

# Economy to grow 7pc despite unrest

STAFF CORRESPONDENT

Despite recent disruptions caused by the pre-election political unrest, the Bangladesh Bank (BB) estimates a GDP (Gross Domestic Product) growth of seven per cent in the current fiscal year (FY07).

The BB monetary policy statement, which was released yesterday, said following 6.7 percent real GDP growth of FY06, economic activities in FY07 have remained strong, supported by robust export and domestic demand, despite recent disruptions due to pre-election political unrests.

However, the statement warns, "...the political unrests, if prolonged, will significantly disrupt output, distribution and export activities; creating shortages and new inflationary pressures."

Governor Dr Salehuddin Ahmed released the monetary policy statement of the central bank at its headquarters at a press conference. "Congenial and conducive political environment is necessary to continue such economic growth," Dr Salehuddin said.

Referring to the strong eco-

nomic growth, BB Deputy Governor Allah Malik Kazemi gave much of the credits to the working class people of the country, adding, the country's internal economic condition has reached a stable position and for this, despite the recent political crisis, the economy shows healthy growth.

The monetary policy statement predicts that the monetary policy of the second half of the FY07 will continue to aim at supporting annual real GDP growth of seven per cent, while keeping inflationary pressures under control.

It said monetary policies aimed at supporting real annual GDP growth of seven per cent will continue unchanged in the cautious and restrained stance in the second half of the FY07 keeping in view the prevailing external situation and the internal risks to price stability posed by the domestic situation.

But, the policy stance will of course be adapted promptly and flexibly in the face of any unfolding development, with special attention to the credit needs of sectors promoting and supporting economic

growth. About borrowing from the banking sector, the policy statement said the government's receipts of net foreign financing fell far short of estimates while revenue receipts also lagged budgetary estimates substantially.

"The shortfalls in receipts vis-à-vis expenditure have caused bank borrowing of the government to swell unusually in the first half of the FY07. The estimated Tk 63.50 billion net new borrowing has exceeded the budgetary estimate of Tk 54.34 billion by a large margin," the statement said.

The monetary policy statement suggested the government to reduce the bank borrowing levels sharply as well as mobilise additional revenues and increase of foreign aid. It also asked the government to limit its expenditure.

It said completion of sale of Rupali Bank to the foreign buyer could substantially help ease the current pressure on government finances.

## 3 wounded as criminals spray bullets while looting shop

STAFF CORRESPONDENT

Armed criminals sprayed bullets injuring three people and looted valuables from a motor decoration and accessories store at Bijoynagar in the capital yesterday.

The incident took place at around 11:45am at Asha Car Decoration on Shaheed Syed Nazrul Islam Road.

A gang of six thugs arrived at the store on two rickshaws and looted cash and valuables drawing fire-arms, said the store authority.

They also mugged two customers of the store and snatched their cellular phones and money.

When the manager and staff of the store tried to resist, the criminals sprayed bullets on them and injured manager Delwar Hussain, 24, and staff Nur Mohammad, 25, in their legs.

A stray bullet also hit a passenger of an Ashulia bound bus passing by.

The passenger, Kamal Kazi, 35, and the other two injured were later admitted to Dhaka Medical College Hospital.

The criminals fled the scene running, said witnesses.

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Young people fly kites in Old Dhaka yesterday celebrating Poush Sankranti, the end of Bangla month Poush.

## Rejoinder

Former state minister for home Lutfazaman Babar yesterday protested a report carried in The Daily Star on Saturday. Babar in a rejoinder claimed the report regarding an army raid on his house was not true. He said the news item has been published in a bid to defame him and also gain political benefits. The former state minister also claimed he was sincere and active in facing extortions, armed militants and their godfathers during his tenure in the government and also earned respect and popularity for that. There was no corruption allegation against him and nobody can prove it, the statement claimed.

## Prayer Timing

January 15

	Azan	Jamaat
Fajr	5-30	6-05
Zohr	12-45	1-15
Asr	4-00	4-15
Maghrib	5-36	5-40
Esha	7-00	7-30

Source: Islamic Foundation

## Pakistan, India renew peace vow

AFP, Islamabad

Pakistan and India renewed their commitment to carry forward a peace dialogue during talks between their foreign ministers here Saturday, but no breakthrough emerged on major issues.

The three-hour talks between Indian External Affairs Minister Pranab Mukherjee and his Pakistani counterpart Khurshid Kasuri covered the Kashmir dispute, terrorism and the military stand-off at Siachen glacier.

They also discussed travel, civilian prisoners, and economic and commercial ties.

The ministers additionally reviewed the outcome from three rounds of talks under the peace

dialogue that India and Pakistan initiated three years ago in a bid to bury decades of mutual acrimony and ending peace.

Mukherjee said serious efforts were being made to resolve the issue of Kashmir, the Himalayan territory which has caused two of the three wars between the nuclear-armed rivals.

He said the fourth round of peace talks would be held on March 13-14, in Islamabad. Mukherjee said the first meeting of the joint anti-terrorism group set up by the two countries would be held before the end of March.

He added that the two sides had agreed to set up a committee of retired judges to visit jails in each others' countries and hasten

release of prisoners who had completed their jail terms.

Mukherjee arrived here on a two-day visit primarily to invite Prime Minister Shaukat Aziz to a regional summit to be held in New Delhi in April.

He delivered Indian Prime Minister Manmohan Singh's invitation to Aziz and earlier visited President Pervez Musharraf.

Musharraf told Mukherjee the settlement of the violent dispute could lead to further cooperation between the countries, a Pakistani official statement said.

Musharraf said "that resolution of Jammu and Kashmir dispute and the Siachen and Sir Creek issues would open avenues for further

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## Ctg port back to life, container jam eases

STAFF CORRESPONDENT, Ctg

Chittagong port sprang to life with delivery of about 4,000 containers in the last three days thanks to different steps taken by the Chittagong Port Authority (CPA) to ease congestion.

According to port sources, a total of 1,219 twenty equivalent units (TEUs) of containers were delivered from the port during the last 24 hours until 8.00 am yesterday against the usual daily rate of 1000 TEUs.

During the period, a good 1,632 containers were loaded on vessels berthed at the port jetties and 1,245 containers were offloaded, said the sources adding 55 more containers were also taken to inland container depot by rail wagons.

However, as of yesterday, about 19,798 TEUs of containers still remained stockpiled at the port.

Sources said around 21,000 containers were piled up at Chittagong port, designed for around 1,400 containers, until January 9 due to poor container delivery during the Eid vacation and suspension of delivery during the countrywide blockade programmes.

The congestion created a serious space crisis threatening suspension of cargo handling at the country's premier seaport.

The CPA on Saturday cancelled leaves of all port officials, staffs and employees for the next six months and also took measures to ensure round-the-clock operation even during the weekly holidays- Friday and Saturday.

It also decided to keep open branches of two banks of the port until 8:00 pm.

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## No 'temporary' Palestinian state

Abbas tells Rice

AP, Ramallah, West Bank

Palestinian President Mahmoud Abbas told Secretary of State Condoleezza Rice yesterday that he opposes the establishment of a provisional Palestinian state within temporary borders.

Palestinian officials in recent weeks have grown increasingly wary of the idea, which was also proposed by Israel's foreign minister, fearing they will be stuck indefinitely with a truncated state.

"We reaffirmed to Secretary Rice our rejection of any temporary or transitional solutions, including a state with temporary borders, because we don't see in it as a

realistic option," he told a joint news conference with Rice.

Rice responded by reiterating the U.S. commitment to the internationally backed "road map" peace plan. She did not address the idea of a provisional state at the news conference, but Mohammed Dahlan, a confidant of Abbas, said later she "showed understanding" for the Palestinian position.

"My work is going to be best targeted, I think, in these next months on trying to accelerate progress on the road map, which after all would lead us then to a Palestinian state and to helping the Palestinians and Israelis think

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The picture shows a terracotta brick from a pre-Pal era temple being excavated at Behar Dhap, 4km away from the ancient site of Mahasthangarh, in Bogra.

## 1,500-yr old temple discovered

HASIBUR RAHMAN BILU, Bogra

archaeology.

Regional Director (RD) of the Department of Archaeology Rajshahi Division Abdul Khaleque said the temple was built during pre-Pal period. The temple is more than 1,500 years old and it is

situated close to Basu Behar, one of the most important archaeological sites in the country, and about four kilometres west of Mahasthangarh.

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