

# 15 non-traditional export items to get 30pc cash subsidy

## STAR BUSINESS REPORT

The government will give 30 percent cash subsidy to 15 non-traditional export items including pickle as the fruits and vegetables export is forecast to slide 25 percent on the back of floods and cargo space problem.

In a move to tackle the quota-free garment export regime, the government recently asked the Export Promotion Bureau (EPB) to identify non-traditional items in an attempt to diversify exports as readymade garments currently constitute 80 percent of the country's exports.

The Bangladesh Bank last week made a list of 15 such items eligible for government incentives to give them a competitive edge in the export market and sent it to the bank.

The 15 non-traditional export items that are to get 30 percent cash

subsidy are toast biscuit, baby toast biscuit, special toast biscuit, *lachcha semai*, fried flattened rice, puffed rice, *moa chanachur* and *boroi*, olive, mango, chilli, garlic, *chalta* and *satkara* pickle.

Finance and Planning Minister M Saifur Rahman after a meeting with Bangladesh Fruits, Vegetables and Allied Products Exporters' Association yesterday announced that the government would buy a cargo plane to ease the cargo space problem and facilitate fruits and vegetables export.

"We need to stress on diversification of exports to tackle the post-MFA situation and for that emphasis should be put on exports of non-traditional items," Saifur later told reporters.

"If the exporters cannot export their goods because of transportation problem, all government initiatives will fall flat on their face.

So, we'll immediately go for purchase of a cargo plane and take other initiatives required to promote export," the finance minister added.

The association leaders told the minister that recent floods and excessive rainfall have taken their toll on fruits and vegetables, forcing the traders to buy them three times the usual price. The exporters are also having problems with Biman Bangladesh Airlines and other international air cargo operators in transporting the exportables.

Export of vegetables, fruits and allied products fetched Tk 500 crore in the last fiscal year but it may slide by 25 percent this financial year because of the problems.

The leaders complained to Saifur that they have not received the cash subsidy that the government had announced earlier and blamed on the rules and regulations of

Bangladesh Bank.

The finance minister spoke to Bangladesh Bank Governor Fakhruddin Ahmed and State Minister for Civil Aviation and Tourism Mir Nasiruddin Ahmed about the delay in release of the cash subsidy for the exporters and asked them to act promptly to that end.

He also told the state minister to consider introducing a cargo aircraft at least once a week for export of agro products.

Saifur also directed the Bangladesh Bank governor to put betel leaf on the list of exportables entitled for the cash subsidy.

"The exports will increase to Tk 1,000 crore in a year if we get a special cargo plane," President of the association Mohammed Farid Uddin Ahmed told reporters.

DSE general index crosses 1600 points

Trading resumes after 4-day break

## STAR BUSINESS REPORT

After a four-day break, trading on the Dhaka Stock Exchange (DSE) resumed yesterday and the general index gained 39.50 points, crossing 1600 points psychological barrier.

The DSE general index stood at 1611 points at close yesterday against 1571.67 points on September 12, the last trading day of the previous week when the trading was suspended as rainwater found its way to the sensitive trading engine on the ground floor of the bourse building.

Capital market analysts have attributed the rise to rate cut on government savings instruments and investors' confidence in banking sector that gives good return on investments.

The DSE-20 index for selective shares also climbed up 7.88 points or 0.43 percent to close at 1824 points.

Talking to The Daily Star, DSE President Ahmed Iqbal Hasan said as banks responded to a government call to cut interest rates, investors found it more profitable to invest in the capital market.

"The rate cut on savings instruments appears as a boon for capital market," he added.

A total of 185 issues worth about Tk 28 crore were traded yesterday, with 107 issues advancing, 60 declining and 18 remaining unchanged.

# Loan fair ends on a high

## 4,000 loan applications filed during show

### STAR BUSINESS REPORT

The first ever loan fair in Bangladesh ended yesterday on a high note as visitors submitted more than 4,000 loan applications.

"Among the applications submitted by the visitors during the three days, we found 75 percent to be eligible for loans," Towfiqul Alam, officer (Marketing and Public Relations) of HSBC, told The Daily Star yesterday.

According to the organisers, among a wide range of loan schemes offered in the fair visitors showed interests mainly in home, education and car loans.

The Hongkong and Shanghai Banking Corporation (HSBC) in collaboration with Conference and Exhibition Management Services (Cems) organised the extravaganza services at the three-day show.

Like Friday, the last day of My Loan Fair '2004 witnessed a huge crowd.

Participants were found busy to deal with the customers. HSBC officials at the service desk, which was set up to assist the clients in processing and getting loans, were

titled "My Loan Fair '2004" to familiarise customers with different loan schemes of the bank.

The bank offered loan schemes for home, education, electronic and computer equipment, automobiles, furniture and travel.

Sixty-two companies including real estate and construction material companies, electronic and computer equipment firms, automobiles and furniture companies, travel agencies and universities showcased their products and services at the three-day show.

Afsana Chowdhury, a visitor, said the fair was very helpful for her, as she came to know about the details of the loan schemes. However, she said the loan conditions were hard for the middle class people like her.

"I came here to get credit facility on purchasing a furniture but I found it to be impossible for me to fulfil the loan conditions," she said.

**India's trade deficit shoots up to \$9.58b**

### AFP, New Delhi

India's trade deficit for the first five months of this fiscal year rose more than 44 percent to 9.58 billion dollars amid a surging bill for oil imports, a government statement said Saturday.

The trade deficit for April-August last year was 6.62 billion dollars.

The growth came despite 26 percent year-on-year growth in India's exports to 27.5 billion dollars between April to August, the statement said.

India, which imports most of its oil requirements, saw its bill rise by 54.8 percent year-on-year from 7.5 billion to 11.7 billion during a volatile year on world energy markets.

Non-oil imports also rose by 21 percent to 25 billion dollars.

# Japan, Mexico sign FTA

AFP, Mexico City

greater Japanese investment in Mexico and increased access particularly to Japan's lucrative farm products market. Japan imports 60 billion dollars in a food a year.

"This accord brings more advantages than disadvantages to both countries. It will impact on the entire Latin American region, as well as Europe and Asia," said Koizumi, whose country is currently in free trade talks with Malaysia and Thailand.

Fox said Koizumi had "proposed holding a summit between our countries on culture, education and intellectual property rights, and that would be very practical."

"We have much to talk about on the subject of protection of intellectual property," said Koizumi. "I believe that our countries can collaborate on that."

Mexico hopes it will translate into

# STOCK

Exchange rates of some currencies against US dollar

Following is Saturday's (September 18, 2004) forex trading statement by Standard Chartered Bank					
Sell	Buy	BC	Currency	TT Clean	OD Sight Doc
59.7500	59.8000	USD	58.5050	58.3332	58.2633
73.7913	73.8530	EUR	70.3815	70.1748	70.0908
108.1475	108.2380	GBP	104.0219	103.7163	103.5922
42.7213	42.7570	AUD	39.9589	39.8415	39.7939
0.5505	0.5509	JPY	0.5278	0.5263	0.5257
47.4847	47.5244	CHF	45.6963	45.5621	45.5076
7.9898	7.9965	SEK	7.4026	7.3809	7.3720
46.4258	46.4646	CAD	44.6944	44.5631	44.5098
2.6715	2.6729	HKD	2.4915	2.4695	2.4606
35.5274	35.5571	SGD	34.4188	34.3177	34.2766
16.4004	16.4141	AED	15.8002	15.7538	15.7349
16.0597	16.0731	SAR	15.4771	15.4316	15.4132
10.1792	10.1877	DKK	9.1891	9.1621	9.1511
203.4320	203.6022	KWD	190.7502	190.1899	189.9623

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringgit
45.845	58.98	103.51	41.285	6.9143	0.7114	3.80