

Star BUSINESS

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WEEKLY ROUNDUP

DSE indices down 3pc

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The Dhaka Stock Exchange (DSE) witnessed bearish trend last week with the price indices dropping by around three percent.

The DSE General Index lost 56.14 points, or 3.67 percent, to close at 1475.55 points on Thursday, the last working day of the last week, from 1531.69 points on November 2.

DSE All Share Price Index also shed 46.12 points, or 3.60 percent, to close at 1234.25 points last week from 1280.37 points of the previous week.

Besides, DSE 20 Index, comprising blue chips, also went down by 20.19 points, or 1.54 percent, to close at 1288.34 points last week from 1308.53 points.

However, turnover on the premier bourse rose sharply last week.

The total turnover in terms of value on the DSE was Tk 154.30 crore last week against Tk 77.71 crore in the previous week.

The daily average turnover went up by 48.92 percent last week from the previous week. In the last week, daily average turnover on the bourse was Tk 38.57 crore while the figure was Tk 25.90 crore in the previous week.

However, trading on the DSE took place only for four days during the last week while three days during the previous week.

Total transactions on the DSE went up by 41.69 percent last week. A total of 1,97,65,098 shares of 260 issues were traded on the premier bourse last week while 1,39,49,173 shares changed hands in the previous week.

Of the issues traded, 27 closed higher, 195 ended lower and five

remained unchanged.

The top ten turnover leaders in the week were Power Grid Company of Bangladesh Ltd (PGCB), Bextex Limited, Summit Power, Dhaka Electric Supply Company Ltd, UCBL, Pubali Bank, Rupali Bank, NBL, AB Bank and Heidelberg Cement.

PGCB, the state-owned power company, topped the list of turnover leaders with 35,43,650 shares worth Tk 53.78 crore, accounting for 34.86 percent of the total market turnover.

Market analysts said the confrontational politics is keeping investors at bay. They also said the market may see bearish trend in the coming weeks mainly due to current volatile political situation.

India traders strike to protest shop closure

AFP, New Delhi

Most markets were shut across the Indian capital Friday as shopkeepers downed shutters to protest against a court order to close thousands of illegal businesses in residential areas.

In the second such strike this month, traders organised sit-in protests and shouted slogans against the government as officials put a seal on illegal shops in the upmarket Greater Kailash area. "So far we have closed around a hundred shops in three days. It will take a very long time to close all the illegal shops," said Deep Mathur, spokesman of the Municipal Council of Delhi, the authority in charge of the drive.

The closures follow a Supreme Court order that some 44,000 shops operating illegally in residential areas be shut down to restore order to the increasingly chaotic city of 14 million people.

Microcredit summit to drum up business for the poorest

AFP, Washington

What do Bill Gates, Queen Sofia of Spain, Nobel Peace Prize winner Muhammad Yunus and billionaire philanthropist George Soros all have in common?

They all believe that small business loans known as microcredit can help lift tens of millions of the world's poorest people, who mainly live across Asia, out of poverty and turn them into budding entrepreneurs.

Queen Sofia and Yunus will join several thousand delegates in Halifax, Canada, who are jetting in from around the world to attend the second Global Microcredit Summit from November 12-15.

Campaigners, including Yunus, who has been dubbed the "godfather" of microcredit, will announce their lofty goal of advancing tiny business loans to 175 million of the world's most impoverished people by 2015 at the summit.

Summit-backers conceded last week that they had failed to meet a goal set in Washington in 1997 to advance microcredit to 100 million poverty-stricken people by the end of 2005, but said they were well on track to hit that target by the end of this year.

"The summit and its new goals for 2015 to be launched in Halifax will help slash global poverty and kickstart progress toward the UN's Millennium Development Goals," Sam Daley-Harris, a director of the Microcredit Summit Campaign, said Thursday.

The Millennium Development Goals have a deadline of 2015 for a range of measures including the halving of extreme poverty, halting the spread of HIV/AIDS and boosting universal primary education.

Interest in microcredit, which is largely granted to people trying to survive on less than one dollar a day to start or expand small businesses, has mounted since Yunus won a Nobel Peace Prize in mid-October.

French football star Zinedine Zidane visited Bangladesh this

week at Yunus's invitation to help launch a food company jointly owned by French food giant Danone and Yunus's Grameen bank.

The 66-year-old Bangladeshi economist, who is also known as the "banker to the poor," is a microcredit pioneer and founder of the Grameen bank which has extended microloans to 6.6 million people since 1976.

Critics have questioned some of the microcredit campaign's claims and charge that some loans carry high interest rates, but the sector's growth has hit the radar screens of large international banks.

Big banks, which have historically shunned the world's poorest individuals, such as Dutch banking giant ING and US titan Citigroup are rapidly setting up "microfinance" operations.

Robert Annibale, a global director for Citigroup's Microfinance Group, and ING microfinance specialist Gera Voorrips are both due to attend the Halifax summit.

Wider corporate interest has also increased: US giants Monsanto and Johnson and Johnson are helping sponsor the summit.

Government officials from around the world, particularly from developing nations, as well as credit union managers will also be

travelling to Halifax.

Grameen Foundation chief executive Alex Counts told reporters last week that campaigners want to break a "generational cycle of poverty," but activists stress that tiny loans are not a magic "panacea" for wiping out poverty.

They view microcredit as a powerful tool for empowering often illiterate people who want to expand a food or handicraft-selling business, but acknowledge that the impoverished also need education and healthcare.

Campaigners point out that the microloans, which average around 100 dollars, require no collateral and say they focus on advancing loans to women because they are more responsible at running a family's finances.

Experts estimate there are between 1.0 to 1.2 billion people around the world who live on less than one dollar a day.

Gates and Soros are not attending the summit, but the Bill and Melinda Gates Foundation announced grants totalling 8.7 million dollars to credit union groups working in Africa and Latin America earlier this month.

Soros is a co-chair of the microcredit campaign's executive committee along with Yunus.

Swiss Festival concludes

STAR BUSINESS REPORT

The three-day Swiss Festival that began on Wednesday in Dhaka ended yesterday amid huge response from visitors.

The festival featured products showcasing, seminars, cultural programmes, DVD launch, film show and photography exhibition.

Textile products, construction materials, education services and consumer products were showcased during the festival.

A range of Swiss companies, local NGOs and development organisations participated and showcased their products and services in the fair.

"I came to know about products of Swiss companies and development activities run by Swiss development organisations in the festival," a visitor said at Bangladesh-China Friendship Conference Centre, the festival venue.

Organisers said the fair was organised to increase trade volume between Bangladesh and Switzerland and strengthen bilateral relationship.

The Daily Star was the media partner of the festival, organised jointly by Swiss embassy in Dhaka, Swiss Agency for Development and Cooperation (SDC) and Switzerland-Bangladesh Business Forum.

Japan, US, Europe eye patent accord

ANN/ THE DAILY YOMIURI

Patent authorities from Japan, the United States and Europe will begin discussions towards the introduction of a system for mutual recognition of patents, government sources said Thursday.

If the system is realised, patents awarded in one country, such as Japan, would be issued in the other regions—in this case, the United States and Europe—as well, according to the sources.

Heads of three patent authorities, Japan's Patent Office, the European Patent Office and the US Patent and Trademark Office, will sign an agreement at their Trilateral Cooperation conference to be held next Friday (Nov 17) in Tokyo on setting up a working panel for the purpose.

The standardised application forms would be introduced for trial by the three parties from spring of 2007, with the official introduction planned for 2008, said the sources.

If the system is realised, Japanese companies, for instance, will save about 84 billion yen (US\$713 million) annually in costs necessary for taking patents in the United States and Europe, including charges for filing applications and expenses for chartered patent agents. The new process also will speed up the process of taking foreign patents considerably.

Under the patent mutual recognition system, if Japan's Patent Office approved and registered an invention, the US and European patent offices would register it without examination.



PHOTO: BEPZA

Prashanta Bhushan Barua, member (Engineering) of Bangladesh Export Processing Zones Authority (Bepza), and Md Mostafiz Uddin, managing director of Denim Expert Ltd, a readymade garment factory, sign a lease agreement on Wednesday in Dhaka. Under the deal, the company will invest US\$4.1 million in Karnaphuli EPZ to produce 18 lakh pieces of jeans, trousers, jackets, vests and shirts annually. Ashraf Abdullah Yussuf, Bepza executive chairman, among others, was present.

'US vote won't undermine WTO'

AFP, Washington

The United States is committed to a WTO deal to transform global commerce even if power in Washington is now split following this week's election, Trade Representative Susan Schwab said Thursday.

"There is a long tradition in the US of presidents reaching across the aisle to work with Congress on trade issues," she wrote in a Wall Street Journal opinion piece in the wake of Tuesday's Democratic triumph in Congress.

"President George W. Bush is committed to the Doha Round, and I look forward to continuing to work with members of both parties to win support for an agreement that will spur development and alleviate poverty through new trade flows in agriculture, manufactured goods and services," Schwab added.

"The real question now is whether other members of the World Trade Organisation can agree to lower trade barriers

enough to foster new trade flows that will promote competition and economic growth."

The Doha Round on dismantling global trade barriers has been deadlocked since July, owing most notably to bitter rows between the United States, the European Union and developing countries over agricultural subsidies.

For EU Trade Commissioner Peter Mandelson, there is a "brief window of opportunity" to revive the Doha talks after the US elections, his spokesman said Wednesday in Brussels.

But analysts warned that with the US Congress now under Democratic control, protectionist voices could find new influence or that the party will, at least, demand extra protections on labour standards, the environment and human rights.

Indonesian Foreign Minister Hassan Wirayuda said Thursday: "From the aspect of Indonesia-US trade policies, maybe like other

countries which are currently discussing free-trade areas, we are very worried."

Several Democrats rode to victory in industrial bastions like Ohio by denouncing "job-killing" trade pacts that they argued had sent millions of American jobs to cheap bases such as China.

Data released Thursday showed the US trade deficit with China hit a new high of 23 billion dollars in September, more than one-third of the total US shortfall in goods and services.

Charles Rangel, a top Democrat who is in line to chair the all-powerful House Ways and Means Committee, pledged to work with Republicans to show that "expanded trade doesn't always have to mean the loss of good-paying (US) jobs".

Citigroup to observe 'Global Community Day' Nov 18

Citigroup, one of the world's leading financial institutions, is going to observe 'Global Community Day' on November 18, 2006, says a press release.

Global Community Day is a new initiative to have Citigroup's employees, along with their families and friends, come together as a global team on a single day each year. Volunteer teams will be working on hundreds of local projects addressing specific community needs, including literacy, housing, environmental protection, nutrition, healthcare and disaster relief.

Citigroup expects more than 30,000 employee volunteers to participate in more than 800 projects in 400 cities across 100 countries.

In Bangladesh, Citigroup has taken different programmes to observe the day. Citigroup Bangladesh has been supporting microcredit activities and education for a long time, partnering with Shakti Foundation for Disadvantaged Women, Grameen Trust, Acid Survivors Foundation, World Literature Centre, Liberation War Museum, Asian University for Women and Kachi Kanchar Mela. The organisation has also introduced microentrepreneurship awards in the country.

India's Bajaj makes debut in Indonesia

XINHUA, Jakarta

Bajaj Auto, the second Indian motorcycle manufacturer to have entered Indonesia, officially launched its Pulsar sporty-look motorcycle this week, marking the company's debut in Indonesia's growing market.

With the launch of the new motorcycle, which has an engine capacity of 180cc, the Indian company will be competing head to head with established manufacturers, such as Honda, Yamaha and Suzuki, which have also begun to boost the sales of their sporty-look models, major national newspaper The Jakarta Post reported yesterday.

Bajaj Auto Indonesia marketing sales director Dharmesh Banerjee said the company, which would focus on the sporty-look market segment, was quite upbeat it would be able to make inroads despite the tight competition.

"The growth of this motorcycle segment in Indonesia has been steady over the last few years. There is still a major opportunity for this segment to expand," he said.

According to data from Indonesian Motorcycle Association (AIMS), sales of sporty motorcycles rose to 300,000 units in 2005, accounting for about 5.9 percent of total motorcycle sales, from 25,000 units, or about 7 percent of total motorcycle sales, in 2004.

During the Thursday's launch here, the company also revealed a plan to build a factory in Indonesia with an investment of about 50 million US dollars. The plant would have a capacity of 100,000 bikes a year.



PHOTO: PRIME BANK

Prime Bank Ltd opened its 45th branch at Hathazari in Chittagong on Wednesday. Chairman of the bank Imam Anwar Hossain, directors Hasina Khan and Shahnaz Quashem, and Managing Director M Shahjahan Bhuiyan, among others, were present at the inauguration.