

# Star BUSINESS

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## DSE turnover hits all time high at Tk 234.44cr

SARWAR A CHOWDHURY

The Dhaka bourse yesterday set another milestone as its turnover hit an all time high at Tk 234.44 crore with a huge number of National Bank shares worth Tk 32.8 crore changing hands in the block market.

The previous highest turnover on the Dhaka Stock Exchange (DSE) was Tk 206.79 crore on June 4.

A total of 400,000 shares of National Bank were traded at Tk 820 each through only two deals on the block market of the premier bourse. Foreign investors bought the shares.

Market operators have attributed the all time high turnover to big investments by institutional and foreign investors.

The institutional investors account for 68 percent and foreign

investors 20 percent of the total turnover on the DSE yesterday, said Ahmad Rashid Lali, senior vice-president of DSE.

Lali said: "The daily average turnover last month was Tk 126 crore and the average turnover this month reaches Tk 155 crore. It means the market is growing gradually."

He said now the market needs more supply of securities to avoid any overpricing situation.

Along with turnover, market capitalisation also stood at all time high at Tk 47,724 crore, surpassing the previous high of Tk 47,046 crore on Monday.

The price indices also rose on the DSE led by shares of power, bank and cement sectors. The benchmark DSE General Index increased by 20.34 points, or 0.95

percent, to close at 2149.26 points while the DSE All Share Price Index rose by 26.15 points, or 1.99 percent, to finish at 1770.36 points.

Of the issues traded, 106 advanced and 78 declined with 25 unchanged. A total of 12,617,774 shares changed hands.

At the end of the day, Power Grid Company of Bangladesh (PGCB) topped the turnover leaders followed by Dhaka Electric Supply Company, Brac Bank, Heidelberg Cement, Southeast Bank, Pubali Bank, National Bank, Shahajalal Bank, Exim Bank and Prime Bank.

PGCB, the state-run power company, topped the turnover leaders with 298,350 shares worth Tk 17.53 crore.

On the Chittagong Stock Exchange (CSE), all the price

indices rose. The CSE Selective Categories Index increased by 39.05 points, or 1.13 percent, ending the day at 3488.79 points while the CSE All Share Price Index rose by 84.59 points, or 1.64 percent, closing the day at 5226.9 points.

A total of 3,345,650 shares worth Tk 45.48 crore changed hands on the CSE. Of the issues traded, 57 advanced, 33 declined and 11 remained unchanged.

At the end of the day, Rupali Bank topped the turnover leaders with 25,450 shares worth Tk 4.48 crore. The other turnover leaders were Shahajalal Bank, Premier Bank, PGCB, Heidelberg Cement, Brac Bank, Prime Bank, Exim Bank and Southeast Bank.

## WB wants RMG sector to be more competitive

UNB, Dhaka

Apprehending job loss after removal of the multi-fibre agreement, the World Bank has suggested further investment in RMG sector of Bangladesh to make it more competitive.

The apprehension of the lending agency was manifested in its report titled 'Reducing poverty in Dhaka: A priority for all'.

"The impact of the removal of the Multi-Fibre Agreement quotas on the readymade garment (RMG) sector at the end of 2004, while being difficult to quantify, will likely result in job losses and so, the country will have to invest in making this sector more competitive," the report said.

It suggested development and implementation of a comprehensive strategy for urban poverty reduction, reform and building the capacity of key urban agencies and institutions, implementing the National Housing Policy to ensure shelter for the poor, improve service delivery and access to infrastructure for the urban poor and address crime and violence in slum areas to uplift the condition of the poor people in Dhaka.

## CA asks BGMEA to comply with wage guidelines

UNB, Dhaka

Chief Adviser (CA) Dr Fakhruddin Ahmed yesterday noted with satisfaction a laudable contribution of RMG to the national economy and urged the BGMEA leaders to follow the guidelines of compliance in paying salaries to the garment employees.

He assured maintaining government cooperation in materialising the apparel owners and exporters' next three years' export target envisaged at 15 to 18 billion US dollars, as apprised by the leaders.

The CA expressed the views when a 10-member delegation of the newly elected body of BGMEA led by its president Anwarul Alam made a courtesy call on him at his office.

The BGMEA leaders apprised him that readymade garment (RMG) sector has raised its export earning to \$ 9 billion in a crescendo over the last 30 years.

"Some 76 percent of the country's foreign-exchange earnings come from RMG sector where 24

lakh people are employed, 80 percent of them women," the delegation said.

They put forward some recommendations for attaining their targeted export earnings in the next three years.

Those include government's cooperation in enhancing Bangladesh's image abroad with cooperation from Bangladesh missions, appointment of trade councilors to each mission, further development of infrastructure, declaring one-day weekend on Sundays, 10 percent or less loan interest and quick government steps to rehabilitate the sick garment industries.

They sought government cooperation for providing soft loan for installation of Effluent Treatment Plant (ETP) and allocating land in the city's Uttara area for Bangladesh Institute of Fashion Training (BIFT) as every year the institute imparts training to a good number of people. Also, they sought cooperation in human resource development.

The CA suggested that govern-

ment and private sectors should work together to the mutual benefit of the two saying that the significant contribution of RMG to the economy is a glowing example of government-private sector partnership.

The government would extend cooperation in human resource development and look into the matter of land for BIFT, Press Secretary Syed Fahim Munaim, who was present at the meeting, quoted the CA as saying.

About sick industries, the CA said the meaning of sick industry should be analysed for identifying such industries.

Regarding loan interest, he suggested discussing the matter with the respective banks.

The CA emphasised obeying the edicts of compliance and installation of ETP.

Cabinet Secretary Ali Imam Mazumder and Commerce Secretary Firoz Ahmed were also present.

## Bangladeshi expats intend to purchase Oriental Bank

STAR BUSINESS REPORT

International Expatriate Welfare Society (IEWS), a forum for expatriate Bangladeshis in around 30 countries in the world, has expressed its intent to buy the troubled Oriental Bank.

The officials of Dhaka branch of IEWS met with Board of Investment (BoI) Executive Chairman Nazrul Islam at his office recently and placed the proposal to buy it, which turned a problem bank following massive irregularities and liquidity crisis, a BoI handout said.

The expression of intent came following an investment campaign by the BoI officials in different countries, including Canada and the UK.

Considering the gravity of the proposal, the BoI chairman has apprised also the Chief Adviser of the proposal.

## WB board okays Zoellick as president

AFP, Washington

The World Bank on Monday approved Robert Zoellick as its next president as the 185-country development lender moved to turn a page after a scandal that undermined its credibility around the world.

Zoellick, 53, who has been a vice chairman at investment bank Goldman Sachs, faces the task of rebuilding trust in the development lender that cracked under Paul Wolfowitz.

Wolfowitz, who has served a troubled two years, was forced to resign after a bank panel found he had violated rules in arranging a lavish pay-and-promotion package for his female companion, a bank employee.

Zoellick, a former top US diplomat and trade chief, was unanimously approved for a five-year term as the 11th president of the bank to succeed Wolfowitz, who is to step down Saturday, the 24-member board said in a statement.

"Once I start at the World Bank, I will be eager to meet the people who drive the agenda of overcoming poverty in all regions, with particular attention to Africa, advancing social and economic development, investing in growth, and encouraging hope, opportunity, and dignity," Zoellick said in a statement.

## ACI declares 60pc dividend

Advanced Chemical Industries (ACI) Limited declared 60 percent dividend, i.e. Tk 6.00 per share of Tk 10, for its shareholders yesterday at its 34th annual general meeting (AGM) held at the Darbar Hall of Bangladesh Rifles, according to a press release.

ACI Chairman M Anis Ud Dowla presided over the AGM.

The financial results presented to the shareholders showed an increase in sales turnover by 14 percent over the previous year. The gross profit also increased by 22.85 percent to Tk 1,176 million and profit after tax increased by 37 percent to Tk 154 million over the previous year. The EPS (earning per share) stood at Tk 9.51 this year against Tk 6.94 during the previous year.



PHOTO: IFC

Senior officials of International Finance Corporation (IFC) and Exim Bank Ltd pose for photographs at an agreement signing ceremony yesterday. Under the deal, IFC is providing the bank with a facility of up to \$5 million within its Global Trade Finance Programme.

## 15pc subsidy sought for jute sector

STAR BUSINESS REPORT

The government should increase the subsidy for jute sector to 15 percent from 7.5 percent to save the sector, which holds a huge potential in the environment-conscious global market, speakers have told a seminar.

The speakers also demanded resumption of full-fledged production in 22 state-run jute mills. They were speaking at the seminar titled 'What to Do to Develop the Jute Sector', jointly organised by Action Aid Bangladesh, a non-governmental organisation, Bangladesh Institute of Labour Studies

(BILS), and Bangladesh Unnayan Parishad (BUP) in Dhaka on Monday.

"The degradation of jute sector and the emergence of apparel sector took place simultaneously. If the RMG fails, there is no other potential sector to earn money," said Chairman of BUP Dr Quazi Kholiquzzaman.

If the jute sector is nurtured, the sector can emerge as a major foreign currency earner, he added.

As the use of environment-friendly jute products is increasing across the world, the government should take special measures to increase the productivity and

expand export markets of jute goods, Kholiquzzaman said.

He also called for formation of a national committee to make recommendations to revive the jute sector.

Former adviser to the caretaker government Sultana Kamal called for measures to revive the jute sector.

The seminar was also told that workers of government-run jute mills owe Tk 130 crore to the government.

Wazedul Islam Khan, secretary of BILS, chaired the seminar.

## ADB eyeing to boost clean energy programme

AFP, Manila

The Asian Development Bank (ADB) said Tuesday it was planning to boost its clean energy program to one billion dollars annually amid warnings Asia's contribution to green gas emissions could get worse.

ADB president Haruhiko Kuroda said the region faced a "daunting challenge in securing energy" and expanding economies needed to spend more on clean energy technologies.

"About 70 percent of Asia's energy needs are dependent on fossil fuels -- a primary source of

greenhouse gases. Asia now accounts for one quarter of the world's gas emissions," Kuroda told a regional clean energy forum.

"Without a change in course, it will get worse," he said, noting that the International Energy Agency estimates the region would have to invest up to five trillion dollars through 2030 on new energy infrastructure.

A major chunk of the investments would likely go toward coal-fired power plants to produce electricity, leading to global carbon dioxide emissions of over 40 billion tonnes in the next 23 years, he said.

Of the total emissions, 40 per-

cent would be coming from Asia, Kuroda said, adding that this would also lead to a increase in global mean temperatures.

"Given this potential impact, issues surrounding energy security and sustainable development are central to Asia's future, and to the world's," Kuroda said.

He said developing countries should be encouraged to "explore possibilities for renewable energy sources, such as wind, solar and bio-fuels." They should also explore trade schemes or taxes on emissions to fund cleaner energy investment.



PHOTO: ACI

ACI Chairman M Anis Ud Dowla presides over the company's 34th AGM in Dhaka yesterday. Sheema Abed Rahman, director and company secretary, Dr Arif Dowla, managing director, and Syed Manjur Elahi, director, were present among others.

## IFC offers Exim Bank \$5m to up trade finance

Export Import (Exim) Bank of Bangladesh Ltd is joining the Global Trade Finance Programme (GTFP) of International Finance Corporation, the private sector arm of the World Bank Group.

IFC is providing Exim Bank with a facility of up to \$5 million within the GTFP. An agreement to this effect was signed yesterday between the bank and the IFC, says a press release.

Paolo Martelli, IFC regional director for South Asia, Per Kjellerhaug, IFC country manager for Bangladesh, Bhutan, and Nepal, and Kazi Masihur Rahman, managing director of Exim Bank, among others, were present at the signing ceremony.

The programme will provide the bank with risk coverage in a difficult market and a global network that will help grow its trade finance business.

The IFC's GTFP supports trade with emerging markets worldwide and promotes the flow of goods and services between developing countries, the release adds.

## AKTEL's offer for inactive prepaid subscribers

Mobile phone operator AKTEL has recently launched "Re-activate your prepaid SIM & get your money doubled" offer for the inactive prepaid SIM customers, says a press release.

Under this offer, any inactive customer can now re-activate his/her prepaid AKTEL SIM and he/she can avail a mega "Double Money" offer.

All he/she has to do is to recharge the connection through Tk 300 or Tk 600 scratch card. Instantly, he/she'll get Tk 600 talk time at Tk 300 recharge and Tk 1200 at Tk 600 recharge.

Customers will also get bonus which is applicable on monthly usage for 3 consecutive months. This offer is applicable only for those who have not used AKTEL prepaid SIM at least for last 5 months.

Double recharge bonus is only applicable for Tk 300 & Tk 600 scratch cards. This offer will end on 13 July, 2007 and the validity of all the bonus talk time will be till 15th November 2007.

## People's Leasing okays 30pc stock dividend

People's Leasing and Financial Services Ltd has declared a 30 percent stock dividend for the year 2006.

The dividend was announced at the 11th annual general meeting (AGM) of the company held on Saturday in Dhaka, says a press release.

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

AFP, New Delhi

Thailand's military-installed premier Tuesday said his country would start fresh talks with India next month to conclude a free trade accord aimed at boosting bilateral trade.

Surayud Chulanont, named premier after Thailand's military ousted Thaksin Shinawatra in September, arrived in New Delhi late Monday on a three-day visit.

"Our two countries are on track to conclude a free trade agreement in the near future with a view to establishing the FTA covering trade in goods by 2010," Surayud told a business meeting in New Delhi.

The India-Thai talks on free trade

were launched during a visit by Indian Prime Minister Manmohan Singh to Thailand last year and prior to the coup, but progress has been slow.

With Thailand's economy slowing due to political instability, Surayud has been looking for ways - including bilateral free trade deals - to keep crucial exports growing.

Surayud, who was also lined up for talks with Singh Tuesday, also invited Indian investment in the information technology and pharmaceutical sectors.

Indian Trade Minister Kamal Nath said negotiations on the free trade deal in goods would commence in July and that an agreement was likely to be signed by



PHOTO: ISLAMI BANK BANGLADESH

Islami Bank Bangladesh Ltd has entered into a remittance agreement with Al Fardan Exchange of the UAE recently. Under the deal, Bangladeshi expatriates in the UAE will be able to send their money home through the branches of the bank. Mohammad Abdul Mannan, deputy executive president of the bank, and Mohammad Al Fardan, executive director of Al Fardan Exchange, signed the deal at a function in the UAE, while other senior officials from both the sides were present.

## BB asks banks for lending SMEs

In a focus group discussion with the financial sector on Monday, the central bank urged the banks and financial institutions to lend small and medium enterprises (SMEs), says a press release.

Bangladesh Bank (BB) and IFC-SEDF jointly coordinated the discussion, a customer responsive initiative and one of several steps that the central bank has taken to increase access to finance for SMEs.

The BB sought feedback from the participants based on their experiences with the SME Refinancing Scheme.

The banks and financial institutions welcomed the initiative and

asked for more frequent disbursements from the SME Fund run by the central bank.

Making his opening remarks at the programme, BB Executive Director Abul Quasem said, "Bangladesh Bank does not directly lend any entrepreneur. It can therefore only reach SMEs through banks and non-banking financial institutions. Keeping the goal in mind, it has introduced four schemes for refinancing SME sector encouraging banks to lend to SMEs."

Karma Karma, IFC senior financial markets specialist, opined that banks will be engaged in SME banking only if they see it as a profitable venture.

## DSE's new CFO



Satipati Moitra has taken over as the chief financial officer (CFO) of Dhaka Stock Exchange (DSE) Ltd with effect from June

21, says a press release.

Prior to joining DSE, he was the finance director of BASF Bangladesh Ltd, a subsidiary of German-based multinational chemical company BASF AG.

Satipati, who also worked for Bangladesh Petroleum Corporation and Bangladesh Bank, was the president of the Institute of Cost and Management Accountants of Bangladesh and ex-officio director of DSE for the year 2006.



PHOTO: PLFS

The 11th annual general meeting (AGM) of People's Leasing and Financial Services (PLFS) Ltd was held on Saturday in Dhaka. Chairman of the company Motiur Rahman presided over the AGM, which was also attended by directors and managing director among others.