

Remittance, export growths lessen trade deficit

BoP still negative

REJAUL KARIM BYRON

Growth in remittance and export have continued lessening Bangladesh's trade deficit in the first eight months of the current fiscal year, resulting in surplus current account balance.

However, the overall balance of payment (BoP) showed a slight deficit during the same period due to declining net foreign direct investment (FDI) and foreign aid.

The trade deficit dropped by 12.82 percent during July, 2005-February, 2006 period, down from \$260 million during the corresponding period of the previous year and

stood at \$1.77 billion.

The current account balance now shows a surplus of \$232 million, which was a deficit of \$405 million during the same period of the previous year.

Last year, the current balance account hit deficit for the first time in three financial years, following which the central bank adopted a cautious monetary policy. Following the tightened monetary policy the country's external balance sheet's position improved, although that was depreciated against dollar.

During July-February period in the current fiscal year import grew by 9.80 percent which during the

same period of the previous year was 26.83 percent.

Fresh opening of letters of credit (L/Cs) for import during the same period increased by 4.02 percent, which was 24.30 percent in the same period of the previous fiscal year.

On the other hand, export during July-February of FY06 increased by 17.91 percent, which in the corresponding period of the previous year was 17.22 percent.

During July-March of the FY 06 remittance increased by 23.15 percent, which was 12.79 percent during the same period of the previous year.

The decrease in import growth

and the rise in export and remittance resulted in a surplus of the current account balance.

But net FDI dropped by 15 percent over the first seven months of the current fiscal year and stood at \$473 million and net foreign aid shrank by 90 percent during the same period and stood at \$339 million.

Sources said though trade deficit dropped, the overall balance of payment showed a deficit of \$59 million during the first seven months of the current fiscal year due to the decline in FDI and foreign aid.



Citigroup senior executive in Dhaka

S. Lim, regional head of Citigroup Asia Pacific Emerging Markets Sales & Trading, arrived in Dhaka on a two-day official visit, says a press release.

During the visit, Lim is scheduled to meet senior government officials, major clients of the bank and explore growth opportunities of Citigroup's treasury business in Bangladesh.

Lim is responsible for Citigroup's treasury dealings in foreign exchange, interest rates, local currency debt capital markets, derivatives and the Global Corporate & Investment Banking Group's balance sheet in Asia.

After joining Citigroup in 1983, Lim held a number of senior positions in Citigroup Tokyo, North America and the Saudi American Bank, based in Riyadh. He returned to Asia Pacific in October 2003 before his current appointment in July 2004.

Dhaka motor show kicks off Thursday

STAR BUSINESS REPORT

Dhaka Motor Show 2006 will begin on Thursday at Bangladesh-China Friendship Conference Centre.

Leading distributors and dealers of cars and motorcycles along with banks, insurance companies, lubricant companies and automotive component manufacturers and importers will showcase their products and services in the fair, organisers told a press conference in Dhaka yesterday.

Conference and Exhibition Management Services (Cems) Ltd will organise the three-day exhibition that will come to an end on April 29.

A total of 60 companies are expected to showcase their products at 250 stalls. The exhibition will remain open to visitors from 10:00 am to 8:30 pm.

Standard Chartered Bank is the partner of the auto show while Lucas, Castrol and Dunlop are the co-sponsors. SouthAsia Enterprise Development Facility (SEDF), Gulf Air, F1 Management and Bangladesh Motor Sports Club are the associate partners.

The fair titled 'Quality Fair 2006' aims to create awareness about quality management among the business houses and professionals in Bangladesh, organisers said at a press meet in Dhaka yesterday.

"The QMS standards can help enterprises grow and enhance their business performance as well as improve reputation," said Muhammad Musharraf Hussain, secretary general of Bangladesh Association of QMS Professionals (BAQP).

Hussain said global buyers are increasingly asking for the QMS standards. Some local buyers including Bangladeshi government agencies such as Rural Electrification Board have recently started giving preferences to buy products from those businesses, which have such standards, he added.

He also said presently around 700 companies have certificates on QMS while the figure is around 7.5

BKMEA to introduce productivity service for factories

BDNEWS, Dhaka

Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) is going to introduce productivity improvement service for knit industry with financial support from European Union (EU), sources said.

BKMEA and EU will sign an agreement next month to implement a project titled 'Capacity building of the knitwear sector through productivity improvement' in this regard for one-year period.

BKMEA President Fuzlul Haque said, "We would create a cell to offer service to our members for productivity improvement."

BKMEA will also develop a guideline on productivity for the knit

industry, he added.

BKMEA sources said, more than 30 people will be trained for nine months for developing their capacity as productivity experts. More than half of trained persons will join the productivity cell and others knit factories.

Source said the cell of BKMEA will take service charge from the knitwear factories for providing productivity service.

The programme includes topics like tool and techniques of productivity and efficiency, quality issues, application of quality management techniques in knit production, work study time and method study, factory layout planning, inventory management, machineries maintenance, specialised needs of produc-



M Syeduzzaman, chairman of Bank Asia Limited, speaks at the 7th annual general meeting of the bank in Dhaka yesterday. Vice-chairmen A Rouf Chowdhury and Arifur Rahman Sinha, President and Managing Director Syed Anisul Haque and other directors of the bank are also seen.

Oil prices slip off record highs in Asian trade

AFP, Singapore

Oil prices slipped off record highs above 75 dollars in Asian trade Monday on profit-taking after the market's unprecedented advance last week, dealers said.

However, ongoing concerns over Iran's controversial nuclear programme will keep crude prices above 70 dollars until the issue is resolved, they said.

The market's slight cooling came after global finance chiefs called for action against runaway oil prices and OPEC member Kuwait proposed reactivating standby capacity in an effort to prevent further increases.

At 1:14 pm (0514 GMT), New York's main contract, light sweet crude for June delivery, was at 74.54 dollars a barrel compared

Bank Asia declares 30pc dividend

Bank Asia Limited has approved 30 percent dividend for its shareholders.

The dividend was approved at the 7th annual general meeting (AGM) of the bank held at Officers Club Auditorium in Dhaka yesterday, says a press release.

Chairman of the bank M Syeduzzaman presided over the AGM. Among others, vice-chairmen A Rouf Chowdhury and Arifur Rahman Sinha, other directors and President and Managing Director Syed Anisul Haque were present.

The AGM was informed that the deposit of the bank increased 37 percent from Tk13.81 billion in 2004 to Tk18.50 in 2005 while the loans and advances increased by 51 percent to Tk17.86 billion in 2005 from Tk11.86 billion in the previous year. The operating profit increased by 22 percent to Tk801 million in 2005 from Tk659 million in 2004.

After making all requisite provisions, there remained a surplus of Tk285 million, out of which the declaration of stock dividend at the rate of 20 percent and cash dividend at 10 percent totaling 30 percent dividend was approved by the shareholders.

Monowara Haque, Murshed Sultan Chowdhury, Md Shahjahan and Mahrina Chowdhury were elected new directors of the bank from the sponsors group in the meeting, the release added.

Director of Cems Shahed S Sarwar, Managing Director Meherun N Islam, Director of RahimAfroz Distributions Ltd Niaz Rahim, and Head of Corporate of Standard Chartered Bank Shah Mahmud Imam were present at the briefing.



Managing Director of Conference and Exhibition Management Services Meherun N Islam announces the schedule of Dhaka Motor Show 2006 at a press conference in the capital yesterday. The three-day exhibition begins on Thursday at Bangladesh-China Friendship Conference Centre.

tion management techniques.

One of the knitwear entrepreneurs acknowledged the need for productivity and competitive service.

He said, "If we reduce the wastage in production by increasing productivity, the cost of production will be decreased".

The SouthAsia Enterprise Development Facility (SEDF) provided financial support to the Department of Industrial & Production Engineering (IPE) of BUTE as a service provider last year for developing efficiency and productivity of readymade garments.



Muhammad Musharraf Hussain (2nd left), secretary general of Bangladesh Association of QMS Professionals (BAQP), speaks at a press briefing in Dhaka yesterday to announce the schedule of a three-day exhibition on quality management system. The fair will begin at Bangladesh-China Friendship Conference Centre on May 26.

First-ever show on quality management system to begin May 26

STAR BUSINESS REPORT

The first-ever exhibition on quality management system (QMS) will be set up at Bangladesh-China Friendship Conference Centre in Dhaka, the fair venue.

They said various industries and services sectors such as telecommunications, IT, banks, office equipment manufacturers, advertising companies, law and audit firms along with the multinational companies that have QMS certification from the ISO are expected to participate in the fair.

Companies that have received management standards such as ISO 9000, ISO 14000 and HACCP certification as well as QMS consulting and certification houses, which provide services for achieving such quality standards, will participate in the three-day show.

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Housing Group of Sylhet to hold fairs in Dubai, London

STAR BUSINESS REPORT

Real Estate and Housing Group of Sylhet (REHGS) is going to organise two housing fairs in Dubai and London in next June and July.

Some 50 developers from Bangladesh are expected to take part in fairs in Dubai beginning June 15 and at Muslim Centre, East London beginning July 15, organisers told a press briefing in Dhaka yesterday.

President of REHGS Akram Uzzaman Chowdhury said the fairs will help expatriate Bangladeshi buy plots and flats at home.

President of the UK branch of REHGS Abul Munim Jaledi Carol, Senior Vice President of REHGS Nurul Islam Khan, Vice President Tajul Islam and General Secretary Zainal Abedin also present at the briefing.