

Farm loan target up 25pc to recoup flood losses

STAR BUSINESS REPORT

Nationalised commercial banks (NCBs), specialised banks and state-run non-bank financial institutions have increased agriculture loan disbursement target for current fiscal year by 25 percent to about Tk 5,500 crore mainly to help flood-hit farmers.

The loan disbursement target for last fiscal year was Tk 4,400 crore of which about 80 percent was disbursed, a Bangladesh Bank source said.

The six banks and non-bank financial institution yesterday announced

their lending targets before a committee formed to oversee the post-flood loan disbursement scheme.

Earlier on August 17, finance ministry set up the committee to speed up and monitor agriculture loan disbursement to help farmers recover from the devastating floods. The committee held its first meeting yesterday at BB headquarters.

Headed by Bangladesh Bank (BB) Deputy Governor Nazrul Huda, other members of the committee are managing directors of Sonali Bank, Janata Bank, Agrani Bank, Rupali Bank,

Bangladesh Krishi Bank, Rajshahi Krishi Unnayan Bank, Bangladesh Rural Development Board and Bangladesh Samabay Bank Ltd.

The committee at yesterday's meeting asked the banks and financial institutions to identify flood-affected areas and send the lists to the central bank within one week.

The committee decided to sit once in two weeks and keep the finance ministry updated on the farm loan disbursement situation. After the meeting BB Deputy Governor Nazrul Huda told reporters that the banks are

asked to open complaint cells in head offices and regional offices to check irregularities in loan disbursement.

At the meeting, Sonali Bank set its farm loan disbursement target for the current fiscal year at Tk 700 crore, Janata Bank Tk 400 crore, Agrani Bank Tk 500 crore, Rupali Bank Tk 30 crore, Bangladesh Krishi Bank Tk 2,400 crore, Rajshahi Krishi Unnayan Bank Tk 775 crore, Bangladesh Rural Development Board Tk 646 crore and Bangladesh Samabay Bank Ltd Tk 11.5 crore.

Team of women entrepreneurs in Delhi to attend SWEC meet

UNB, Dhaka

A six-member delegation from Bangladesh is attending the 32nd Saarc Women Entrepreneurs Council (SWEC) meeting in New Delhi.

Nasreen Awal Mintoo, chairperson of the Saarc Women Entrepreneurs Council under the aegis of Saarc Chamber of Commerce and Industry (SCCI), is leading the delegation.

Shahrukh Rahman, secretary of the SWEC, and members of WEAB Saniya Hussain, Sabrina Hasib, Rokhsana Rahman and Saira Huq are in the team.

The 3-day meeting, being held on the occasion of the Saarc Chamber of Commerce and Industry conference in the Indian capital, will conclude today.

"The meeting is important in the context of women entrepreneurship development in Saarc region," said Nasreen Awal Mintoo, according to a message received here.

The meetings and discussions among the business leaders of Saarc countries would help improve the deplorable conditions of women, who constitute half the total population of 1.40 billion in the region, the organisers hoped.

With the exchange of ideas, meetings and discussions the women entrepreneurs of Saarc region will be able to consolidate their programmes for future actions, they said.

The conference also decided to continue using Chittagong Stock Exchange (CSE) as its secretariat. CSE has been working as SAFE secretariat since its inception in 1999.

The present members of SAFE are: Chittagong Stock Exchange, Colombo Stock Exchange, Dhaka Stock Exchange, Islamabad Stock Exchange, Karachi Stock Exchange, Lahore Stock Exchange, National Stock Exchange, India, Nepal Stock Exchange, OTC Exchange, India, Royal Securities Exchange, Bhutan, The Stock Exchange, Mumbai, and The Stock Exchange of Mauritius.

The chief economist of the World Bank predicted in an interview published Saturday that oil prices would return in a matter of months to a stable level around 30 dollars a barrel after hitting record highs this week of nearly 50 dollars.

Although prices closed down on Friday, many traders predicted that the volatile hikes would continue, but the World Bank's Francois Bourguignon said that, once current uncertainties have dissipated, "I think we will return to a balanced price in a few months' time."

Bourguignon told the Spanish economic newspaper Cinco Dias that market forces would eventually stabilize the price. For example, producers would exploit wells that are not profitable at 30 dollars a barrel, but might be at a higher price. But then an increase of supplies would have the effect of driving the price down again.

He said there were undoubtedly some objective causes for the price rises, such as China's strong growth and economic recovery in the United States and Japan.

However, he said the price rise was also fuelled by speculation and uncertainties over the fate of the Yukos oil conglomerate in Russia or the referendum in Venezuela. He discounted the crisis in Iraq because it had not been an important oil producer before the US-led occupation last year.

The International Energy Agency said earlier this month that the market was in the grip of "irrational exuberance" even though "the market is tight, production and infrastructure capacity is less than desired and uncertainties continue to weigh on the market."

However, the chronic volatility in Iraq in the face of attacks on installations by insurgents has contributed to a "security premium" of up to 15 dollars a barrel, market experts in London said.

Much of this nervousness is based on sentiment rather than fact. For example, a fire Friday in the northern oil complex of Kirkuk sent prices soaring even though the terminal was already out of action.

Bangladesh may not renew oil deal with India

REUTERS, Dhaka

Under the existing contract, Indian Oil Corp, the country's largest refiner, buys diesel from state-run Mangalore Refinery and Petrochemicals Ltd and ships it to Chittagong port in Bangladesh.

BPC officials also said they were unlikely to accept a proposal by IOC to supply diesel by barges to Khulna in southwestern Bangladesh from the riverine Haldia port in the neighbouring state of West Bengal.

"We may not renew the contract as we are going to buy our entire requirement of petroleum products and crude from Kuwait under a state-to-state deal from January 2005," a senior BPC official told Reuters.

BPC is oil-hungry Bangladesh's lone importer of crude and finished petroleum products and controls their distribution.

On Friday, an official of India's Petroleum Ministry told Reuters in New Delhi that India was hopeful of renewing the diesel supply contract to Bangladesh.

IOC had submitted a proposal to BPC to supply diesel by barges earlier this month.

Bangladesh has been buying petroleum products from neighbouring India after it faced a serious shortfall in March.

But later that month, BPC signed a deal with state-owned Kuwait Petroleum Corp (KPC) which agreed to supply Bangladesh's yearly requirement of over two million tonnes of refined petroleum products and 1.5 million tonnes of crude from 2005.

Bangladesh has a lone refinery in Chittagong with a refining capacity of 1.5 million tonnes.

In 2003-04 (July-June), Bangladesh imported 3.5 million tonnes of crude and refined oil products against 3.4 million tonnes the previous year and it has set an import target of 3.5 million tonnes in 2004-05.

SAFE eyes expansion

Forms body to harmonise listing rules

STAR BUSINESS REPORT

The leaders of South Asian Federation of Exchanges (SAFE) have agreed to work to expand the forum by inviting bourses of other countries in the region and even incorporating members from outside South Asia.

At present, the SAFE has 12 members from Bangladesh, Bhutan, India, Nepal, Pakistan, Sri Lanka and Mauritius. The Maldives may soon become a member.

The SAFE leaders at the 7th conference of the federation that ended on Thursday in Mumbai, also agreed on harmonisation of rules for cross-border listing, according to a press release from the Chittagong Stock Exchange (CSE).

During the conference SAFE formed a market committee with one representative from each member country which will prepare SAFE Listing Standard Harmonisation Principles to encourage mutual recognition of listing regimes by September.

Expressing their willingness to expand the forum, the SAFE leaders said

an expanded forum would help co-operate each other and contribute to starting cross-border listing and trading to accelerate growth of capital markets.

They agreed to work towards common standards including international accounting standards and best business practices in capital markets.

"The privatisation of Pakistan Petroleum Ltd had targeted 5 billion Pakistani rupees, but ended up raising 21 billion rupees," said Syed Asim Jaffar, chairman of SAFE and Lahore Stock Exchange, on the concluding day of the conference.

Similarly, in Bangladesh, the recent public issue of Bank Asia was over-subscribed almost 55 times, he mentioned.

"Listing in the developed markets such as London, New York or Singapore is costly affairs," Manoj Vaish, vice-chairman of SAFE and executive director and CEO of Chittagong Stock Exchange, told the conference.

Stock Exchange, Mumbai, told the conference.

There are examples of companies

from SAFE member countries wanting to get listed in the stock exchanges of other member countries, said Wali-ul-Marof Matin, secretary general of SAFE and CEO of Chittagong Stock Exchange.

"A Sri Lankan telecoms company wants to get listed in Bangladesh," he said.

The conference also decided to continue using Chittagong Stock Exchange (CSE) as its secretariat. CSE has been working as SAFE secretariat since its inception in 1999.

The present members of SAFE are: Chittagong Stock Exchange, Colombo Stock Exchange, Dhaka Stock Exchange, Islamabad Stock Exchange, Karachi Stock Exchange, Lahore Stock Exchange, National Stock Exchange, India, Nepal Stock Exchange, OTC Exchange, India, Royal Securities Exchange, Bhutan, The Stock Exchange, Mumbai, and The Stock Exchange of Mauritius.

WB chief economist predicts oil price to fall to \$30

AFP, Madrid

The chief economist of the World Bank predicted in an interview published Saturday that oil prices would return in a matter of months to a stable level around 30 dollars a barrel after hitting record highs this week of nearly 50 dollars.

Although prices closed down on Friday, many traders predicted that the volatile hikes would continue, but the World Bank's Francois Bourguignon said that, once current uncertainties have dissipated, "I think we will return to a balanced price in a few months' time."

Bourguignon told the Spanish economic newspaper Cinco Dias that market forces would eventually stabilize the price. For example, producers would exploit wells that are not profitable at 30 dollars a barrel, but might be at a higher price. But then an increase of supplies would have the effect of driving the price down again.

He said there were undoubtedly some objective causes for the price rises, such as China's strong growth and economic recovery in the United States and Japan.

However, he said the price rise was also fuelled by speculation and uncertainties over the fate of the Yukos oil conglomerate in Russia or the referendum in Venezuela. He discounted the crisis in Iraq because it had not been an important oil producer before the US-led occupation last year.

The International Energy Agency said earlier this month that the market was in the grip of "irrational exuberance" even though "the market is tight, production and infrastructure capacity is less than desired and uncertainties continue to weigh on the market."

However, the chronic volatility in Iraq in the face of attacks on installations by insurgents has contributed to a "security premium" of up to 15 dollars a barrel, market experts in London said.

Much of this nervousness is based on sentiment rather than fact. For example, a fire Friday in the northern oil complex of Kirkuk sent prices soaring even though the terminal was already out of action.

India slashes import duty on steel to contain inflation

PALLAB BHATTACHARYA, New Delhi

Earlier, the finance minister unleashed its first set of fiscal measures to contain surging inflation by slashing excise and import duties on petrol, diesel, cooking gas and kerosene.

The reduction on duties on steel would cost the exchequer around Rs 305 crore, adding to the Rs 2500 crore revenue loss resulting from the duty cut on petroleum goods.

The import duty on non-alloy steel other than seconds and defectives was brought down from ten to five percent, just over a month after the budget in July had lowered the same from 15 to nearly eight percent.

Finance Minister P Chidambaram announced in the parliament the import duty cut on non-alloy steel by five percent, ship-breaking by ten percent and also exemption of customs

duty on melting scrap.

Earlier, the finance minister unleashed its first set of fiscal measures to contain surging inflation by slashing excise and import duties on petrol, diesel, cooking gas and kerosene.

The reduction on duties on steel would cost the exchequer around Rs 305 crore, adding to the Rs 2500 crore revenue loss resulting from the duty cut on petroleum goods.

The five percent customs duty on melting of scrap of iron and steel other than stainless steel or heat-resistant steel has been abolished and the same on ships for breaking has been cut from 15 to five percent.

According to the commerce and industry ministry data release on Friday, the inflation rate rose to 7.96 percent in the week ending on August 7, compared to 7.61 percent in the previous week while the rate was 3.89 percent in the corresponding period last year.

The rise was mainly because of steep hike in prices of petroleum products, vegetables and fruits, according to the wholesale price index.

Moreover, soaring world oil prices rising and the strike of the truckers scheduled to be started from yesterday

across India going are likely to increase the inflationary pressure as supply of essential goods are expected to be hit.

In response to the import duty cut on steel, the Indian Steel Alliance, a body of five major private sector domestic steel producers, expressed its view that it is not a long-term solution to the problem of rise in steel prices and its availability at home.

The alliance pointed out that even after duty cuts, import of steel will be costlier because of higher international prices while domestic prices are still lower.

But the construction sector is likely to benefit from the import duty exemption on scrap of steel and iron by way of raw materials for long steel goods.

Chief Economic Advisor to Finance Ministry Ashok Lahiri expressed the hope that prices would begin coming down following recent cuts on duties on petrol and diesel as well as revival of monsoon. There is no reason for any wild expectations on inflation front, he added.

However, analysts say the rise in fuel prices will continue to further push up inflation till the effects of duty cuts on petrol, diesel, cooking gas and kerosene are reflected into reality.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.

India imports 70 percent of its energy requirements and has already imported 100 million tonnes of petroleum products in the current financial year compared to 90.3 million tonnes in the fiscal year 2003-04.