

Star BUSINESS

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US firm keen to set up jute-based particle board factory

UNB, Dhaka

A visiting investment team from USA-based company, Econtech Inc., yesterday expressed its interest to invest in a jute-based particle board manufacturing facility here.

The 4-member team, led by the company CEO, Kim Yon Seung, met Industries Adviser Geeteara Safiya Choudhury at her office and sought her cooperation in their pre-investment feasibility study.

The team sought information about the availability of raw materials (jute), its production, local demand and exports, local production and market of particleboard, and the status of local labour market.

The adviser assured them of her ministry's cooperation in this regard, but informed them of the country's lack in research and data availability.

The adviser, however, asked them to let her know their requirements in writing.

India asks Pakistan to waive transit fee for Iran pipeline

PTI, New Delhi

India has asked Pakistan to waive the USD 200 million a year transit fee it is expecting for allowing passage of a pipeline carrying natural gas from Iran.

Sources said Petroleum Minister Murli Deora told visiting Pakistani Prime Minister Shaukat Aziz and its Foreign Minister Khurshid Mehmood Kasuri Tuesday that Islamabad stood to benefit most out of the Iran-Pakistan-India pipeline project to meet its energy deficit.

A 48-inch pipeline from Iran is to carry 60 million standard cubic meters per day of gas that will be split equally between India and Pakistan.

Pakistan is expecting a natural gas deficit in 2009-10, just before the pipeline arrives, while in case of India its current deficit is expected to be wiped out by then as gas finds of Reliance Industries and GSPC come on stream.

The pipeline would benefit Pakistan more as Islamabad is in requirement of gas more than India, Deora said, asking Pakistani leaders for a waiver as a goodwill and confidence building measure, particularly as New Delhi will anyway be paying a transportation tariff for using pipeline in Pakistan.

With the visiting side not relenting on waiver, New Delhi offered to pay Pakistan a transit fee of no more than USD 60 million per annum, sources said.

Sources said Deora also asked Pakistan to trim the transportation charge India has to pay to Pakistan for using the 1,035-km of the pipeline section in Pakistan.

Oil prices down in Asian trade

AFP, Singapore

Oil prices declined in Asian trade Thursday after Iran decided to free 15 British sailors it held captive, easing fears the diplomatic row could escalate and disrupt crude supplies, dealers said.

This news, however, was offset by disappointing energy inventory data from the United States, the world's biggest energy consumer, they added.

At 9:35 am (0135 GMT), New York's main oil futures contract, light sweet crude for delivery in May, was down 15 cents to 64.23 dollars a barrel from 64.38 dollars in late US trades.

The contract hit a low of 63.56 dollars in New York after the news from Iran.

Brent North Sea crude for May delivery was down two cents to 68.38 dollars. The contract had fallen to 66.93 dollars on news of the sailors' release.

Iran announced Wednesday it was releasing 15 British navy personnel captured by the Islamic Republic almost a fortnight ago.

Concerns about the standoff caused by their detention had propelled oil prices to seven-month highs above 69 dollars in London on Monday.

Remittance grows 25.52pc in Jul-Mar

Forex reserve hits Tk4.23b

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The remittance inflow witnessed a robust 25.52 percent boost during the July-March period this fiscal (2006-07).

Such a rise in the remittance also helped the country's foreign exchange reserve to hit Tk 4.23 billion yesterday, showing a 31 percent rise over the reserve on July 31.

The non-resident Bangladeshis (NRBs) sent US\$ 4362.2 million in the first nine months of the current financial year against \$3,475.12 million during the same period in the last fiscal, according to the Bangladesh Bank (BB) statistics.

The remittance reached \$ 537.78 million in March.

The bankers said the govern-

ment's recent measures against hundi, an illegal way of transferring money, encouraged the Bangladeshi wage earners to send money home through legal channels.

Besides, according to the sources, a considerable number of skilled manpower that were recently exported to some countries are also remitting a handful amount of their salary.

The private commercial banks have also taken different initiatives to increase their earnings from remittance services, which is ultimately helping the country in witnessing a huge remittance inflow, the sources said.

The NRBs send roughly \$ 7 billion every year and a significant amount of the total amount still

comes through 'hundi'.

The bankers hope there is still a good chance to see further rise in remittance inflow through official channels.

"Some private banks are marketing their remittance services very aggressively and providing quick and secured services to the clients and also encouraging the Bangladeshi wage earners to send their money through legal channels," said a banker.

The central bank also continues its efforts to encourage the NRBs to send their money through official channels.

Sonali Bank, Agrani Bank, Pubali Bank and Islami Bank Bangladesh Ltd are the major players handling the remittance inflow.



AM Faruque, managing director of Eskayef Bangladesh Ltd, a leading pharmaceutical company, hands over on behalf of his company a sophisticated ultraviolet spectrophotometer to SMA Faiz, vice chancellor of Dhaka University, at a function on Wednesday. The equipment has been donated to the Faculty of Pharmacy of the university for research purposes.

CURBING CURRENCY VOLATILITY

Asean plus three proposes for pooling reserves

XINHUA, Bangkok

Senior finance and central bank officials of the Asean Plus Three (10+3) at a meeting in Thailand have agreed member countries to pool their reserves into a regional fund to curb currency fluctuation, Thai media reported Thursday.

At Wednesday's Asean (Association of Southeast Asian Nations) Plus Three Finance and Central Bank Deputies' Meeting held in northern Thai province Chiang Mai, financial policymakers from the regional group had discussed various measures to upgrade the bilateral swap agreement in the existing Chiang Mai Initiative into a multilateral pact to boost the short-term liquidity to strengthen financial positions of member countries, Thai News Agency reported.

The Chiang Mai initiative was developed in 1997 at the urging of Thailand to develop mechanisms to

better tap regional resources to avoid a repeat of the 1997 financial crisis. Under the initiative, each member country in the Asean Plus Three group has sought a partnership to make a bilateral swap deal.

At present, an amount of about 80 billion US dollars are involved in the existing 16 bilateral swap deals.

Asian countries have struggled to keep their currencies stable in the face of a weakening US dollar and more volatile capital flows into the region. Many countries have intervened heavily in currency markets and allowed their foreign reserves to rise sharply in bid to keep their currencies from appreciating to protect their export competitiveness.

Under the new multilateral pact, member countries will pool surplus reserves through a fund established to supervise the movement of regional currencies to ensure they are not affected by the fluctua-

tion in the money market in the face of the weakening dollar and large capital inflows into the region.

In particular, when member countries experience an economic crisis, they could seek help from the fund.

But whether the pooled surplus reserves could be counted as international reserves of member countries needs a discussion with the International Monetary Fund first. The approach would be proposed for endorsement at the meeting of Asean Plus Three Finance Ministers in Kyoto, Japan on May 5.

The Asean Plus Three group comprises 10 Asean members including Indonesia, the Philippines, Brunei, Malaysia, Singapore, Thailand, Vietnam, Laos, Cambodia, and Myanmar, plus three dialogue partners namely China, Japan and South Korea.



Chittagong-based Nabarun Group Chairman Saifur Rahman and private land phone operator RanksTel Sales and CRM Manager Karim Iqbal Bhuiyan exchange documents after signing an agreement recently. Under the deal, Nabarun Group has become a corporate client of RanksTel.

GSP Finance declares 27pc cash dividend

GSP Finance Company (Bangladesh) Ltd, a joint venture financial institution between Hong Kong, Thailand, Vanuatu and Bangladesh, has declared a 27 percent cash dividend for the year 2006.

The dividend was announced at the 12th annual general meeting (AGM) of the company held on Tuesday in Dhaka, says a press release.

Chairman of the company Sutham Chansrichawla presided over the AGM, which was also attended by directors and managing director among others.

Eskayef donates equipment to DU pharmacy faculty

Eskayef Bangladesh Ltd, a leading pharmaceutical company in the country, has donated a sophisticated ultraviolet spectrophotometer to the Faculty of Pharmacy of Dhaka University for research purposes, says a press release.

AM Faruque, managing director of Eskayef Bangladesh, handed over the equipment to SMA Faiz, vice chancellor of Dhaka University, at a function on Wednesday.

Spectrophotometer is an instrument used to measure the relative intensities of wavelengths in a spectrum.

Md Abdur Rashid, dean of Faculty of Pharmacy, and senior officials of the company, among others, were present at the function.

ROK set to start free trade talks with EU

AFP, Seoul

South Korea will soon start talks with the European Union for a similar free trade agreement that it recently struck with the United States, top officials said here Wednesday.

"The government plans to push for more free trade agreements," Trade Minister Kim Hyun-Chong told parliament. "We will soon start negotiations with the EU."

He said South Korea would also consider launching free trade talks with China after a joint study by Seoul and Beijing on costs and benefits of a bilateral free trade deal that began last month is completed in December.

Minister of Finance and Economy Kwon O-Kyu also told journalists that Seoul would push to strike a free trade agreement with China after it wraps up negotiations with the EU.

Mercantile Bank's new DMD

MA Shahjahan has recently been made deputy managing director of Mercantile Bank Ltd, says a press release.

Prior to this appointment, he was senior executive vice president of the bank. Before joining Mercantile Bank, Shahjahan was executive vice president and head of Operations of Mutual Trust Bank Ltd.



Children crowd a stall at the nine-day computer fair of BCS Computer City that began in Dhaka yesterday.

Govt to take steps to remove hurdles to software export

Says adviser as BCS Computer City fair begins

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The government has taken initiatives to set up a high-tech park at Kalikoir in Gazipur to boost the IT sector, the adviser said.

When the software exporters said they have to go through complicated procedures for export the adviser said his government will take necessary steps to remove hurdles to software export.

"The government is not a problem creator of IT sector rather it is a facilitator," said the adviser when few software exporters mentioned the problems they face. He was speaking at the inaugural ceremony of the premier computer fair of the country at Agargaon in the capital.

Chamber of Commerce and Industry, said.

But unfortunately Bangladesh has no roadmap to develop the sector, he lamented.

The show styled 'City IT-2007' organised by BCS Computer City remains open between 9am and 6pm every day with Tk 10 entry fee. However, students wearing uniforms of their educational institutions and physically challenged people will get free access to the show.

Some 157-computer shops of the market are showcasing their products and services in the show with various discount offers.

China tries to slow economy with bank reserve hike

AFP, Beijing

percentage point to 10.5 percent. The required deposit ratio was raised a similar 0.5 percentage point in January and February this year and three times in 2006.

Last month, the benchmark one-year lending rate was raised by 0.27 percentage points.

China's booming economy, the world's fourth largest, expanded by 10.7 percent in 2006 and is likely to grow by 10 percent in 2007, the central bank said last week.

The central bank is fighting a rising tide of liquidity stemming from

export earnings as well as outstanding sterilisation paper that is reaching maturity.

Sterilisation is a technical term for central bank operations aimed at curbing liquidity rising as a result of an influx of foreign funds in a tightly controlled exchange rate regime such as China's.

It issued 966 billion yuan (125 billion dollars) worth of sterilisation paper in March alone, for a total of approximately 1.82 trillion yuan so far this year, according to Stone and McCarthy Research Associates.



The 12th annual general meeting (AGM) of GSP Finance Company (Bangladesh) Ltd was held on Tuesday in Dhaka. Chairman of the company Sutham Chansrichawla presided over the AGM while directors and managing director, among others, were present.