

Star BUSINESS

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Tk1,000 note to be introduced

UNB, Dhaka

Bangladesh Bank has decided to introduce the note of Tk 1,000 denomination by late this year.

However, the design of the note is not yet finalised.

A meeting of the central bank initially decided to include the photographs of Curzon Hall and Central Shaheed Minar in the note. Security aspects of the note will be decided later.

An official source said the note is likely to come up in the market in December.

S'pore aims to hit 10m visitor mark

AFP, Singapore

Singapore is aiming to attract 10.2 million visitors this year, up five percent from the record 9.7 million seen in 2006, the city-state's tourism board said.

The arrivals are expected to generate revenues of 13.6 billion Singapore dollars (8.9 billion US), up 10 percent from the previous year, the board said in a statement received late Saturday.

"These aggressive targets are testimony of our confidence that the strong tourism performance could be sustained," the statement quoted Trade and Industry Minister Lim Hng Kiang as saying.

Lim said the board is "building a pipeline of tourism projects that will capitalise on the heightened interest in Singapore as a tourism destination", following the awarding of licenses to build two integrated casino resorts.

Tourism authorities will step up efforts to increase the number of travellers from emerging markets such as the Middle East and Russia, Lim said.

Singapore's tourism board said it would open an office in Moscow in the first half of this year as part of its efforts to expand its global presence.

Correction

In a news item published on this page on January 10 headlined 'Trade info centre opens in Ctg Feb14', it was mentioned that Export Promotion Bureau (EPB) will open a trade information centre in Chittagong on February 14. Actually the trade information centre will be opened in Dhaka. We regret the mistake.

SEC moves to check abnormal price hike of 5 firms' shares

Price indices shoot up

SARWAR A CHOWDHURY

Securities and Exchange Commission (SEC) yesterday issued a directive to check the abnormal price hike of the shares of five companies — Brac Bank, Power Grid Company of Bangladesh (PGCB), Dhaka Electric Supply Company (DESCO), Summit Power and Eastern Cables.

As per the directive, trading of the shares of the five listed companies, which witnessed continuous rise in recent days, will be allowed only in the spot market and block/odd lot transactions will also be settled as per spot settlement cycle under same day trading and settlement purposes, without money adjustment facility, with effect from today until further order.

In the spot market, the securities are sold in exchange for cash instantly. Usually, the spot market transactions of shares of a company take place on the last three days before the company's book closure or record date.

"The SEC took the initiative in the interest of investors and securities market," said Mansur Alam, executive director of the capital market regulator.

Termining the measure a mild one, he said, "We do not want to go for any hard measure. But, if necessary we will take strong measures to

check the unusual price rise."

During the recent upward trend in the securities market, the SEC found that some shares' prices were rising abnormally, he said.

"Despite the commission's repeated advice, the investors were aggressively investing in the securities, resulting in rise in share prices. Even the prices of the shares seemed overvalued," he explained.

The investors should consider the fundamentals such as net asset value, earning per share, price-earning ratio, past dividends and returns, and earlier price behaviour of a security, he suggested.

Echoing him, Anwarul Kabir Bhuiyan, executive director (surveillance) of SEC, said excepting the five companies, there are also other companies, whose prices are also behaving irrationally.

Termining the recent market trend as not very much normal, he said huge fresh investors entered the market.

"If they do not invest after analysing the fundamentals of a company, ultimately they will lose their money," he warned.

PRICE INDICES SHOOT UP

Meanwhile, price indices soared yesterday on both the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE) with the benchmark indices shooting up by more than two and half percent.

The DSE General Index went up by 52.70 points, or 2.84 percent, ending the day at 1907.62 points while the CSE Selective Categories Index shot up by 72.57 points, or 2.63 percent, to close at 2824.39 percent.

Besides, the DSE All Share Price Index, which includes all categories shares, increased by 34.95 points, or 2.32 percent, to close at 1535.47 points while the CSE All Share Price Index rose by 92.06 points, or 2.21 percent, finishing at 4254.27 points.

The turnover was Tk 135.31 crore on the DSE and Tk 25.96 crore on the CSE.

Of the 203 issues traded on the DSE, 150 gained, 44 declined and nine remained unchanged while of the 97 issues traded on the CSE, 78 advanced, 16 declined and three remained unchanged.

Meanwhile, share trading of Agnisystem, InTech Online, First BSRS, AIMS First Mutual Fund, First ICB AMCL Mutual Fund, ICB AMCL Islamic Mutual Fund, Grameen Mutual Fund One and Eastern Housing came to a halt as the prices of the companies' shares crossed a certain level under the circuit breaker system.

The SEC introduced the present circuit breaker system on October 4, 2001, which does not allow the price of a share to cross a certain level, up or down, on a single trading day.

IMF sees Japan economy outlook strong this year

AFP, Essen, Germany

The outlook for the Japanese economy this year is "strong" and ensuring it remain so is one of main contributions that Japan can make to exchange rate stability and the world economy, IMF chief Rodrigo de Rato said on Saturday.

Quizzed about European concerns over the weakness of the yen at the G7 finance summit here, Rato avoided commenting on the exchange rate of the Japanese currency directly.

"As we all know, floating currencies are determined by the market. And Japan has stopped intervening (on the yen) for years, which is a good policy," the head of the International Monetary Fund said.

He continued: "The main contribution that Japan can make to the world economy is to have a strong economy."

The Japanese economy was emerging from a period of "long and difficult deflationary pressures," the IMF chief said.

Govt for all possible steps to keep economy moving

CA tells apparel exporters

UNB, Dhaka

Chief Adviser Dr Fakhruddin Ahmed yesterday said his government would take all possible steps to accelerate economic activities removing all the barriers.

He gave the assurance when a BGMEA delegation led by its President SM Fazlul Hoque paid a courtesy call on him at his office.

The leaders of country's main export industry put forward a number of proposals, which include making Sunday as only weekly holiday and two-hour Juma prayer break on Fridays to facilitate international business transaction.

As they face shipping problem, they proposed privatisation of Chittagong seaport and New-mooring container terminal.

Their propositions also include introduction of price-control mechanisms, eradication of corruption,

revival of sick garment industries, staggering holidays in different garment zones to share power-load

management, amendment to the Foreign Exchange Regulation

Act 1947, establishment of deep-sea port and setting up garment village at Chittagong.

About weekly holiday on Sunday, the chief adviser said such proposals also came from other trade bodies and the present government would examine it.

Appreciating the suggestion for introducing price-control mechanisms, the chief adviser said price control of commodities is one of the agenda of the government and said business should be go on as usual.

About power crisis, he said the government would take step to reduce the supply-demand gap of electricity through load and demand management taking note of BGMEA suggestion for staggering holiday.

He also informed them that decision would be taken "soon" to improve the Chittagong port management.

The BGMEA leaders appreciated the caretaker government's action

against the corrupt, reform of the Election Commission and other steps.

Remove negative image, Geeteera asks BSTI

UNB, Dhaka

The government will extend its all-out cooperation in making Bangladesh Standard and Testing Institution (BSTI) a world class organisation.

Industries Adviser Geetiara Shafia Chowdhury said this while exchanging views with the BSTI high officials at its auditorium yesterday with its DG M Azmal Hossain in the chair.

The adviser stressed the need for strengthening the BSTI's role in improving the standard of products and asked its officials to formulate short, medium and long-term plans to remove its (BSTI's) negative image.

Content key at Barcelona cellphone convention

AFP, Paris

Internet, computer and music giants are expected to flock to the 3GSM World Congress 2007 in the Spanish city of Barcelona in an attempt to court the mighty mobile phone industry.

The annual convention, starting Monday, has in recent years become not only an absolute must for telecommunications operators and equipment makers, but increasingly also for non-telecom companies like Yahoo, MTV and Warner Music, eager to get in on the action.

With 1,300 companies and some 60,000 people expected to attend, this year's 3GSM congress, which ends Thursday, will for the first time dedicate an entire hall to non-telecom companies providing cell phone content, including television channels and video game and music producers.

And no wonder the content providers are lining up to participate: mobile phone penetration has already reached 90 percent in Europe, surpassing even the popularity of the Internet, and continues to surge in the rest of the world, especially in India and China.

In 2006, the number of cell phones sold jumped 25 percent to more than one billion devices, according to Strategy Analytics.

Content providers will play a major role at the 3GSM congress, with software companies like Adobe, Internet giants like Google and music and entertainment heavyweights EMI Music and Walt Disney scheduled to tout their recent entry into the sector.

Most widely anticipated however is perhaps the planned launch of a new business version of Microsoft's mobile phone operating system, Windows Mobile 6, which will among other things enable users to remotely access e-mails and files stored on their computers.

"We want to reduce the gap between what you can do on your PC and what you can do on your cell phone," head of Microsoft France's mobile division Nicolas Petit told AFP.

Traditional telecom operators and equipment makers meanwhile don't seem to mind all the outsiders, hailing the breath of fresh air they bring to a mature market longing for a return to the days of dizzying growth.

Faced with unbridled competition, the telecom companies have had to slash prices and thus also margins, and are betting on new mobile services to revitalise their industry.



PHOTO: CORPORATE BAZAAR

Industries Adviser Geeteera Safiya Choudhury (C) speaks at the 'Corporate Leaders' Meet' organised Saturday on the sidelines of the three-day 'Corporate Bazaar-2007', an exhibition of corporate houses, at Bangladesh-China Friendship Conference Centre in Dhaka. The show comes to a close today.

New MD of Phoenix Ins



Pirjada Saifullah Chowdhury has been appointed managing director of Phoenix Insurance Company Ltd, says a press release.

Prior to the appointment, he was the acting managing director of the company. He was also the deputy managing director of the company's Chittagong zonal office. He joined Phoenix Insurance as an officer.

Financial world braces for huge Chinese investment fund

AFP, Beijing

China will send ripples through the financial world when it unleashes an investment company with more money under management than any mutual fund in existence, analysts said.

The State Foreign Exchange Investment Company, which could be formed within just months, is expected to be in charge of 210 billion dollars, or one fifth the nation's enormous foreign exchange reserves, they said.

"A company like that will definitely have an impact on global markets," said Zhang Ming, a Beijing-based economist with the Chinese Academy of Social

Sciences.

"Other investors will be following it closely and try and guess its next move. They'll buy assets that the company is likely to buy, and withdraw from markets if that's what they believe the company will do," he said.

The State Foreign Exchange Investment Company is expected to spend its money on a wide array of investment targets at home and abroad, from oil and gas to financial assets and entire companies, analysts said.

It will get its huge bag of money as part of a plan to divide China's 1.07 trillion dollars of reserves into three portions, the respected Southern Weekly paper said recently.



PHOTO: BRAC BANK

Chairman of Brac Bank Ltd Fazle Hasan Abed inaugurates the bank's 26th branch at Halishahar in Chittagong recently. Director Muhammad A Rumeel Ali and Managing Director Imran Rahman, among other senior officials of the bank, are seen.