

# Star BUSINESS

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## US envoy assures Dhaka of making Biman profitable

UNB, Dhaka

US Ambassador in Dhaka Patricia A Butenis has assured Bangladesh of helping to buy new aircraft, if necessary, to make Bangladesh Biman a profitable concern.

The assurance came when the ambassador made a courtesy call on Civil Aviation, Tourism & Shipping and Liberation War Affairs Adviser Maj Gen (retd) MA Matin in Dhaka yesterday.

During the meeting, the US envoy also assured Bangladesh of extending cooperation in the infrastructure development for modernisation of Chittagong seaport.

Butenis reiterated the US government's assurance of helping Bangladesh to hold a free and fair election.

The adviser thanked the ambassador for her offer of assistance and said the government has already taken some steps for holding an acceptable general election.

Meanwhile, Australian High Commissioner to Bangladesh Douglas Foscett met LGRD & Cooperatives and Labour & Employment Adviser M Anwarul Iqbal and discussed matters of mutual interest, among other issues.

## Canon camera service centre opens

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Rangs Industries Ltd, the sole distributor of Canon brand cameras in Bangladesh, yesterday launched a service centre in Dhaka to offer after sales services to customers.

Abdur Rouf Chowdhury, chairman of Rangs Industries Ltd, inaugurated the Canon camera service centre on Old Airport Road at Tejgaon. Rumea A. Hossain, managing director of Rangs Industries Ltd, also spoke at the function.

The service centre, equipped with modern equipment and experienced staff, was set up with the assistance of Canon Inc, officials said.

The customers who have bought Canon cameras from anywhere in the world will get the after sales services from the centre as per the international warranty system.

"As the sales and service engineers of the centre received training from Canon Inc, users of Canon digital, DSLR and video cameras will get the world class services here," Rouf Chowdhury said.

The users of other brands will also be able to repair their digital, video and other cameras in the service centre, Rumea A. Hossain said.

## SUSTAINING COMPETITIVENESS

# Private sector must up efficiencies

## Says finance adviser

STAR BUSINESS REPORT

The finance and planning adviser has remarked that private industries, which grow under state support, cannot sustain their competitiveness in a long run.

"Entrepreneurs should enhance their competitiveness and efficiency to compete with the fast changing globalisation scenario," Mirza Azizul Islam said at the inaugural of a diploma course at the Dhaka Chamber of Commerce and Industry (DCCI).

He said the present interim government is aware of the entrepreneurs' needs of policy and infrastructure support.

"Although ours is a populous country, the huge crowd cannot be termed a good human resource," he said, urging the private sector to take a lead in turning them into a human

resource in the true sense of the term. "The government cannot input enough resources for tertiary education and the private sector should come forward to spend a lot in developing such education in order to enhance efficiency," he added.

He, however, asked the private entrepreneurs to reap benefits from the present globalisation process.

Lauding the initiative for launching the international standard diploma course, the adviser, also in charge of ministries of commerce and posts and telecommunications, hoped that the course would help minimise gap of the 3-tier education.

The DCCI Business Institute launched the diploma course on International Purchasing and Supply Chain Management in association with the International Trade Centre.

Mir Nasir Hossain, president, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), and Hossain Khaled, president, Dhaka Chamber of Commerce and Industry (DCCI), also spoke on the occasion.

Mir Nasir said as many entrepreneurs do not have the skills to manage their supply chains effectively, they require training in information technology, purchasing, inventory and logistics management and innovative ways to deal with both the suppliers and customers.

MA Momen and MH Rahman, DCCI past presidents, M Shahjahan Khan, DCCI vice president, and directors Manjur-ur-Rahman Ruskin, Md. Alauddin Malik, Md. Sharfuddin and Haider Ahmed Khan attended the launching ceremony, among others.

## British Airways cancels flights next week over strike

AFP, London

British Airways announced Thursday the cancellation of all its flights for two days next week from London's Heathrow airport, and many from Gatwick, due to a planned strike by cabin crew.

The move next Tuesday and Wednesday will likely lead to another bout of travel chaos for air passengers, and will cost the airline millions of pounds (euros, dollars) in lost revenues.

BA's stewards and stewardesses are protesting over sick leave, pay and staffing conditions. Unions have warned that there will be two more three-day work stoppages in February if the dispute remains unresolved.

Speaking after more than 24 hours of intense discussions with the main union representing cabin crew, BA chief executive Willie Walsh said he was "bitterly disappointed" that it had not accepted a management pay offer.

"It has chosen instead to confirm a 48-hour stoppage for next week that will wreck the travel plans of hundreds of thousands of customers," he said, in a BA statement. As well as all flights at Heathrow, BA will also ground domestic and European flights to and from Gatwick on the two days -- January 30 and 31 - after the collapse of talks to resolve the row.

Walsh said BA had made proposals to deal two critical issues raised by the Transport and General Workers' Union.

"We have accepted the T and G's proposal to improve the application of the absence management policy. We have put forward a solution on pay as part of our upcoming wage round." The T and G has rejected our position out of hand," he said, adding: "We are bitterly disappointed that the T and G has refused to respond positively."

He did hold out on glimmer of hope of yet averting the strike, by going to the Acas arbitration service.

## HSBC organises workshop on derivatives

Global Markets of The Hongkong and Shanghai Banking Corporation (HSBC) Ltd in Bangladesh recently organised a workshop titled "Derivatives Opportunities and Obstacles in Bangladesh Markets", says a press release.

Dealers from fourteen local private banks, three nationalised banks and central bank personnel participated in the workshop.

Tarique I Khan, head of Global Markets of HSBC Bangladesh, made a presentation on derivative product basics, varieties, obstacles and opportunities in the country.

A step-by-step approach is needed to develop this sector of the financial market, the workshop was told.

HSBC also held similar workshops in 2004 and 2005.

## Stocks slide on profit taking

STAR BUSINESS REPORT

Both the price indices and turnover on the Dhaka Stock Exchange (DSE) dropped yesterday amid profit taking.

The DSE turnover came down to Tk 125.50 crore from Tk 141 crore on Wednesday as the investors took a breather from a rally the previous day.

The benchmark DSE General Index went down by 3.59 points, or 0.2 percent, to close at 1791.34 points. The DSE All Share Price Index, which includes all shares on the premier bourse, also lost 5.7 points, or 0.38 percent, finishing at 1461.14 points.

A total of 28,808,827 shares of 213 issues changed hands. Of the issues traded, 95 gained, 98 suffered losses and 20 remained unchanged.

Capital market analysts termed the downtrend a good sign for the market's stability. "If the market witness upward trend continuously without any downtrend, it will become an abnormal market," said an analyst.

The downtrend shows that the market is behaving normally, he added.

The DSE market capitalisation, however, stood at Tk 37,106 crore. On the DSE, Power Grid Company of Bangladesh (PGCB) topped the turnover leaders followed by Square Textile, Grameen Mutual Fund 1, AIMS First Mutual Fund and Dhaka Electric Supply Company of Bangladesh.

The PGCB, the state-owned power company, topped the list with 579,100 shares worth Tk 19.20 crore.

Meanwhile, trading on Chittagong Stock Exchange (CSE) also closed lower yesterday with losers outnumbering the gainers.

The CSE All Share Price Index dropped by 22.55 points or 0.54 percent to close at 4092.41 points while the CSE Selective Categories Index fell 7.26 points or 0.26 percent finishing at 2693.33 points.

A total of 6,361,197 shares of 105 issues worth Tk 22.13 crore were traded. Of the issues traded, 41 gained, 57 declined and seven remained unchanged.

## Oil prices lower

AFP, Singapore

Oil prices weakened in Asian trade Thursday as investors focused on a build-up in US reserves, dealers said.

At 2:18 pm (0618 GMT), New York's main contract, light sweet crude for March delivery, was down 23 cents to 55.14 US dollars a barrel from 55.37 dollars in closing US deals Wednesday.

Brent North Sea crude for March was nine cents lower at 55.34 dollars.

Dealers said increases in US stockpiles pressured prices, reversing gains made in reaction to plans by President George W. Bush to double the country's emergency oil reserves by 2027.

"We are pushing into February here and the inventory levels are quite high right now," said Steve Rowles, an analyst with CFC Seymour Securities in Hong Kong.

"It is continuing to show that demand has slowed down because of the warmer temperature in the

United States earlier this year," he said.

US stocks of distillate products, such as heating oil and diesel fuel, increased 700,000 barrels to 142.6 million in the week ended January 19 while crude reserves rose 700,000 barrels to 322.2 million barrels, US figures showed.

The stockpiles are however expected to show a decline in next week's report after temperatures in the US fell in recent days with snow storms reported in many areas, dealers said.

"There was a bit of a surprise increase in the distillate numbers but with the cold, it might change in the next few weeks. Because of the colder weather, the market suspects that the inventory overhang might dissipate," said Bart Melek, an analyst at BMO Capital Markets.

Meanwhile, market participants are keeping an eye on the unrest in oil-rich Nigeria, especially the Niger Delta where much of the African country's oil assets are located.



## New country manager of Woori Bank

Yoon, Dong Yung has recently joined the Dhaka branch of Woori Bank as its general manager and country manager for Bangladesh, says a press release.

Prior to this assignment, he was the deputy chief of PT Bank Woori Indonesia.

A graduate in business administration from Korea University, Seoul, Yung started his banking career in 1982 in Commercial Bank of Korea.

## Pakistan plans car production boom

AFP, Islamabad

Pakistan's car industry aims to produce 400,000 vehicles a year by 2010, two and a half times the current level, as the South Asian country's economy grows, an industry chief said Thursday.

Sharp demand for automobiles in the last five years has been spurred by a positive economic outlook and political stability, said Shah Saad Hussain, director of Indus Motor Company, the local manufacturer of Toyota cars.

Until 2000 Pakistan was producing around 40,000 vehicles annually but production has since grown four times to around 160,000, Hussain told a briefing in Islamabad.

"Come 9/11 and the change in political scenario, the flow of funding back to the country, more stable government with a longer term view, positive policies, consistent economic growth and car financing all contributed to high demand for cars," Hussain said.



PHOTO: STAR

Abdur Rouf Chowdhury, chairman of Rangs Industries Ltd, inaugurates a Canon camera service centre on Old Airport Road at Tejgaon in Dhaka yesterday. Rumea A Hossain, managing director of Rangs Industries, was also present.

## US senators demand duty on 'subsidised' China import

AFP, Washington

Twenty-three US senators have asked the government to slap special duties on imports from China, which they claim are heavily subsidized by the state and hurting US manufacturers and workers.

They made the argument in a

letter this week to US Commerce Secretary Carlos Gutierrez in response to his office's request for public comment on whether the US countervailing duty law applied to imports from China.

"We believe firmly that the countervailing duty (CVD) law should be applied to China, and that the

Department of Commerce possesses the legal authority to do so," the senators said in the letter, a copy of which was obtained by AFP.

Representing both sides of the political aisle, they said the whopping 200 billion dollar annual US trade deficit with China was fueled in large part by subsidies provided by the Chinese government to "favored" industries.

"As Chinese exports have grown, the impact of unfair government subsidies on the US economy has increased," they said.

Senate finance committee chairman Max Baucus, among the letter's signatories, said it was "overdue" for the Commerce Department to apply US anti-subsidy law against "unfairly subsidized goods that harm US manufacturers and workers."

## India cuts duty on edible oils

PALLAB BHATTACHARYA, New Delhi

Continuing its efforts to tame inflation, which hit a two-year high, India has cut customs duty on edible oils up to 12.5 percent and frozen tariff values at July last year level.

An official statement here on Wednesday said the step has been "taken as part of the strategy to keep the prices of essential commodities under check".

The move, the second fiscal measure announced just five weeks into the national budget next month, comes on the heels of reduction of customs duty on various capital goods, metals and alloys such as steel, aluminium and copper and cement.

While import duty on crude palm has been cut to 60 percent from 70 percent, that on refined bleached and deodorized palm oil, palmolein and other refined palm oils has been brought down to 67.5 percent from 80 percent.

The customs duty on crude sunflower oil import has been slashed to 65 percent from 75 percent and refined sunflower oil to 75 percent from 85 percent.

The tariff value for palm group of oils has been frozen at the level of

July 2006 to keep a further check on their prices.

Rising prices of edible oils, pulses and steel were considered to be major contributors to the inflation.

Earlier this year, the government had exempted customs duty on wheat and pulses and also cut customs duty on palm oil by ten percent in August last year in order to keep prices of essential commodities under check.

The inflation had crossed the six percent mark last Friday triggering concerns in ruling Congress on the inflation front, especially when assembly elections are due next month in three states -- Punjab, Uttaranchal and Manipur.

According to agriculture ministry, the wheat and sugar prices have been under control in the last few months and the ban on export of sugar was lifted last December after a bumper sugarcane crop.

The prices of pulses and edible oils have seen an increase of 20 to 30 percent in the last one year. India is the biggest importer of vegetable oils.

Palm oil constitutes more than 50 percent of India's annual edible oil imports of over five million tonnes. Much of it comes from Malaysia and Indonesia.



PHOTO: DBBL

Md Yeasin Ali, managing director of Dutch-Bangla Bank Limited, and Dilwar H Chowdhury, managing director (current charge) of The City Bank Limited, shake hands after signing a taka drawing agreement on behalf of their banks held at the DBBL head office in Dhaka yesterday. Under the accord, the foreign inward remittance receiving through Dutch-Bangla Bank will be disbursed from 39 branches of The City Bank Limited where the DBBL network is not available. Other senior officials of both the banks were also present.