

AKTEL to get SMS content services from Dhaka MicroSystems

AKTEL customers will now enjoy variety of content services such as news, emergency numbers, weather updates, jokes, quotes, ringtones, logos and picture messages through SMS provided by Dhaka MicroSystems Ltd (DMS).

An agreement to this effect was signed between AKTEL and DMS on Thursday in Dhaka.

Md Nasir Bin Baharom, managing director of AKTEL, and AB Siddique Chowdhury, chairman of DMS, signed the SMS content services launching agreement on behalf of their organisations, says a press release.

Plot fair of Metro Makers starts in Dhaka

An 18-day housing plot fair of a real estate company, Metro Makers and Developers Ltd, began in Dhaka yesterday.

Managing Director of the company AFM Jahangir inaugurated the plot fair of its Modhumoti Model Town project.

Site office at Modhumoti Model Town will remain open from 9am to 5pm everyday during the fair for interested buyers. Buyers can also book plots of different sizes from the company's head office on Green Road, Dhanmondi, Dhaka, says a press release.

Metro Makers offers maximum discount and gift vouchers at each plot booking. Besides, buyers will get 35 percent discount on single payment and 15 percent discount on payments on installments, the release added.

Oil prices easier, stay above \$48 in Asian trade

AFP, Singapore

Crude oil prices eased in Asian trade Tuesday but stayed above the 48-dollar mark on expectations of strong demand in the longer term, dealers said.

At 12:13 pm (0413 GMT), the March contract for light sweet crude on the New York Mercantile Exchange was trading at 48.06 dollars per barrel, off a high of 48.24 and a low of 48.05. It was down 14 cents from its close of 48.20 dollars in New York on Monday.

Oil prices had dipped to as low as 46.05 dollars on Monday in New York as the landmark elections in Iraq proceeded relatively smoothly and OPEC announced it would keep oil production steady in the face of increased cold weather demand during the northern winter.

The 11-nation oil cartel, which supplies nearly a third of the world's oil, indicated, however, that high prices were here to stay and that it may cut output soon.

Australia's greatest interests lie in Asia, Howard says

AFP, Singapore

Australia's most important economic and strategic interests lie in Asia, Prime Minister John Howard said Tuesday as he outlined a "shared future" between his nation and the region.

"Australia in my view is a country whose dominant interests in the years ahead will be found in this region," Howard said in a speech to a business lunch during a one-day visit to Singapore.

"This is our part of the world. This is the part of the world to which we most immediately relate not only in a geographic sense but increasingly also in a strategic and economic sense."

Howard said Australians and Asians were "friends".

"We don't always agree. We have our own way of doing things. We have our own distinct identity. But we come to the region with immense goodwill and above all else a commitment to a shared future," he said.

Howard emphasised, however, that Australia would not cut its historic ties to Europe or abandon its close relationship with the United States in favour of pursuing an all-Asia economic and foreign policy.

Taka slips to record low against dollar

STAR BUSINESS REPORT

Taka slipped to a record low against US dollar yesterday, thanks to robust demand for the greenback for payment against import bills and corporate needs, dealers said.

Dealers had to pay as much as Tk 63.47 for a dollar in the inter-bank foreign currency market against Tk 63.43 on the previous day.

Nationalised commercial banks (NCBs), the holders of the government's huge foreign currency, yesterday crossed its Tk 61 per dollar level and settled a few deals as high as Tk 63.25 per dollar with foreign banks, a dealer said.

The taka was traded yesterday at 61.00/63.47 per US dollar against 61.00/63.43 on Monday.

The dollar on Wednesday crossed 63 level hitting all time high at 63.20 on an 'uneven demand' from importers while some banks faced lower remittance inflow.

The demand for the US dollar remains strong for a long time and the price sharply rose further as some corporate importers paid a substantial amount of dollar against their import of capital machinery and edible oil.

The country's foreign currency reserves fell to \$3.04 billion at the end of January from \$3.22 billion in December last year (2004). The country's forex reserves stood at \$2.59 billion in January, 2004.

"The fall was due to settlement of accounts with Asian Clearing Union (ACU). Bangladesh usually pays about \$200 million after every two months.

In recent days, the foreign currency earnings of some commercial banks particularly private ones have reduced significantly. Call money rates rose slightly and ranged between 4.75 percent and 12.5 percent against 4.0 percent and 12.0 percent on Monday.

WEAB team leaves Dhaka to attend Expo Pakistan

Nasreen Awal Mintoo, president of Women Entrepreneurs Association of Bangladesh (WEAB) and chairman of Saarc Chamber Women Entrepreneurs Council (SCWEC), along with a delegation of SCWEC members left for Pakistan yesterday to join the "Expo Pakistan-2005" scheduled to be held from February 2-5, 2005.

The delegation will meet Pakistan prime minister and different business community to encourage regional entrepreneurship and investment in Bangladesh, says a press release.

MetLife to buy Travelers for \$11.5b

REUTERS, New York

MetLife Inc on Monday agreed to acquire Travelers Life & Annuity from Citigroup Inc for \$11.5 billion, bolstering its product reach while sounding Citigroup's retreat from the one-stop financial supermarket concept.

The transaction will make MetLife's already dominant position in the U.S. individual life insurance market even larger and make it No. 2 in the annuities market behind Hartford Life Insurance Co.

For Citigroup, it is another step back from the concept of one-stop financial shopping -- combining insurance, brokerage and banking under one roof -- which it pioneered in the 1990s.

Insurance turned out to be less profitable and slower growing than other financial businesses. Citigroup is now concentrating on retail and investment banking.

As part of the deal, MetLife will market its financial products through Citigroup for the next 10 years, including through Smith Barney retail brokerages and Citibank branches.

Citigroup will receive \$1 billion to \$3 billion of the purchase price in MetLife stock and the remainder in cash, giving it an after-tax gain of about \$2 billion subject to adjustments at closing.

"This deal employs some of MetLife's excess capital in a potentially higher-return business and gives it more distribution," said Stuart Quint, analyst with Gartmore Global Investments in West Conshohocken, Pennsylvania, which manages \$80 billion, including financial stocks like MetLife.

The businesses being acquired by MetLife generated revenue of \$5.2 billion and net income of \$901 million in 2004, with total net assets of \$96 billion.

MetLife shares were down 19 cents at \$39.75 at the close on the New York Stock Exchange, while Citigroup shares were up 67 cents at \$49.05.

China strikes oil deal with owner of Yukos asset

AFP, Moscow

China has secured a long-term oil supply contract with Russia which will provide six billion dollars for Rosneft, the buyer of the main production unit of stricken oil giant Yukos, a top Russian energy official said Tuesday.

Federal energy agency chief Sergei Oganesyan said that state-owned oil firm Rosneft had used financing from Russian banks for its 9.35-billion-dollar (7.2-billion-euro) acquisition of Yuganskneftegas in December.

"They reached an agreement with Russian banks," he said.

However, the official added that Rosneft had also signed a long-term contract for oil deliveries worth six billion dollars with energy-hungry China, the world's second-largest oil consumer which is keen to reduce its reliance on the Middle East.

"The Chinese company CNPC has made a pre-payment for long-term oil deliveries," he told journalists, without specifying if the entire sum was paid up front and the timespan of the oil contract.

Last month Russian newspaper Vedomosti reported that China's state-owned oil and gas giant could help Rosneft pay for the main Yukos subsidiary by offering a six billion dollar credit in return for oil.

The respected business daily quoted Russian government officials as saying that the China National Petroleum Corp had offered to help pay for Rosneft's purchase of Yuganskneftegas at a controversial auction in exchange for oil shipments.

SEC advisory body makes suggestions to spur stocks

Recommends relaxation of margin rule, financial adjustment of A category securities, cut in trade settlement time

START BUSINESS REPORT

The consultative committee of the Securities and Exchange Commission (SEC) in its meeting yesterday made a set of recommendations, such as relaxation of margin rule for brokers, financial adjustment of A category securities and reduction in settling trade in bourses by a day, to spur the market.

The recommendations are expected to come into force after necessary approval by the regulatory body. According to sources, the SEC may approve the recommendations in its meeting next week.

If approved, clients will be able

to buy shares of a company in A category the next day after selling scrips of another company in the same category in a day, but the brokers' margin requirements with the bourses will again go up to Tk 1 crore from the existing Tk 50 lakh. Besides, settlement of trades will be T+3 from existing T+4.

"Earlier, financial adjustment facility was given to the members. The clients will get this facility this time," said a member of the consultative committee.

After settling trades under T+4, at present, clients get shares on the fifth day but with the implementation of T+3, they will get shares on the fourth day. However, both the bourses plan to implement T+3

from March 1. Reducing the free trading limit, the SEC on December 21 last year increased the members' margin requirements with the bourses from Tk 1 crore to Tk 50 lakh.

The business watchdog also decided to suspend credit-extending facility by brokers to their clients to control excess liquidity in the market. Earlier, the brokerage houses could extend credit facility to their investors up to 67 percent on the value of a share.

The decisions came as indices of the bourses kept soaring in recent times and the market witnessed fresh flow of funds. The Dhaka Stock Exchange (DSE) general index on December 21 at

one stage crossed 2000 points mark although it dropped back to close at 1994 points.

The consultative committee in yesterday's meeting also recommended that companies in Z category who have net worth and hold annual general meeting regularly but can't declare the certain amount of dividend for acceptable reasons can be included in the central depository system.

The SEC Executive Director Monsur Alam is the convener of the consultative committee while chief executive officers of the DSE and the CSE Salahuddin Ahmed Khan and Wali-ul-Marof Matin and other three executive directors are members of the committee.

US keen to help grow Bangladesh telecoms

US co-ordinator for int'l communications tells *The Daily Star*

MUSTAK HOSSAIN

US is interested to enhance its co-operation with Bangladesh for the development of the country's telecoms sector, said visiting US Ambassador David A Gross.

The US government is contemplating extending support to Bangladesh by imparting training to government officials, Gross, US Co-ordinator for International Communications and Information Policy in the Bureau of Economic and Business Affairs, told *The Daily Star* in an interview on Monday.

"I am visiting Bangladesh to hold talks on the country's telecoms sector for future co-operation," added Gross.

Bangladesh has got tremendous potential in its telecommunications sector, particularly in wireless services, he said.

Now, four wireless operators are contributing substantially to development of the sector and the prospects of the prospective new competitors in coming years are very high, said Gross, who arrived in the capital on Sunday for a three-day visit.

He said the government should bring more competitions in the sector for the benefit of the customers. "Competition can resolve various problems," said Gross, who has experiences in working in different leading US telecoms companies.

The US will particularly help Bangladesh mitigate its nagging



DAVID A GROSS

interconnection problem, as many fixed phone service providers are to launch their operations, he said.

About 90 percent of Bangladesh's 3.5 million cellphone connections do not have fixed phone connectivity.

The government should insist on regulation attaching high priority to interconnection, he said. "Without interconnectivity, communication goals cannot be attained."

He underscored the need for capacity building of the new fixed line providers.

The government must help Bangladesh Telegraph and Telephone Board take its own decision, Gross commented. "There is no reason for the government to be in business of telephone."

Commenting on frequent strikes, he said "It gives wrong impression to prospective foreign investors who look for rule of law, transparency

and stable political situation in a country before making investment decisions."

"Outside Bangladesh, this hartal gives the impression that rule of law is not always being followed."

"I feel terrible when I see shops are closed for several days... who will shopkeepers make living for their families?" he asked referring to the shutdown during his stay in Dhaka.

Asked on government initiative to eavesdrop telephonic conversation and busting e-mail in the name of security following the September 11 terror attack on the World Trade Centre, Gross, who is also actively involved with various bar associations in the US, said, "Security is always important. But it should be ensured that the government is doing it for the right reason."

Ambassador Gross, also a member of the UN Information and Communications Technologies Taskforce, said Bangladesh is likely to experience tremendous growth in information and communications technology sector once the country is connected with the global information superhighway through the submarine cable.

People are immensely benefited from the internet, which provides access to information irrespective of location, said Gross, who led the US delegation at the UN "Heads of State" World Summit on the Information Society (WSIS).

Samsung, LG among top brands in Asia

ANN/THE KOREA HERALD

Samsung and LG have been selected as the most influential brands in Asia-Pacific after Japan's Sony, an authoritative US magazine reported Monday.

Based on a survey of about 2,000 advertising and brand managers and academics worldwide, the online magazine Brandchannel.com said that Samsung retained its second position in brand recognition last year while LG overtook Japanese automaker Toyota in the third spot.

"As the Asia-Pacific brand with the most impact in 2004, Sony is working harder than ever to innovate in each of its various and varied divisions," Brandchannel said. "Part of Sony's headache must include the strong showing of Korean chaebol Samsung and LG."

Samsung, Korea's largest conglomerate, has been on a strong rise over the last couple of years by turning around perceptions about its products from cheap to smart, investing in quality design and technology, and surprising consumers with competitively priced, quality products, Brandchannel said.

"Although Samsung's businesses sprawl from semiconductors to oil and textiles, we assume the brand impact measured here is from its consumer electronics division Samsung Electronics," said the magazine.

Placing LG third among brands with the most impact, Brandchannel said that Korea's second-largest conglomerate appears to be trying to beat Samsung at its own game by countering a traditionally poor image with a better quality product.

CNG-run vehicles to up fuel efficiency

Speakers say at seminar

STAFF CORRESPONDENT, Ctg

Speakers at a seminar here yesterday called for converting oil-run vehicles into CNG-run ones for fuel efficiency.

The country has abundant supply of natural gas and converting oil-run vehicles into CNG format would not only be cost-effective but also environment-friendly, they said at a seminar on "The prospects of CNG filling stations and CNG vehicle conversions" at Hotel Agrabad.

The Hongkong and Shanghai Banking Corporation (HSBC Ltd) in Bangladesh organised the seminar in association with USAID.

Addressing the seminar, Chittagong Chamber of Commerce and Industry (CCCI) President Saifuzzaman Chowdhury Javed emphasised the need for enhancement of compressed natural gas (CNG) use for the greater benefit of country.

"We have abundant reserve of natural gas but we are still far behind of taking its advantage," he said.

CCCI chief said, "The more we use the more we will benefit from it because the cost of natural gas is much lower than petrol."

Executive Director of Natural Gas Vehicle (NGV) Institute in USA Leo B Thomason presented a keynote paper focusing on the technical aspects of CNG filling stations and CNG conversions.

Thomason said CNG gives clean air and it has lower tailpipe emis-

sions than petrol.

Chief Executive Officer of HSBC in Bangladesh David JH Griffiths, Corporate Banking Head Adil Islam and Development Programme Specialist Sher M Khan also addressed the seminar.

Gold demand in India remains bullish

REUTERS, New Delhi

Demand for gold in India, the world's largest importer, is expected to remain bullish because of strong buying during the last leg of the wedding season and softer global prices, traders said Monday.

The buying of gold jewellery which forms an important part of Hindu marriages as parents give the metal to their daughters for financial security, will continue in February before slowing in March when the auspicious period for marriages ends.

"The demand in January has been better than December because there were more auspicious days in the calendar," Rajiv Popley, a leading jeweller said from Bombay, the business capital.

Gold lost more than \$2 an ounce in Asian trade after the weekend election in Iraq ended without major violence.