

Star BUSINESS

E-mail: business@thedailystar.net

Forex reserve slides from record after ACU payment

UNB, Dhaka

Country's foreign exchange reserve dropped to US\$3.34 billion yesterday, four days after hitting highest \$3.61 billion on Sunday, following a regular bimonthly payment to Asian Clearing Union (ACU).

Bangladesh Bank settled the ACU payment of US\$352.42 million Wednesday, pulling down the official international reserve, a senior Bangladesh Bank official told the news agency.

Recently the reserve maintained an upward trend rising to US\$3.605 billion on strong remittance and export earnings, according to Bangladesh Bank figures.

The central bank official, however, expected the up-trend to continue "due to robust exports and remittances against restrained imports."

The reserve was around US\$3 billion at the end of June 1995, but started to plunge below \$1 billion in 2001. The reserve was hovering just over US\$3 billion during the fiscal 2005-06.

AKTEL's PCO subscribers to get security money back

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Cellphone operator AKTEL's Public Call Office (PCO) subscribers now will get their security money back with interest after three years from Prime Bank.

AKTEL yesterday signed a memorandum of understanding to this effect with the bank in Dhaka.

Asif Iqbal, head of marketing of AKTEL, and Jasim Uddin, executive vice president of Prime Bank, signed the MoU at a simple ceremony on behalf of their organisations.

The security money for each PCO subscription is Tk 3,000.

Prime Bank's Managing Director Shahjahan Bhuiyan, and AKTEL's Head of Corporate Affairs Javed Tareq were also present at the signing ceremony.

AKTEL officials said there are some 20,000 PCO subscribers.

CPD lectures on Bangladesh economy concludes

The four-day course on Advanced Lectures on Bangladesh Economy, organised by the Centre for Policy Dialogue (CPD), concluded yesterday.

A total of 28 students from private and public universities participated in the second CPD Advanced Lectures series who were enrolled on a competitive basis, said a press release.

CPD initiated the programme in 2005 with an objective to orient the economics graduates to the dynamics of Bangladesh economy in response to macroeconomics, regionalisation and globalisation.

CPD Executive Director Dr Debapriya Bhattacharya, Research Director Professor Mustafizur Rahman, Senior Research Fellows Dr Fahmida Khatun, Dr Uttam Kumar Deb, Dr Khondaker Golam Moazzem, and Additional Director (Dialogue and Communication) Anisul Fatema Yousuf were the resource persons of the course.

M Syeduzzaman, member of the CPD Board of Trustees, distributed certificates of achievement among the participants.

Oil prices up

AP, London

Oil prices regained some ground Thursday, a day after falling to a five-month low, while the market waited for the latest data on U.S. supplies.

Light, sweet crude for October delivery rose 17 cents to \$67.67 a barrel in electronic trading on the New York Mercantile Exchange by midday in Europe. The contract had fallen more than \$1 Wednesday to settle at \$67.50 a barrel, the lowest closing price for front-month futures since April 7.

PRICE HIKE IN RAMADAN

Importers, wholesalers blame rent seeking

Keep prices tolerable: FBCCI

STAR BUSINESS REPORT

City's wholesalers and importers of essential commodities yesterday accused 'rent-seeking' by different government personnel like tax officials and law enforcers as one of the major reasons for the hike in prices of essentials during the Ramadan.

The traders were speaking at a meeting organised by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) in Dhaka.

FBCCI President Mir Nasir Hossain chaired the meeting.

The retailers came under fire at the meeting for the sky-rocketing prices of essentials.

Md Shamsul Alam of Shambazar Babsayee Malik Samity said although commerce minister and finance minister admitted the existence of syndication behind controlling the commodity prices, the government has taken no immediate initiative.

"Averting any action against the syndication, the initiative of reducing tax on 11 items on the eve of the

Ramadan will not be effective in cutting the prices of essentials," he opined.

He also blamed the action of the law enforcers and mobile, which, he said, contributed to increasing the price during the Ramadan.

"Most of the businessmen in the city fall victim to the secret extortion by some law enforcers during the time, which results in a rise in commodity prices by over 10 percent," he added.

Quoting some wholesale prices, he said while the wholesale price of the ginger is only Tk 35 to Tk 40, the retailers sell it at Tk 60 to Tk 65. The wholesale price of dry chilly is Tk 10, turmeric is Tk 50, but in the retail market, these items are selling at Tk 150 and Tk 80 respectively.

While talking to The Daily Star, some traders pleaded not guilty for the price hike saying that a strong syndication of some big businessmen, who have government patronisation, is controlling the market price.

"As the government failed to take any legal action against the syndication, prices of commodities will not come down to a tolerable level within a

short time," said a wholesaler.

He said a former commerce minister took an initiative to hang price list in every retail market in the city. But unfortunately, the initiative is not followed by his successors.

"Some laws relating market monitoring also returned from the cabinet without approval. I don't know what is the reason for not passing the law, but I heard some cabinet members disagree to pass the law", said another wholesaler.

He said, "We have made many suggestions for the government to control the market price. But government does not implement any of them".

The FBCCI president said in the open market economy, there is no chance to increase price of commodities by syndication.

He, however, said, "Big businesses can maintain the market through their huge capacity of storing commodities."

He urged the wholesalers and importers to keep essential prices at a tolerable level during the Ramadan.



Officials of cellphone operator AKTEL and Prime Bank sign a memorandum of understanding in Dhaka yesterday.

HELSINKI SUMMIT

Asia, EU leaders to focus on trade

AFP, Brussels

Freeing up trade between the EU and Asia will be in the spotlight when European and Asian leaders meet Sunday and Monday in Helsinki, although the official talks will focus on the environment, energy and security, officials said.

Leaders from 38 Asian and European nations are expected to descend on the Finnish capital for the two-yearly summit of the Asia

Europe Meeting (ASEM).

Amid persistent criticism that the forum is long on talk and short on substance, the heads of state and governments are also due to mark the 10th anniversary of ASEM by inviting new members to future meetings.

"It is true that ASEM is not a process that leads to concrete decisions," acknowledged Finnish Prime Minister Matti Vanhanen, who is hosting the summit in Helsinki.

Raffle draw for shoppers at Bashundhara City held

STAR BUSINESS REPORT

Bangladesh Biman is in a deep crisis, but expected that it will be able to enhance its capacity soon.

"The world economy is not any more protective... it is becoming more and more open and we should take the advantage of it," he said.

Presently, the airways flies five times per week from Dhaka to Abu Dhabi.

Etihad Airways Bangladesh Area Manager Jill R Errington said days are not very far when Etihad Airways will have flights everyday from Dhaka.

She said the airways is customer-friendly, transparent and equipped with 21st century technology.

Halaluddin Akbar and Vipul Bhalla of Etihad Crystal Cargo also spoke at the ceremony.

Pran promotional offer winners get prizes

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The prize giving ceremony of a consumer promotional offer of Pran Group was held yesterday.

Malaysian High Commissioner to Bangladesh Abdul Malek Bin Abdul Aziz distributed the prizes among the winners in Dhaka.

Under the offer titled 'Pran Mashlay Malaysia (Buy Pran spices to fly to Malaysia)', four winners received Dhaka-Kuala Lumpur return tickets.

Ahsan Khan Chowdhury, deputy-managing director of Pran Group was also present at the function.

Other prizes of the offer, which ran between May 20 and August 20, include two washing machines, and two microwave ovens, dinner sets, blander machines, and pressure cookers.

CURRENCY

Following is Thursday's (September 7, 2006) forex statement supplied by Standard Chartered Bank

Major Currency Exchange Rates

	BCSell	TTBuy
US dollar	69.65	68.55
Euro	90.61	86.69
Pound	132.81	127.80
Australian dollar	54.50	51.76
Japanese yen	0.61	0.58
Swiss franc	57.31	54.71
Swedish kroner	10.01	9.08
Canadian dollar	63.71	61.39
Hong Kong dollar	8.98	8.79
Singapore dollar	45.42	43.59
UAE dirham	19.12	18.51
Saudi riyal	18.72	18.13
Danish kroner	12.51	11.30
Kuwaiti dinar	237.48	235.36

	Per USD	BDT per Currency
Indian rupee	46.02	1.50
Pak rupee	60.45	1.14
Lankan rupee	102.23	0.68
Thai baht	37.38	1.85
Malaysian ringgit	3.65	18.95

	Buy	Sell
USD forward rate against BDT		
1M	68.64	69.75
2M	68.76	69.96
3M	68.91	70.18
6M	69.34	70.89

*The forward rates are indicative only and fixed dated

All currencies are quoted against BDT

Local Market

FX: Local inter-bank FX market was active on Thursday as the banks prepared to close for the weekend. The demand for USD remained stable and there was a steady volume of cross currency transactions. The USD fell slightly against the Bangladeshi taka.

Money Market

Money market was active on Thursday. Call money rate remained unchanged and ranged between 6.50-7.00 percent. Bangladesh Bank accepted three-day reverse repos worth Tk 12.61 billion (\$182 million) at an interest of 6.50 percent.

International Market

The dollar steadied against the euro and edged up against the yen on Thursday after data the previous day showing a surprisingly big jump in US labour costs.

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Mir Nasir Hossain, president of FBCCI (C), addresses a discussion with importers and wholesalers of essential commodities on the eve of the holy Ramadan at the FBCCI Board Room yesterday. FBCCI Vice President Dewan Sultan Ahmed (1-L) and Director M Arif Chowdhury (1-R) are also seen.

Tk 300cr Japanese aid to develop EPZs

BSS, Dhaka