

SINGLE COUNTRY TRADE SHOW IN TORONTO ENDS

Bangladeshi firms fetch \$15m orders

STAR BUSINESS REPORT

The just concluded Bangladesh single country trade show in Canada has received tremendous response from buyers with the participating companies securing US\$5.5 million worth of confirmed spot orders during the three-day event.

The exhibitors also fetched potential orders of \$9.5 million from the Canadian importers at the fair organised by Export Promotion Bureau (EPB) in Toronto, according to a press release of EPB. The show ended on Wednesday.

A total of 39 Bangladeshi business firms, representing different product categories especially ready-made garments, took part in the exhibition and almost all the participating companies received orders at the show.

Wal-Mart, one of the leading garment buyers of the world, has booked the entire production of Apex Weaving Mills Ltd of Bangladesh for the next year, which will account for \$5 million, the EPB release said.

Apex Footwear Ltd and Seamark (BD) Ltd also received orders of a huge quantity of their products.

On the last day of the exposition at the Metro Convention Centre in Toronto City, a large number of potential buyers from Canada's top super chain-stores visited the show and signed contracts with the Bangladeshi manufacturers.

According to the organisers and participating companies, the trade show had a tremendous impact on the Canadian importers and created positive awareness

about Bangladeshi products in North America.

On Wednesday, the Bangladesh trade delegation in the show headed by Mir Shahabuddin Mohammad, vice-chairman of EPB, held official business meeting with Ambassador Dough Valentine, director of Toronto Board of Trade.

Valentine expressed keen interest in Bangladeshi products and assured the Bangladeshi trade team of providing more access to the Canadian market through his organisation, which has 10,500 registered members.

Bangladesh's export earnings from Canada shot up by 140 percent in 2003 after getting duty and quota free access facility from the North American country.

The earnings rose to \$218.41 million in 2003 from \$90.85 million in 2002 and maintained the remarkable growth in the first quarter of 2004, EPB sources said.

Canada is a leading buyer of woven garments, knitwear, home textiles, tents, shrimps, jute products and other manufacturing products of Bangladesh.

Besides, some new products including cap, camera parts and wooden furniture have found their market in Canada after getting the special facility.

According to an EPB report, Canada is the seventh largest importing country in the world and it imports every type of products. The Canadian buyers are always interested in new and quality products available at competitive price.

Rangpur Foundry declares 15pc dividend

Rangpur Foundry Limited (RFL), a concern of PRAN Group, has declared a 15 percent dividend for the shareholders for the year 2003.

The dividend was announced at the 24th annual general meeting of the company held in Dhaka yesterday, says a press release.

Chairman of the company Mahtabuddin Ahmed presided over the meeting.

The meeting was informed that the turnover of the company for 2003 under review was up by 2.92 percent over the previous year's figure of Tk 35.01 crore.

CEO of PRAN Group Amjad Khan Chowdhury, RFL Director Sabiha Amjad, Director (Business Development) Pradi Kar Chowdhury and GM (RFL) Nasiruddin Mahmud were present.

Training courses for RMG, textile workers held

Young Consultants, a consulting firm, organised six training courses on Labour Standards and Workplace Environment in Apparel Industry in the last four months.

The training programmes were part of the skill and quality development project (SQDP) of the post MFA action programme for capacity building of RMG and textile industry, says a press release.

Commerce ministry in collaboration with Export Promotion Bureau has designed the programme to train 10,000 employees of garment and textiles sectors.

Barkat Ullah Bulu, advisor to the commerce ministry, gave away certificates to the participants at a function in Dhaka recently.

Global Finance selects Citigroup as best investment bank

Global Finance has recently announced Citigroup, the parent company of Citibank N.A. as the best investment bank in 2004 globally.

Citigroup has also won fifteen awards in other individual categories, says a press release.

In Asia excluding Japan, Citigroup has been selected as best investment bank. Goldman Sachs as best equity bank, HSBC as best debt bank and Morgan Stanley as best M&A bank.

Country winners were selected in 15 countries and industry sector winners were chosen in ten sectors.

Industrial sector wise, Citigroup topped in telecom, technology and chemicals.

ROK job market in doldrums

AFP, Seoul

South Korea's job market shows little sign of improving amid a prolonged slump in domestic demand, government officials and analysts said Thursday.

The National Statistical Office (NSO) said the country's seasonally-adjusted unemployment rate rose to 3.5 percent last month from 3.4 percent in April.

The jobless rate among young people rose 0.3 percentage points to 7.6 percent in May, with job seekers in their 20s numbering 357,000 and accounting for about half of the total number of those looking for work.

On unadjusted figures, unemployment was down 0.1 percentage points to 3.3 percent in May, with the number of unemployed people at 788,000, the NSO said.

Accelerate industrialisation to reduce unemployment

Speakers at post-budget seminar ask govt

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Speakers at a post-budget discussion yesterday suggested accelerating industrial development in the country to create employment opportunities and alleviate poverty.

Massive unemployment is one of the main reasons for growing crimes in the society, they said, urging the government to take effective measures for revitalising the industries which became sick due to managerial inefficiency.

Council for National Agenda (CNA) organised the discussion to review the proposed budget for 2004-05 financial year. Justice Mohammad Abdur Rouf, chairman of CNA, presided over the meeting

held at its office in Dhaka.

Inam Ahmed Chowdhury, chairman of the Privatisation Commission, said steps should be taken to increase industrial growth. "The objective of privatisation is to increase efficiency of the industries, not to close them," he said.

Shah Abdul Hannan, former chairman of the National Board of Revenue, hailed the new budget saying there is no option but to increase the tax net, so that the annual development programme can be implemented properly with local resources.

Justice Abdur Rouf said people will be encouraged to pay tax if the money is properly utilised and corruption in tax collection system is checked.

Professor Abu Ahmed, chairman of Bangladesh Shilpa Bank, strongly opposed agriculture subsidy and said it is a misuse of resources. "Such subsidy also encourages corruption," he observed.

Rashed Maksud Khan, chairman of Bangladesh-Myanmar Chamber of Commerce and Industry, identified unemployment as one of the main reasons for increasing social crimes which can be reduced through creation of more jobs.

Salauddin Quasem Khan, managing director of AK Khan Group, stressed the need for taking measures for rehabilitation of industries instead of privatising them. "Industries directly linked to agriculture should be encouraged."

Trade settlement of Bexi Pharma through CDS from July 8

The share settlement of Beximco Pharmaceuticals through the central depository system (CDS) will begin from July 8.

From July 8 onwards, the bourses will not allow transaction of any physical share of the company, according to a press release of Securities and Exchange Commission (SEC).

The bourses will arrange spot trading of Beximco Pharma on July 4 and suspend trading from July 5 to 7.

Beximco Pharma had earlier signed a deal with the depository company for dematerialisation of all its physical share certificates.

Oil prices edge higher after Iraq pipeline attack

AFP, New York

World oil prices rose only modestly Wednesday after saboteurs blew up key Iraqi pipelines, interrupting exports, as traders banked on Saudi Arabia pumping more crude.

New York's benchmark contract, light sweet crude for delivery in July, advanced 13 cents to 37.32 dollars a barrel. Brent North Sea crude for August rose 17 cents to 35.20 dollars.

"The problems in Iraq, specifically the bombings on three pipelines in the southern part of Iraq have disrupted exports there, though that has only had a nominal impact on supporting crude," said Refco market analyst Marshall Steeves.

Iraq's northern oilfields security chief, Ghazi Talabani, was gunned down in the northern city of Kirkuk, a day after a pipeline was blown up near the southern city of Basra, shutting exports from two main terminals.

"It is a bit surprising that it was discounted to the extent that it was. I think that the belief is that the lost oil will be made up for by Saudi Arabia," Steeves said.

Prices were climbing Wednesday because of "Iraq and some concerns about what could happen if (oil kingpin) Saudi Arabia suffers the same sabotage that has infected Iraq," Deutsche Bank analyst Adam Sieminski said in London.

Sieminski said he expected Saudi Arabia to be able to raise production to compensate for Iraq's losses.

"I think that is why the market is taking this calmly," he said.

Singapore's key exports grow 27.7pc in May

AFP, Singapore

Singapore's main exports rose a sterling 27.7 percent in May from a year ago, boosted by rising orders for semiconductors, pharmaceuticals and petrochemicals, the government said Thursday.

The performance of the non-oil domestic exports (NODX) was at the upper end of market expectations and should further support the government's revised forecast for the economy to grow between 5.5 and 7.5 percent this year.

It was also much faster than the 17.1 percent expansion in March and 15.1 percent in April.

NODX in May totalled 11.01 billion Singapore dollars (6.48 billion US dollars), with both electronics and non-electronics exports posting robust growth, the government trade body International Enterprise Singapore said.

Total trade for the island republic was up 30.6 percent to 47.516 billion dollars.



A group of construction labourers demonstrate against price hike of rod and other construction materials at Muktagong in Dhaka yesterday.

DSE index hits new high after '96 crash

UNB, Dhaka

The DSE general index (DGEN) nearly hit 1300-mark yesterday, the highest since the 1996 crash, as enhanced fund flow into the capital market boosted demand for good shares.

Brokers were buoyed by the turnaround and expected that the index would cross the mark soon. But, the supply of "good shares" was not up to the mark compared to the demand, and virtually remained stagnant for long to push the prices up in recent times.

"I don't think it's too fast. It's still normal," Dhaka Stock Exchange chief executive officer Salahuddin Ahmed Khan told the news agency, explaining that only the prices of stocks with strong fundamentals were gaining.

The DGEN rose to 1292 points today in only two weeks' upturn from June 3 when it crossed 1200 mark. However, the index took two to two and a half months to climb this stage.

During the week that closed

today, the main index of the country's main bourse gained 22 points after recovering from post-budget shocks Saturday-Sunday while in the previous week it increased by 101 points for the investors running after profit speculated on budgetary incentives.

More than 80 per cent of the turnover during the last two weeks, as also happened in the recent past, was occupied by "A" category stocks of strong fundamentals.

The DSE-20 index, applicable for shares with strong fundamentals, also took on 27 points this week and 144 points the previous week.

Reduction in interest rates on government saving instruments as well as bank deposits diverted new funds into the capital market while the panic that gripped people after the 1996 crash 'might have' disappeared these days, contributing to demand pressure, said the DSE CEO.

He, however, said that it deserved long-term observation if the panic was really put behind or not.

Import duty cut to hurt local ink manufacturers

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Ink manufacturers have expressed concern over the import duty reduction for finished goods like offset printing ink and said the proposed duty structure would seriously hurt the local ink industry.

In the proposed budget for fiscal 2004-05, the government has lowered import duty on finished goods from 30 percent to 25 percent, which will affect the local industry and encourage use of imported ink, they said.

Bangladesh Ink Manufacturers Owners' Association at a budget review meeting recently in Dhaka said the government has kept the 7.5 percent duty on raw materials unchanged which will also hinder development of local ink industry.

ties.

To protect local industry the duty on raw materials should be fixed at 5 percent and there should be at least 20 percent difference between the duty rates for raw materials and finished goods, suggested the association.

The local manufacturers who set up their industries as import substitute ones will definitely lose the market competing with the imported goods and the local factories may face closure in the face of huge loss, it said.

The association suggested a 15 percent supplementary duty on finished goods and banning import of printing ink under bonded warehouse facility as some dishonest traders import such inks duty free for selling in market illegally.



China's central bank may hike selected rates

AFP, Beijing

If China's central bank decides the economy is so hot it needs to raise interest rates, it is likely to target selected rates rather than an across-the-board hike, a central bank official said Thursday.

As the People's Bank of China continues to monitor the economy, it is inclined to think a surgical strike is the best approach, Li Yang, a member of the bank's monetary policy committee, was quoted as saying by the Shanghai Securities News.

"If we decide to adjust interest rates, we will only need to make a 'moderate adjustment' of one category of interest rate," Li said.

Li did not specify which rate he meant, but speculation that the

central bank will tighten soon has centered around a hike in the one-year lending rate of around 50 basis points from the current 5.31 percent level.

Economists have been forecasting an increase in lending rates for some time as the government runs out of options to cool the economy and curb surging investment and lending.

However, recent statements from government and central bank officials indicate that any move is still some way off.

Mu Huaipeng, head of a research institute under the central bank, said this week there will be no decision on an interest rate hike until inflation data for June, July and August have been taken into consideration.

AKTEL to set up 700 new base stations

AKTEL, a GSM cellphone operator, has signed separate agreements with 20 firms for construction of sites for 700 additional Base Transceiver Stations (BTS) during the year 2004-2005 to expand its network.

Md Rosdi Bin Mustafa, chief financial officer, and Omar Bin Shahid, general manager (technical) of TM International (Bangladesh) Limited, and the representatives of the construction firms signed the deals on behalf of their sides in Dhaka on Tuesday, says a press release.

Mustafa said the Tk 490 million expansion and development programme of the company will create more entrepreneurs and help create partnership between TMB, service provider of AKTEL phone, and the local entrepreneurs.

JBCCI board of directors formed



Matiur Rahman (President)

A 12-member board of directors of Japan-Bangladesh Chamber of Commerce and Industry (JBCCI) has been formed headed by Matiur Rahman as its president.

Of the directors, six are from Japan and the rest from Bangladesh, says a press release.

The chamber established with a view to promoting trade and investment between Bangladesh and Japan was inaugurated by foreign and commerce ministers of Bangladesh along with the ambassador of Japan in Dhaka recently.

The new president of JBCCI is the chairman and managing director of Uttara Group of Companies and a former president of Dhaka Chamber of Commerce and Industry.

IT, telecoms set for record growth in Arab world

AFP, Beirut

Spending on telecommunications and information technologies in the Middle East and North Africa will more than double to up to 60 billion dollars in four years, underpinning economies and providing opportunities for jobs, experts said on Wednesday.

At an international telecoms conference in the Lebanese capital attended by government and World Bank officials and representatives of IT firms, experts called on Arab states to speed up liberalisation of the sector to take advantage of the potential.

Samia Melhem, senior information technology officer at the World Bank, told AFP that the telecom and IT industries were "a major driver for economic growth in the Arab world where it can also combat unemployment."