

India's IT sector confident to ride out global slowdown

AFP, Mumbai

India's top technology and outsourcing body said it is confident it can ride out the challenge of a stronger rupee and a global economic slowdown as it wrapped up its annual meeting here.

India's flagship outsourcing industry is grappling with a rupee that rose 12 percent last year -- lowering the local equivalent of every dollar earned -- and a potential recession in its main market, the United States.

"The demand we still feel is strong," NASSCOM president Som Mittal said Friday in the nation's financial capital Mumbai, where the three-day meeting drew IT players from India and around the world.

The sector expects to meet or even exceed its software export target of 60 billion dollars and overall software and services revenue goal of 73-75 billion dollars by 2010, Mittal said in an interview.

India's IT sector with its skilled, low-cost work force that has planted the country on the global business map, is keeping its fingers crossed that the international slowdown will turn out to be a blessing.

It is hoping the financial turmoil in the US and elsewhere could drive businesses to farm out more work to cheaper Indian firms even as they pare overall technology budgets.

Mittal said past slowdowns had led companies to outsource more due to cost pressures.

He said the rupee's rapid appreciation against the dollar and pressure on talent availability -- a fierce war for talent has driven up wages and staff turnover -- had put pressure on margins.

However, India's IT's sector, which accounts for 5.5 percent of gross domestic product, up from just 1.2 a decade ago, has shown sustained ability to take out costs, Mittal said.

And an ageing population in the West is creating new demands for outsourcing services, which will continue to drive demand even in a slowdown, he added.

The industry has been seeking to diversify its markets to offset its reliance on the US, which remains the largest outlet for India's software, sector taking 61 percent of its exports.

Europe-bound exports, however, have climbed 55 percent since 2004.

Britain now accounts for 18 percent of India's software services market and continental Europe takes 12 percent.

The IT sector is also looking at India's burgeoning domestic market fuelled by economic growth of around nine percent.

Revenues from the domestic IT market, including hardware, are estimated to reach 23.2 billion dollars in the year ending March 31, 2008, up 43 percent from the previous year.

Indian IT and business process outsourcing (BPO) revenues are seen growing by over 33 percent to reach 64 billion dollars in the current financial year.

"We always looked outward -- now there are also many domestic opportunities," said Mittal.

The sector is also eyeing remote infrastructure management services "as the next big opportunity" after the success of BPO, he said.

By managing infrastructure from a remote location, companies can cut costs by 40 to 60 percent, said a new report by Nasscom and McKinsey, which estimated potential annual revenues from such activities at 524 billion dollars.

So far, companies in low-cost locations like India have captured just six to seven billion dollars of this market, the report said.

India is "well positioned to capture a disproportionate share of this growth by 2013 -- that is about 13 to 15 billion (dollars)," said McKinsey partner Vivek Pandit.

Dollar slips on soft economic data

AFP, New York

The dollar traded mostly lower Friday as traders soft US economic data and mulled generally downbeat comments a day earlier by Federal Reserve chief Ben Bernanke.

The euro was quoted at 1.4683 dollars at 2200 GMT after 1.4637 late Thursday in New York.

The dollar meanwhile fetched 107.72 yen, down from 107.85 on Thursday.

Dollar sentiment was dampened as a closely watched consumer sentiment index fell to a 16-year low.

"With house prices plummeting, employment falling, stock markets in turmoil and gasoline prices still above 3.0 dollars a gallon, it is little wonder that consumers are unhappy," said Paul Ashworth, US economist at Capital Economics.

"But the extent of the decline this month suggests that a degree of panic has now set in -- this is bad, very bad," he added.

The markets also reacted to news of a tepid 0.1 percent rise in US industrial production in January, and a regional manufacturing index from the New York Federal Reserve at minus 11.7, the first negative reading since 2005.

The dollar started the day on a weak note, triggered by Bernanke's assessment of the US economy on Thursday.

Bernanke told a Senate committee there were strong "downside risks" to US economic growth and that the Fed was ready to respond as necessary, a hint that dollar-negative lower interest rates might be on the way.

"Bernanke focused on the risk that tighter credit conditions and deteriorating consumer spending could slow the US economy further," said Patrick Fearon at AG Edwards.

"Bernanke said that he expected the economy to start doing better by the second half of 2008, which we have argued should be positive for the dollar. Nevertheless, the market is focused on the negative aspects of Bernanke's testimony, and the dollar remains under pressure today."

In late New York trade, the dollar stood at 1.0927 Swiss francs after a 1.0979 Thursday.

The pound was at 1.9612 dollars from 1.9682.



IPDC (Industrial Promotion and Development Company) of Bangladesh Limited organised a function to launch auto loan services on Friday in Dhaka. Among others, Mominul Islam, managing director of IPDC, and Abdul Hamid Sharif, secretary general of BARVIDA (Bangladesh Reconditioned Vehicles Importers and Dealers Association), are seen at the function.

Canada's fur trade route leads to Russia, China

AFP, Montreal

For 400 years, Canada sold most of its wild animal pelts to Europe but now Russia and China have become its biggest markets as their booming economies breed a wealth of fur fashionistas.

"Now our biggest market without any doubt is Russia, and the second biggest is China," said James Gibb, spokesman for the Fur Harvesters Auction (FHA), a fur auction house in North Bay, Ontario.

"That is a big shift from 20 years ago because the big markets would have been North America and Europe."

Russia is one of the principal producers of wild animal furs in the world, followed by the United States, Canada and Scandinavia.

However Russian trappers are unable to keep up with skyrocketing domestic demand, spurred by the country's nouveau riche.

Canada is renowned for its fine beaver, lynx, sable, wolf, bear and other pelts.

Trappers here sell their wares directly to buyers from around the world who visit them in the countryside, or travel to auction houses such as FHA and the North American Fur Auctions (NAFA).

"The wild pelts are bought in North America, shipped to China, where they're made into garments and then exported to North America or to Russia. Most of it is going to Russia," explained Gibb.

In Canada, several firms stitch fur coats, but labor costs are much higher than in China.

"China is now a big buyer of Canadian pelts, but has also become a major competitor in the fabrication of fur coats," said Alan Herscovici, president of the Fur Council of Canada.

The rise of China and Russia as major fur importers marks an important development in the fur trade, he told AFP.

The fur trade was historically the main focus of relations between early French settlers and natives in Canada some 400 years ago. European trappers in search of pelts helped map much of North America.

Since the 1980s, animal rights campaigns helped stem the demand for fur in Western nations, even as haute couture designers in Paris and Milan kept fur in vogue among European society.

On runway, fur is again fashionable, at least as an accessory -- a hat or trim -- if not for full-length coats.

"We still see the fashion centres of Europe -- Paris and Milan -- leading world fashions and those designers are still using fur. If they did not use and promote this product in Europe it would not be as fashionable in other markets," said Robert Cahill, director of the Fur Institute of Canada.

To counter animal rights activists' derision of its business, and to try to revive demand for fur in the West, the Canadian fur industry launched an advertising campaign touting furs as "eco-friendly".

Proponents of the fur trade argue that wild animal pelts are a renewable resource.

Regulators to tighten up on British supermarkets

AFP, London

The competition watchdog on Friday said it was proposing a series of measures designed to ensure British supermarkets face a real competitive environment.

The Competition Commission (CC) said its proposals were designed to address problems in UK groceries retailing, a giant market worth 120 billion pounds (160 billion euros; 234 billion dollars).

In a statement, it said its measures included a competition test in planning decisions on large grocery stores and measures to prevent exclusivity arrangements and restrictive covenants being used by retailers to restrict entry by competitors.

Oil prices surge

AFP, London

Oil prices rose sharply this week back towards 100 dollars as the market focused on supply disruptions rather than forecasts of weaker energy demand resulting from a US economic slowdown.

Elsewhere, platinum struck a fresh record high above 2,000 dollars an ounce as power shortages continued to hamper production in South Africa.

OIL: The price of crude oil rose as global supply concerns were stoked by persistent fears over problems in Nigeria and Venezuela.

New York crude broke through 96 dollars per barrel on Friday for the first time since January 9.

Oil being rising at the start of the week after Venezuelan President Hugo Chavez threatened to halt oil deliveries to the United States.

The market bounced even higher after Venezuela's state petroleum company PDVSA suspended oil supplies to ExxonMobil in retaliation for the US energy giant's effort to freeze billions of dollars in global PDVSA assets.

The move came after ExxonMobil, the world's biggest energy company, secured international court orders freezing up to 12 billion dollars in PDVSA assets in a dispute over its operations in Venezuela.

"The ongoing saga between Venezuela and Exxon continued to support oil prices," said Sueden analyst Nimit Khamar.

"This situation has increased the geopolitical risk premium and reminded the market that there are plenty of ongoing factors that could trigger a sharp spike higher."

In Nigeria, meanwhile, ongoing unrest rekindled market worries over production from Africa's largest crude oil producer. Instability and violence resulted in Nigeria's oil output being slashed by a quarter in 2007.

Geopolitical concerns in major producer countries offset a gloomy warning from US Federal Reserve chairman Ben Bernanke, who predicted "a period of sluggish growth" ahead for the energy-hungry US economy.

Despite this week's bounce higher for prices, the International Energy Agency has forecast that the world oil market could be set for a lengthy slowdown after striking a record high 100.09 dollars at the start of January.

Meanwhile, the OPEC cartel lowered its projections for growth of oil demand this year in response to a slowdown in world economic momentum.

Toshiba plans to pull out of HD DVD business

AFP, Tokyo

Japan's Toshiba, which has led the HD DVD video disks format, plans to withdraw from the business as it is losing the battle against rival Sony's Blu-ray format, a report said Saturday.

The company is in the final stage of deciding the pullout, public broadcaster NHK said without naming sources.

The report came after top US retailer Wal-Mart on Friday drove another nail into the coffin of HD DVDs by announcing it would shift to exclusively selling movies on Blu-ray.

Toshiba would take HD DVD machines off store shelves and cease production and research for future models, NHK said.

Losses could reach tens of billions of yen (several hundred million dollars) if the company decides on the pullout, it said.



Grameenphone Ltd has recently signed an agreement with Japan-Bangladesh Friendship Hospital. Under the deal, the mobile phone operator's 'xplore' subscribers will enjoy 35-50 percent discount on selected health screening packages at the hospital. Riaz M Zaman, additional general manager (Marketing) of Grameenphone, and Mahbul Alam, director (Administration) of the hospital, signed the deal.

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২।	অর্থের উৎস	বিআরডিবি'র আওতাধীন পল্লী প্রগতি প্রকল্পের অর্থায়নে (জিওবি)।					
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৩। বরিশাল	৩। গৌরনদী	৯২০০/-	ঐ	২২। রূপগঞ্জ	২২। রূপগঞ্জ	১০২০০/-	ঐ
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৫। ফরিদপুর	৫। সদরপুর	১১২০০/-	ঐ	১৯। লালমনিরহাট	২৪। আদিচন্দ্রাবাড়ী	৭৫০০/-	ঐ
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৬০। ঞ	৬০। ঞ	৭৬০০/-	ঐ	৭৪। ঞ	৭৯। ঞ	৭৮০০/-	ঐ
৬১। ঞ	৬১। ঞ	৭৬০০/-	ঐ	৭৫। ঞ	৮০। ঞ	৭৮০০/-	ঐ
৬২। ঞ	৬২। ঞ	৭৬০০/-	ঐ	৭৬। ঞ	৮১। ঞ	৭৮০০/-	ঐ
৬৩। ঞ	৬৩। ঞ	৭৬০০/-	ঐ	৭৭। ঞ	৮২।		