

Star BUSINESS

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Govt to offload 8.5pc shares in IFIC Bank soon

STAR BUSINESS REPORT

The government is set to offload a portion of its stake in International Finance Investment and Commerce (IFIC) Bank Ltd in the stock exchanges very soon, according to sources.

Out of its 34 percent holdings or more than 14 lakh shares, the government will offload around 1.2 lakh or around 8.5 percent shares through ICB Securities Trading Company Ltd.

The decision came lately as part of the government's plan to offload its stake in different organisations in the stock market.

However, the authorities are yet to fix exact date to start the process.

Concern ministry will ask the IFIC bank to transfer its paper shares into electronic ones through Central Depository Bangladesh Ltd, sources said.

Dematerialisation of IFIC shares will make it easier for the ICB to sell the government stakes.

PKSF launches fund to promote innovations in microfinance

Palli Karma-Sahayak Foundation (PKSF) has launched a special fund titled 'Learning and Innovation Fund to Test New Ideas (LIFT)' to trigger innovations in the microfinance sector, says a press release.

The objective of the fund is to make microcredit programme more dynamic, productive, and more poor-friendly.

In order to implement an Innovative Poultry Expansion Project at a cost of Tk 50 lakh, under LIFT Project of PKSF, an agreement was signed between PKSF and TMSS on Tuesday in Dhaka.

In the agreement signing ceremony, Mosharraf Hossain Khan, acting managing director of PKSF, handed over a cheque for Tk 25 lakh to Hosne Ara Begum, executive director of Thangamara Mohila Sabuj Sangha (TMSS), a partner organisation of PKSF, a 'not for profit' apex microfinance organisation, to implement the Innovative Poultry Expansion Project.

Senior officials of PKSF and TMSS attended the agreement signing ceremony.

Akij Food & Beverage starts exporting its soft drinks

Akij Food & Beverage Ltd (AFBL) has started exporting its Mojo, Lemu and Speed brand soft drinks to Malaysia, Yemen and the UAE, says a press release.

A concern of business conglomerate Akij Group, AFBL began production of its cola drink, Mojo, cloudy lemon drink, Lemu, and energy drink, Speed, in April last year.

The soft drinks have also gained popularity in domestic market, the release added.

AFBL plant is located at Dhamrai in Dhaka.

China bans British meat, animals

AFP, Beijing

China has banned the import of foodstuffs containing beef, pork, lamb, as well as those live animals, from Britain after outbreaks of foot and mouth disease there, Chinese state media said Wednesday.

The ban was announced in a joint statement from the agriculture ministry and quarantine authority, the People's Daily said.

The first outbreak of foot and mouth disease in Britain since 2001 has prompted governments in a number of countries in Europe and beyond to take measures to prevent its spread.

Foot and mouth is a highly contagious viral disease among animals, which does not generally cause death but can hit milk and meat production.

China has occasionally reported outbreaks of foot and mouth disease, including one at a farm in its northwestern province of Gansu in January.

Rules soon to control merchant banks' margin loans

SARWAR A CHOWDHURY

he or she will be eligible to receive Tk 2 loan from the merchant banks.

The Securities and Exchange Commission (SEC) is going to finalise margin rules very soon to regulate loans offered by merchant banking wings of banking and non-banking financial institutions.

The final draft of the rules will be placed in the upcoming commission meeting of the SEC for its approval, sources said.

The merchant banking wings of financial organisations, or merchant banks, offer loans, also known as margin loans, to investors to buy securities against shares held by them.

"The objective of the rules is to bring the margin loan facility under a uniform system," Mansur Alam, member of SEC, said.

Recently, in the wake of bullish trend in stock market, the SEC advised merchant banks to play more responsible role for the sake of stable capital market following an allegation that the merchant banks were giving excess loans to the investors.

Meanwhile, price indices on the Dhaka and Chittagong stock exchanges dropped yesterday.

The DSE General Index fell by

20.58 points, or 0.88 percent, to close at 2301.35 points, while the CSE Selective Categories Index declined by 48.66 points, or 1.27 percent, to end 3770.42 points.

Besides, the DSE All Share Price Index dropped by 9.1 points, or 0.48 percent, finishing the day at 1887.87 points, while the CSE All Share Price Index decreased by 45.9106 points, or 0.8 percent, closing the day at 5633.45 points.

A total of 7,457,500 shares worth Tk 121.61 crore changed hands on the Dhaka Stock Exchange (DSE), while a total of 843,299 shares worth Tk 13.08 crore changed hands on the Chittagong Stock Exchange (CSE).

Of the issues traded on the premier bourse, 99 advanced, 91 declined and 15 remained unchanged, while of the issues traded on the port city bourse, 33 increased, 54 dropped and 10 remained unchanged.



Mutual Trust Bank Ltd has launched debit card service for its customers at a function in Dhaka recently. Chairman of the bank Samson H Chowdhury, founder chairman Syed Manzur Elahi, directors, managing director and other senior officials were present.

Rich-poor gap rising in China, says ADB

AFP, Beijing

Inequality in China is worsening as the rich are getting richer much faster than the poor, the Asian Development Bank said Wednesday, despite government efforts to narrow the gap.

China has become one of the seven most unequal countries in Asia, with the level being close to that in Latin American economies, according to the bank's report, 'Key Indicators 2007 Inequality in Asia' launched in Beijing.

"The poor have benefited less from growth than the rich," said the ADB's chief economist Ifzal Ali, warning that sharp inequality may lead to a decline in social cohesion.

Juzhong Zhuang, assistant chief

economist of the bank, said that corruption, made possible by government officials' privileged access to resources and information, was one of the key reasons for widening inequality in China.

"The government has quite a big role in allocating resources (and) some individuals and companies are manipulators of certain resources or sectors, or they have special contacts or exclusive information," he said.

"If we can ensure an even playing field and the starting gate is the same for all, (the) possibility of upward mobility for people will take a lot of the frustration that is now... associated with the growth process," said Ali.

"This upward mobility, the prospects for it, would in my view alleviate some of the acute problems of social tensions that we now witness in different parts of Asia."

remain in terms of access to public services such as health care and education.

Efforts should be taken to prevent legal, political and economic institutions from being captured by the few so that social tensions could be reduced, he said.

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Furniture maker Otobi Ltd launched a month-long promotional campaign from August 1 offering 10 percent discount on purchase of any furniture of the company. Head of Customer Relationship Management of the company Md Abu Tarique Zia Chowdhury inaugurated the campaign, while other senior officials were present.

Trade thru' Benapole port comes to a halt

A CORRESPONDENT, Benapole

Hundreds of trucks loaded with goods from India remained stranded on the border following the suspension of export and import activities through Benapole land port yesterday.

The CITU, a labour organisation of India's West Bengal, called for a halt to the trade through the Benapole-Petrapole ports to realise their 12-point demand.

Meanwhile, two passenger buses running on the Dhaka-Calcutta route entered Bangladesh from India with police protection.

Singapore economy grows 7.6pc

AFP, Singapore

Singapore's economy beat expectations to grow a strong 7.6 percent in the first half over the previous year, Prime Minister Lee Hsien Loong said Wednesday.

The robust performance has prompted the government to raise its full-year economic growth target to between 7.0 and 8.0 percent, he said in a speech on the eve of the city-state's National Day celebration.

Lee said a record 111,000 jobs were added in the first six months of the year and that unemployment is at 2.4 percent.

"Our efforts to transform our economy are paying off," he said.

"The global economy is continuing to change. If we keep on adapting and readapting to it, we can keep growing strongly for many more years."

Mutual Trust Bank launches debit card

Mutual Trust Bank Ltd has recently launched debit card service for its customers, says a press release.

Chairman of the bank Samson H Chowdhury inaugurated the service of the debit card styled 'MTB VISA Electron Debit Card' at a function in Dhaka, where the bank's founder chairman Syed Manzur Elahi, directors, managing director and other senior officials were present.

The bank will come up with credit card service soon, the release adds.

Euro edges up against dollar

AFP, London

The euro rebounded against the dollar on Wednesday, a day after sliding on prospects that US interest rates will remain at 5.25 percent for a while longer instead of heading lower, traders said.

In morning European trade, the single currency rose to 1.3747 dollars, from 1.3736 dollars in New York late on Tuesday.

The dollar climbed to 119.24 yen, from 118.82 yen.

The euro rose amid data that showed Germany's trade surplus with the rest of the world shrank by 4.8 percent in June from May to 16.5 billion euros (22.7 billion dollars).

Analysts had forecast a rise to 18 billion euros for the eurozone's biggest economy.

"In the eurozone, it continues to be all good news on the external front for Germany," said CIBC economist Audrey Childe-Freeman.

The dollar meanwhile edged up against the yen after the Federal Reserve dampened expectations of a US interest rate cut and Japanese machinery orders fell sharply, dealers said.

They added that a decision by Australia's central bank to hike interest rates to a decade-high level of 6.5 percent boosted the local dollar, as the currency became more attractive to investors even as they grew less risk averse.

A much bigger-than-expected 10.4 percent slump in Japanese core machinery orders in June prompted players to unload the yen, said Toru Sasaki, chief foreign exchange strategist at JPMorgan Chase Bank.

Dealers said the sharp drop would make it harder for the Bank of Japan to justify raising its super-low interest rates from 0.50 percent in the face of political resistance to further monetary tightening.

The dollar was also supported by hawkish comments from the Fed on inflation that reduced expectations of a cut in US interest rates any time soon.

JAMUNA, UTTARA BANKS

Ban on trading of 2 directors' shares

STAR BUSINESS REPORT

one of the sponsors of Jamuna Bank, and her husband Shaheen Mahmud and her sister Nasrin Akter Chowdhury still hold 12.92 shares of Jamuna Bank.

Another investigation by the BB found that Suraiya Begum, a sponsor director of Uttara Bank, and her relatives hold 11 percent shares of Uttara Bank.

The central bank imposed the ban so that it can take legal action over 10 percent shares of a bank.

The central bank in an investigation found that Tasmin Mahmud,

Abu Dhabi plans modern housing for workers

PTI, Dubai

The emirate of Abu Dhabi in the UAE is planning to spend Dh 2.5 billion for building high quality housing units to accommodate up to 18,000 workers.

"The government of the emirate has taken proactive steps to counter problems faced by some expatriate workers in relation to accommodation, such as overcrowding, poor sanitation, lack of individual privacy, lack of communal space, and lack of access to recreational facilities," a document containing the policy agenda for 2007-08 said.

Recognising that these issues substantially impact the quality of life, health and sense of dignity of those affected, the government has supported the development of dedicated, low cost worker residences that meet or exceed international benchmarks for worker accommodation.

Abu Dhabi is studying mechanisms to combat exploitation by some recruitment agencies operating outside UAE, which recruit workers on the basis of salary and benefit terms that do not correspond to those actually on offer by the domestic employer in the UAE, The Gulf of News reported.

Although a vast majority of foreign labourers working in Abu Dhabi provide their services and receive their agreed compensation and benefits without incident, cases of non-payment or failure of employers to completely fulfil the terms of individual labour contracts continue to be a concern, the document said.

Eskayef launches anti-migraine medicine



Eskayef Bangladesh Limited, one of the leading pharmaceutical companies of the country, has launched a new drug, TUFNIL® tablet, for treatment of migraine for the first time in Bangladesh, says a press release.

TUFNIL is a preparation of tofenamic acid 200 mg that is highly effective in the symptomatic relief of acute migraine pain.

With its distinctive 'dual mode of action', the medicine blocks both cyclooxygenase and lipoxygenase pathways and thus provides better pain relief than conventional drugs do. TUFNIL is well tolerated in patients with asthma or peptic ulcer disease as it also blocks lipoxygenase pathway.

The drug is available in box containing 40 tablets throughout the country.

Cathay Pacific posts strong first-half net profit

AFP, Hong Kong

Cathay Pacific posted a strong first-half net profit of 2.58 billion Hong Kong dollars (330 million US) Wednesday, exceeding expectations, and said they were ideally placed to benefit from China's growth.

Cathay said the record interim result for the six months to June -- up 54.7 percent on the same period in 2006 -- came on the back of continued strong passenger demand and despite a weak cargo market.

Analysts had forecast first-half to June net profit would fall within a range of 2.05 billion to 2.36 billion Hong Kong dollars, up from 1.67 billion posted in the same period last year.

"Passenger demand continued to be strong during the first half of 2007 and this was the main driver behind the 54.7 percent rise in interim profit," said the company's chairman Christopher Pratt.

Revenue was up to 34.63 billion dollars from 27.09 billion a year previously.