

Star BUSINESS

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Euro roars to record high 1.412 dollars

AFP, London

The euro raced to an all-time high of 1.4120 dollars on Friday as the US currency came under heavy selling pressure on expectations of further interest rate cuts in the United States, dealers said.

The European single currency leapt past 1.41 dollars for the first time since its creation in 1999 following a Federal Reserve warning that US mortgage market woes could worsen.

The euro later pulled back to stand at 1.4074 dollars, which compared with 1.4065 dollars in New York late on Thursday.

"The expectation of bigger interest rates cuts in the US relative to other countries, as a result of intensifying concerns about the US economy, are weighing heavily on the currency," said Calyon analyst Mitul Kotecha.

He added that the European single currency "looks set to push even higher over the short-term."

The dollar has taken a pounding since the Fed slashed its benchmark rates on Tuesday by half a percentage point to 4.75 percent. The European Central Bank's key rate stands at 4.00 percent.

There are lingering concerns about whether the deep US rate cut will succeed in easing the credit squeeze, dealers said.

"Appetite for the dollar is weakening due to receding hopes that rate cuts can resolve the credit crunch," said Daisuke Uno, strategist at Sumitomo Mitsui Banking Corp.

Fed chairman Ben Bernanke said Thursday in Congressional testimony that the US economy and markets had reacted to a wave of foreclosures in the US subprime, or high-risk, mortgage sector in a manner that has "far exceeded even the most pessimistic estimates."

China cuts soybean import duty to stabilise prices

AFP, Beijing

China said Friday it will reduce its import duty on soybeans to one percent from three percent currently, effective October 1, in a temporary three-month move to stabilise food prices.

The brief announcement on the central government's website said the move would reduce grain costs, which in turn will help keep a lid on food prices.

China is worried about rising prices. Consumer prices rose by 6.5 percent year-on-year last month, its sharpest increase in over a decade.

India inflation falls to near five-year low

AFP, New Delhi

India's annual inflation rate has fallen to a near five-year low, official data on Friday showed, but soaring global crude prices threaten to push the cost-of-living higher, economists said.

Inflation slowed to 3.32 percent for the week ended September 8 from 3.52 for the previous week, according to the wholesale price index, India's closest watched cost-of-living monitor. It was the lowest level since December 2002.

But economists said they expected no early easing of interest rates, which are riding at five-year highs amid worries that record global oil prices could trigger a rise in state-set domestic fuel prices.

"You'd think rates would fall but I don't see the Reserve Bank doing that now with crude prices heading north and food prices hardening," said HDFC chief economist Abheek Barua.

The drop in inflation was driven by lower prices of vegetables, minerals and other items. An acceleration in prices a year ago also helped make the fall look sharper.

Inflation stood at 5.22 percent in the same week a year earlier.

Economists believe there could be a rise soon in government-set oil retail prices to staunch heavy losses at state-owned energy firms, a move that would boost inflation, although opposition from the ruling Congress party's communist allies could delay such a step.

"I think we are seeing inflation bottoming out simply because rising global price increases have not been passed on," said D.K. Joshi, principle economist at leading credit rating agency Crisil.

Revenue clocks 14pc growth in two months

Income tax collection grows 52pc

STAR BUSINESS REPORT

Boosted by a 52 percent growth in income tax collection, the National Board of Revenue (NBR) has achieved a 14 percent revenue growth in the first two months of 2007-08 fiscal year.

The NBR collected a total of Tk 5753.71 crore revenue in July and August against Tk 5047.20 crore in the same period of the previous fiscal year.

The income tax department posted the highest 52 percent growth as it collected Tk 1038.51 crore in July and August this fiscal year against Tk 682 crore in the corresponding period of the previous fiscal year.

NBR Member (Income Tax Policy) Ali Ahmed said the hefty growth in income tax collection has

been possible as many people have paid taxes against their undisclosed money.

Besides, wealthy people especially businesspersons now pay more income taxes than before following the government's anti-crime drive across the country, Ahmed said.

Around 17,000 people have paid around Tk 483 crore in taxes against about Tk 2800 crore undisclosed income until September 20 this year.

Ahmed hoped the revenue collection from the undisclosed money will soon reach Tk 600 crore.

The customs department collected Tk 2748 crore. Of the amount, Tk 1311.58 crore was collected as import duty, Tk 1051.26 crore as value added tax

in import stage and Tk 203.83 crore as supplementary duty at import stage.

In local production stage, the NBR collected Tk 2102.6 crore value added tax and supplementary duty during the months.

The overall revenue target for the current 2007-08 fiscal year was set at Tk 43850 crore. Out of the target, Tk 17812 crore was set for customs duty, Tk 10838 for income tax and Tk 14800 crore for value added tax and supplementary duty.

Meanwhile, the NBR experienced a Tk 449 crore revenue deficit in the just concluded fiscal year (2006-07) as it earned Tk 37,030 crore revenue against the revised target of Tk 37479 crore.

The actual target for the fiscal 2006-07 was Tk 41,055 crore.



PHOTO: DCCI

Hossain Khaled, president of Dhaka Chamber of Commerce & Industry (DCCI), and Imran Rahman, managing director of BRAC Bank Ltd, inaugurate 'DCCI-BRAC Bank Information Booth' for small and medium enterprises at the research and information cell of the chamber in the capital recently.

Women under-represented on global corporate boards

AFP, Washington

A leading group of international businesswomen on Friday called on the world's 200 biggest male-dominated companies to step up efforts to give women more leadership roles in large corporations.

Although the number of women on corporate boards in Fortune Global 200 companies increased from 285 to 308 since 2004, men still hold the lion's share of board seats, with nearly 89 percent, a report issued by Corporate Women Directors International (CWDI) showed.

Little progress has been made to ensure boardroom equality of the sexes, the report, which followed up on a similar study conducted in 2004, lamented.

"If over 80 percent of buying decisions are being made by women -- from cars to tires to food to technology to energy -- why wouldn't you have them represented in your company?" CWDI chairwoman Irene Natividad said to AFP, urging corporations to rectify the situation.

The eight countries with the largest cluster of 2006 Fortune Global 200 companies -- the United States, Japan, United Kingdom, Germany, France, Switzerland, the Netherlands and Italy -- have all made progress in appointing women directors since 2004, the report said.

"However, the majority of the

largest companies in Japan, Korea, Italy, Venezuela, Russia and China, for instance, still do not have women directors," it said.

Japan, the second biggest economy in the world, lagged far behind the United States, whose companies led the list of those empowering women executives.

In the 27 Japanese companies on the Fortune listing, only five board members out of 389 were women, making for a meager 1.3 percent.

In the United States, women account for 166 of the 941 board members in firms on the Fortune Global 200 listing, or 17.6 percent.

"Of the 75 American companies within the Fortune Global 200, only one doesn't have a female director," Natividad said.

"What's more important is that 75 percent of these US companies have two or more women. That's key. They have gone beyond the token woman."

France, which ranked joint third with Germany on the Fortune listing, with 19 companies each, counted 22 women board members out of a total of 288, or a paltry 7.6 percent.

And often, women have only token representation on French boards.

"This low presence of women is surprising given France's success in pushing for women's equity at the parliamentary level. Clearly, women's advocacy has not yet

reached the board room," said the report.

In Germany, women held 10.9 percent of board seats, but the vast majority were on the less powerful supervisory board, not the decision-making management board of a company.

Italian companies on the Fortune list brought up the rear in Europe, with women making up just 2.9 percent of corporate boards and not even figuring on the boards of three of the five firms that made it into the rankings.

Forty-five companies in the Fortune Global 200, including the Texas-based Plains All-American Pipeline, Germany's Daimler and a raft of Japanese household-name firms, have no women directors, the report shows.

"I have never said women are perfect creatures, but they do bring in a perspective that is very necessary to be competitive in the global economy," Natividad said, urging the world's large companies to do more to empower women.

"When this report was released two years ago, the CEO of Albertson told us he had a female-dominated board," Natividad said.

Albertsons operates retail outlets, including supermarkets.

Vodafone brand makes India debut

AFP, New Delhi

Leading global mobile provider Vodafone began using its own name across India on Friday following its purchase of an Indian cellular firm, rolling out what the British company said was one of the world's biggest rebranding campaigns.

The firm's media saturation blitz follows its purchase in March of a majority stake in Hutchison Essar from Hong Kong-based Hutchison Telecommunications International for 11.1 billion dollars.

The purchase is seen as crucial to the British company's earnings growth as it struggles with saturated cellular markets in the developed world.

India is the world's fastest growing cellular market, adding more than six million subscribers a month.

"We think the brand change is the largest seen in this country and we think it could be said to be as big as has ever been done globally," Harit Nagpal, a senior official of the Indian unit, told AFP.

He declined to comment on the cost of the campaign but media reports put it at several million dollars.

Soochishoiy Eid fair begins

'Soochishoiy', a fashion house, has organised an Eid fair at Sobhanbagh community centre in Dhaka, says a press release.

A press conference was organised in the capital on Thursday to announce the schedule and features of the fair styled 'Soochishoiy Eid Mela', which will continue until October 5.

Singer Bangladesh Ltd has launched the fashion house--Soochishoiy. Women trained from Singer Sewing Academy will run the fashion house with the help of the country's renowned fashion designers, the release adds.

Nahar Jamil, chief adviser to Singer Sewing Academy, Sajidur Rahman Khan, marketing director of Singer Bangladesh, and Makbul-e-Huda Chowdhury, national sales manager (Retail) of the company, among others, were present at the press conference.

Panjabi, fatua, salwar, kamji, saree and children's wears will be available at the fair, which will remain open to visitors from 10am to 9pm every day.

20 S'pore firms make it to Forbes' list of top 200 in Asia

ANN/THE STRAITS TIMES

Singapore has improved its already strong standing in a list compiled by Forbes magazine of the top 200 Asian firms with an annual turnover of below US\$1 billion.

A total of 20 Singapore companies have made it into the latest list--up from 19 last year.

The annual list, which was released Thursday, draws from more than 22,500 listed firms in the Asia-Pacific region.

The firms are vetted for consistent growth in both sales and profits over three years.

Singapore's 20 companies meant it was sixth among economies in the region with the most entries on the top 200 list.

Taiwan topped the list with 41 companies which were mainly from the information technology sector. Mainland China was second with 23, while Hong Kong and Japan were tied for the third spot with 22 each. South Korea was fifth with 21 firms.

The share value of last year's 200 firms surged by 47 per cent for the period ended Aug 30, far better than the 22 per cent gain for the comparable FTSE AsiaPacific Small Cap Index.

Three of last year's 200 have graduated to the big league as their sales now top \$1 billion.

Machinery, mining and manufacturing firms still dominate the list, but heavy industry has ceded ground to glitzy consumer goods newcomers catering to the region's rising middle class. Eight in 10 companies on the list are making their debut.

The 20 Singapore companies came from a wide range of sectors--from food and beverage (Food Empire Holdings) to airport logistics (Inter-Roller Engineering), retail (Honggou International Holdings) and health care (Raffles Medical Group).

Oil prices pause after record run above \$84

AFP, London

World oil prices eased Friday after New York crude hit a record 84.10 dollars per barrel Thursday on fears a storm could threaten energy facilities in the US Gulf of Mexico.

London Brent had also surged Thursday to an all-time record of 79.28 dollars per barrel amid supply concerns in the United States, a key energy consumer, ahead of peak winter demand for heating fuel, analysts said.

On Friday, New York's main futures contract, light sweet crude for delivery in November, eased 23 cents to 81.55 dollars per barrel.

The October contract had surged to a record 84.10 dollars on Thursday before its expiry at an all-time closing high of 83.32 dollars.

Trading in expiring contracts is

often volatile as traders square their positions, dealers said.

In London on Friday, the price of Brent North Sea crude for November delivery fell 36 cents to stand at 78.73 dollars per barrel.

"Oil markets remain concerned about tight supply conditions," Australia's Commonwealth Bank said.

"In addition, concerns that a weather disturbance in the Gulf of Mexico could develop into a tropical storm has led to some oil production in the Gulf of Mexico being shut in."

OPEC's "basket" price of crude oil, based on production in 12 different countries, rose to a record 75.61 dollars a barrel on Wednesday, the cartel revealed on Thursday.

Strauss-Kahn hopes to restore IMF's relevance, legitimacy

AFP, Washington

Dominique Strauss-Kahn, the front-runner EU candidate to head the International Monetary Fund, pledged Thursday to work to restore "both the relevance and the legitimacy" of the global organization.

"It will be a hard task for all of us to rebuild both the relevance and the legitimacy of this organization. But I am prepared to do that and I ask you to be prepared as well," Strauss-Kahn told the IMF executive board.

"Indeed, what might be at stake today is the very existence of the IMF as the major institution providing financial stability to the world, a global public good," he said, according to the text of his remarks released by the IMF.

His victory in a two-man race for the job of managing director virtually assured after being endorsed by

Washington on Wednesday, Strauss-Kahn was asked by AFP moments before he entered the IMF's Washington headquarters about his sentiment ahead of the talks.

"Calm, just like since the beginning of the process," said the 58-year-old former French finance minister who was a Socialist hopeful for the presidency earlier this year.

Strauss-Kahn said that after traveling 60,000 miles (100,000 kilometers) around the world to listen to the concerns of Fund members, particularly developing countries, he was "struck by the realization of the extent to which the institution is at a crossroads."

"The two main issues are relevance and legitimacy," he said.



Tauhidul Islam, managing director of Summit Power Ltd, and Md Akter H Sannamat, acting managing director of Prime Finance & Investment Ltd, sign agreements on behalf of their companies recently in Dhaka. Under the deals, Summit Power has appointed Prime Finance as its issue manager for rights issue. Directors and senior officials from both the sides were present.

More than \$1b needed to earn place on Forbes list

Bill Gates America's richest man for 14th straight year

AP, New York

A billion dollars just doesn't go as far as it used to. For the first time, it takes more than \$1 billion to earn a spot on Forbes magazine's list of the 400 richest Americans. The minimum net worth for inclusion in this year's rankings released Thursday was \$1.3 billion, up \$300 million from last year.

The new threshold meant 82 of America's billionaires didn't make the cut.

Collectively, the people who made the rankings released Thursday are worth \$1.54 trillion, compared with \$1.25 trillion last year.

The very top of the list was unchanged: Microsoft Corp founder Bill Gates led the list for the 14th straight year, this time with a net worth estimated at \$59 billion. He was followed by Warren Buffett of Berkshire Hathaway Inc in second place with an estimated \$52 billion and casino mogul Sheldon Adelson, No. 3 with an estimated worth of \$28 billion.

Larry Ellison of Oracle Corp maintained his ranking at No. 4, with an estimated net worth of \$26 billion.

But the list showed some notable changes.

Joining the top 10 of the country's richest for the first time were

Google Inc founders Sergey Brin and Larry Page, who tied for fifth place. The 34-year-old moguls' wealth has quadrupled since 2004 to an estimated \$18.5 billion this year, while their company's stock value has surged 500 percent.

And, lower down, almost half of the 45 newcomers made their millions in hedge funds and private equity investments. The youngest member of this year's list was 33-year-old hedge fund manager John Arnold, who joined the ranks at No. 317 and a net worth of \$1.5 billion.

"Wall Street really led the charge this year," said Matthew Miller, editor of the Forbes list. "God only knows if they'll be on it next year. It really just depends on what the market does."

Surging oil prices also helped some members of the list. Oil baron brothers Charles and David Koch also broke into the top 10, sharing the No. 9 spot with estimated wealth of \$17 billion. Their ascension bumped the Walton family, heirs to the Wal-Mart Stores Inc. fortune, from the top 10 for the first time since 1989.

The discount retailer, struggling with a slowing economy and higher gasoline prices as well as merchandising mishaps, has seen its sales lag behind rivals like Target Corp.

FedEx Corp Q1 profit rises 4pc

AP, Memphis, Tenn

FedEx Corp's earnings rose 4 percent in the first quarter of its 2008 fiscal year, beating Wall Street's expectations on strong international growth. However, the company lowered its outlook for the full year, blaming economic uncertainty from the downturn in the housing market.

FedEx earned \$494 million, or \$1.58 per share, compared with \$475 million, or \$1.53 per share, in the year-ago quarter. Revenue rose 8 percent to \$9.2 billion.

Analysts were expecting a profit of \$1.54 per share on revenue of \$9.07 billion, according to Thomson Financial.

Shares fell \$3.06, or 2.8 percent, to \$104.45 Thursday.

In a conference call with analysts, FedEx Chairman and Chief Executive Fred Smith said expansions in the United Kingdom and China were helping drive growth.

A new dedicated route between Manchester, England, and the U.S. will "increase daily capacity on the important UK to U.S. route by up to 50 percent, and it will increase daily capacity from Europe to the U.S. by up to 20 percent," he said.

Summit Power appoints Prime Finance as its issue manager for rights issue

Summit Power Ltd has appointed Prime Finance & Investment Ltd as the manager to the issue for its forthcoming rights issue to its existing shareholders, says a press release.

In this connection, Prime Finance & Investment and Summit Power signed issue management and underwriting agreements recently in Dhaka.

Tauhidul Islam, managing director of the power generating company, and Md Akter H Sannamat, acting managing director of Prime Finance, signed the agreements on behalf of their companies, while directors and senior officials from both the sides were present.