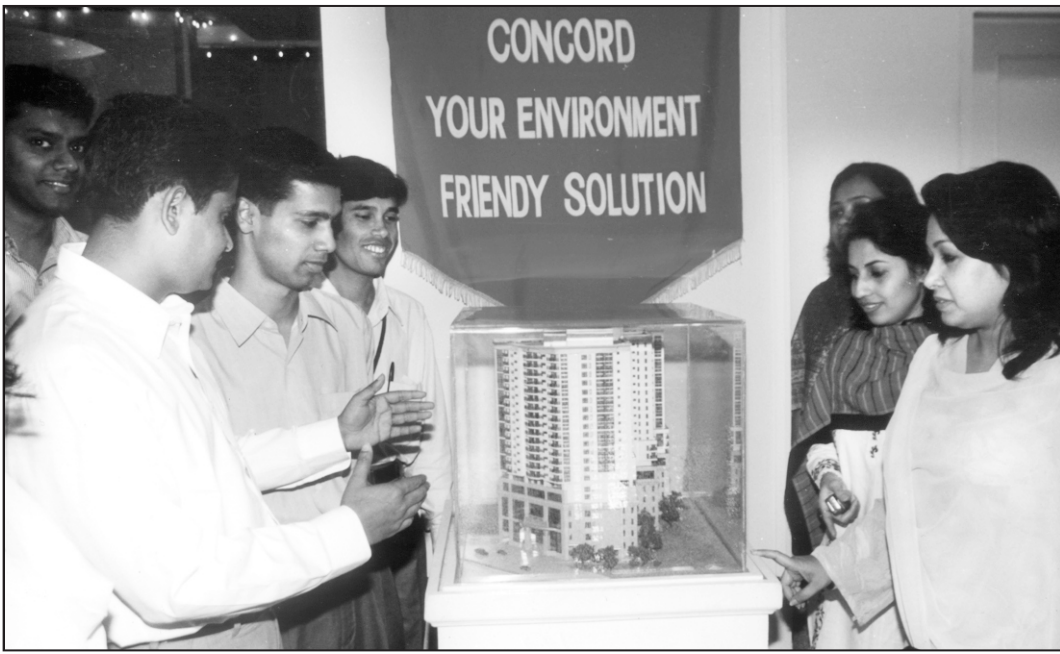
growth, he said it could be achieved because of Bangladesh's growing market in Europe and Canada. But exports to the US have been showing a declining trend, he added.

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.

PHOTO: STAR

Brussels warns EU quartet over rising deficits

AFP, Brussels

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.

The Netherlands, in contrast, could be sanctioned if it fails to remedy its finances. However, the rest of the EU has shown no stomach for a fight with serial deficit offenders France and Germany.

Italy was given an "early warning" over its deficit, which was seen rising to 3.2 percent of GDP this year.

The Greek government's finances for last year have yet to be properly audited by the EU's statistics arm Eurostat "and do not therefore provide a reliable basis for assessing the budgetary situation at this stage".

But the commission said based on preliminary calculations, the Greek deficit would rise to 3.2 percent of GDP in 2004.

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.



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.

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.

AHM 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.

Emirates to start flight to Christchurch

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.

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.

Initially flying three times a week, the service will double to six times weekly on August 1.

Emirates will offer a total of 27 flights a week to New Zealand by August.

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 forex 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.

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.

Concord property fair offers low-cost flats

STAR BUSINESS REPORT

Concord Real Estate and Development Ltd has offered small apartments at affordable prices at the ongoing Concord Property Fair 2004 in Dhaka.

People can buy these apartments at Tk 5 lakh each, said TM Taimur Reza, sales officer of the company, a sister concern of Concord Group.

The 552-sft apartment in 'Lake City Concord' consists of a bedroom, a drawing cum dining room, a toilet, a kitchen and a balcony.

The 10-day Concord Property Fair that began on April 4 at the company's head office at Gulshan has got tremendous response from middle-class people, company

officials said.

Apart from small and large apartments, the company is introducing shops and office spaces to the prospective buyers at the fair, Reza said.

Most of the customers are enquiring about Lake City Concord project, located in Khilkhet, Namapara area in Dhaka, which offers low-cost flats, he said.

The other apartments under the project range from 1052 to 1300 sft. The costliest apartments in this project are priced at Tk 14.23 lakh a unit.

The giant project on 50-bigha land will have 15 buildings, each of them 16-storey, school, mosque and shopping complex.

The company is giving each buyer a 21-inch colour television as gift for purchasing an apartment from the fair.

At the fair, the company is also displaying its other projects located in Dhanmondi, Gulshan, Elephant Road, Farmgate, Mirpur, Shantinagar, Moghbazar, Segunbagicha and Arambagh in Dhaka city.

Delta Brac Housing Finance Corporation Ltd, Industrial Development and Leasing Company and National Housing and Finance Corporation are providing loans for purchasing apartments of Concord.

Asean, EU ministers talk multilateral trade this month

ANN/THE NATION

Foreign ministers of Asean and European countries are to discuss ways of strengthening multilateral trade at this month's Asia-Europe Meeting (Asem) against the backdrop of stalled World Trade Organisation (WTO) negotiations.

The Asem will issue a separate statement at the end of meeting to express the commitment of members the Asean and the European Union (EU) to push for multilateralism, Foreign Ministry spokesman Sihasak Phuanketkeow said yesterday.

Developed countries and developing countries have not yet reached agreement on agriculture since the failure of September's WTO Cancun meeting in September, although both the United States and the EU appear to

be softening their respective stances.

Thailand will host the Asem meeting in Dublin, Ireland, on April 17 and 18, Sihasak said.

The meeting will discuss the acceptance of three new members from Asean--Burma, Cambodia and Laos -- and 10 European countries that will join the EU in May, he said.

Asean has proposed the EU accept its three members as a package, in exchange for the inclusion of the 10 European countries.

The meeting will also touch upon terrorism, the role of the United Nations in maintaining international security, the situation on the Korean Peninsula, Afghanistan and the Middle East, bridging the civilisation gap, disease epidemics and the global dissemination of heavy weapons.

India's opposition slams economic 'misrule'

AFP, New Delhi

India's main opposition Congress party Wednesday pledged to accelerate India's economic growth to 10 percent, while charging the ruling Hindu-nationalist government of "colossal economic misrule."

Unveiling his party's 10-point agenda for sustained growth in its economic manifesto for the parliamentary vote starting April 20, Congress economics chief Manmohan Singh promised "decentralised development".

"The Congress declares that it will revise the past capacity to grow at eight percent, not just for two quarters of a year but for a long period and work for the realisation of 10 percent economic growth," said Singh.

"The Congress party will work to ensure the growth is regionally balanced. The present government has indulged in colossal economic

misrule and grossly neglected India's agricultural sector," he added.

Singh, a former World Bank executive, launched sweeping free-market reforms in 1991 when he was the finance minister in Congress-ruled India.

India's Central Statistical Organisation recently said India's economy was expected to grow 8.1 percent in the 2003-2004 financial year thanks to a bountiful monsoon last year.

In 2002-2003 the country's gross domestic product (GDP) growth expanded just 4.0 percent in 2002-2003 due to a drought in key agricultural states.

The economic manifesto signals the strategy the Congress will adopt in its bid to unseat the ruling Hindu nationalist Bharatiya Janata Party (Indian People's Party -- BJP) and the policies it has followed since it came to power in 1999.

Nokia stuns investors with profit warning

AFP, Helsinki

Nokia, the world's leading mobile phone maker, on Tuesday sent telecom shares tumbling around the world by warning that earnings would be worse than expected because of weak handset sales.

Nokia said its earnings per share would come in at 0.17 euros for the period, at the very bottom of the previously forecast 0.17 to 0.19 euro range, compared with 0.20 euros a year earlier.

Turnover was now expected to drop to 6.6 billion euros (7.98 billion dollars), a two-percent fall compared with the first quarter in 2003, in stark contrast to an earlier estimate of an increase of between three and seven percent.

"Obviously, we are not satisfied with our sales development during the first quarter," chief executive officer Jorma Ollila said in a statement.

Samsung unveils new TVs

REUTERS, Seoul

Seeking to crank up sales of flat-panel TVs amid growing competition from global players, Samsung Electronics Co Ltd unveiled yesterday a new technology which it claimed enhanced picture quality.

Samsung is aiming to head off growing market threat in the sector from PC brands such as Gateway Inc and Dell Inc and also competition from television technologies such as Sony Corp's WEGA and Philips's Pixel Plus.

Samsung is launching high definition TV sets with its new DNIe (Digital natural image engine) imaging technology.

The technology can be applied to all colour TVs that come with flat screens, such as plasma and liquid-crystal display, as well as projection sets and bulky cathode ray tubes.

"We expect such efforts would help protect our market share from intensifying competition and accelerate our growth in digital TV markets," said Choi Seung-woo, a senior vice president at Samsung said.