

Weekly stock indices down slightly

STAR BUSINESS REPORT

Bearish trend continued on the Dhaka Stock Exchange (DSE) last week, despite the total turnover rose by 5.73 percent over the previous week.

Week-on-week basis, the DSE General Index slightly declined by 5.33 points, or 0.18 percent to 3019.14 points, while the DSE All Share Price Index fell by 9.84 points, or 0.38 percent to 2588 points on Thursday, the last trading day of the week.

According to market insiders, regulatory measures to bring some changes in mutual fund rules contributed to downturn on the premier bourse.

The Securities and Exchange Commission (SEC) on June 26 at a meeting decided that no close-end mutual fund will be allowed to issue pre-emptive rights shares to the existing unit holders. The SEC also decided that mutual funds will not be allowed to raise their capital base through issuing rights or bonus shares.

Following the regulator's move prices of all mutual funds dropped heavily for several

consecutive days. However, the prices of mutual funds rose on the last trading day of the week on the rumour that the SEC may revise its decision, the market insiders said.

On Sunday, a group of investors also took to the streets in front of the DSE building protesting the commission's move to review the mutual fund rules.

The total turnover on the prime bourse was Tk 1,132.59 crore last week against Tk 1,071.22 crore the previous week. The daily average turnover rose by 32.16 percent with Tk 283.14 crore per day.

The trading however remained close on July 1 due to banks closing day on June 30. The total transactions also rose by 27.3 percent. A total of 7,63,85,522 shares were traded last week against 6,00,04,497 shares the previous week.

The losers however dominated the gainers throughout the week. Of the issues traded, 53 advanced, 184 declined and five remained unchanged.

Trading debut of Titas Gas Transmission and Distribution Company was a major event in last week with no shares were

offloaded on the very first day, Tuesday, due to the owners reluctance to sell Titas shares at lower prices. However, only a handful of shares were offloaded on Wednesday, the second day of state-run gas company's debut.

At the end of the week, the turnover leaders were Square Pharma, Lankabangla Finance, AIMS 1st Mutual Fund, Fareast Islamic Life Insurance, ACI, Grameen Mutual Fund One, Uttara Bank, Beximco Pharma, Apex Adelchi Footwear and AB Bank.

The price indices on the Chittagong Stock Exchange (CSE) also closed higher last week with the losers dominating the gainers throughout the week.

The CSE Selective Categories Index rose by 0.56 percent to 5904.11 points on Thursday, while the CSE All Share Price Index increased by 0.43 percent to 9112.22 points on the last trading day.

A total of 1,66,13,287 shares worth Tk 135.68 crore changed hands on the port city bourse. Of the issues traded, 49 advanced, 109 declined and 10 remained unchanged.

Asian stocks close mostly up

AFP, Hong Kong

Asian stocks closed mostly up Friday but that failed to dispel much gloom after this year's share price plunge, with the key Japanese market continuing its longest losing streak in decades.

The Tokyo bourse fell 0.21 percent for the 12th consecutive trading day, doing so for the first time since the 1950s as the potential economic damage from soaring oil prices again hit investor sentiment.

The Taiwan stock market tumbled more than two percent despite the historic launch of regular direct flights between the island and its rival China for the first time in nearly six decades.

Investors in Asia are worried that surging inflation amid high crude oil and food prices will end up slowing economic growth, dimming the prospects for Asian stocks even though they have fallen steeply since their peak last year.

Many were looking ahead to the annual summit in Japan next week of the Group of Eight (G8) industrial powers, which is expected to tackle the issue of high oil and food costs.

Among other key Asian markets, China and South Korea fell, but Australia, Hong Kong and Singapore ended higher.

India rallied more than 2.5 percent despite official figures showing inflation stood at a more than 13-year high of over 11 percent. But the Mumbai bourse overall has tumbled since the start of the year.

Investors also continue to worry about the ailing US economy, which is battling to recover from a financial crisis and steep housing market



Riaz M Zaman, additional general manager, marketing division of Gramreenphone, and Jafrul Alam Khan, national sales manager of Transcom Electronics, sign an agreement on behalf of their companies in Dhaka recently. Under the deal, subscribers who have been with Gramreenphone for at least 180 days will get special discount on different items from the showrooms of Transcom Electronics round the year.



A daylong seminar on 'Anti Money Laundering' was held at Mutual Trust Bank Training Institute recently. Kazi Md Shafiqur Rahman, managing director of the bank, inaugurated the training where a total of 42 participants from all branches and head office of the bank took part.



Yeasin Ali, managing director of Dutch-Bangla Bank, hands over a payment order of Tk 10,000 to a beneficiary in Dhaka recently. The bank extended financial assistance to the tune of Tk 10,000 each to 100 acid victims helpless women.

EU airline pollution plan could spark trade wars

AFP, Geneva

A plan by the European Union to impose a carbon dioxide emissions quota for all airlines flying into and out of the bloc could spark trade wars, aviation industry officials warned.

The so-called emissions trading scheme, which is to be voted on by the EU lawmakers next week, aims at cutting aviation pollution by forcing airlines to lower emissions by 3.0 percent in the first year and by 5.0 percent from 2013.

Airlines can exceed these caps, but they would have to pay for permits to do so. All airlines - European and non-European - flying in and out of the EU would be brought into the scheme from 2012.

In addition, between 2013-2020, airlines also would have to pay for 15 percent of their emissions.

Officials from the International Air Transport Association, which represents the interests of the airline industry, told AFP that while the industry supported the principle of an emissions trading scheme, it wanted a global standard to be set by the International Civil Aviation Organisation (ICAO).

They said IATA was opposed to EU's "unilateral" plan, which it said violated an international aviation convention.

IATA Director for Government and Industry Affairs Carlos Grau Tanner said the EU's move could push non-European states to seek redress through global governing bodies such as UN-agency ICAO or even the International Court of Justice.

But beyond legal tussles, there could also be diplomatic flare-ups.

"What could happen is a typical trade war where they retaliate through completely

different countries. You impose this on me, I'll find something else to hurt you. That's exactly the position that airlines don't want to be in," said Grau.

He noted that such a scheme would require an airline flying from outside Europe - but making a stop at an EU airport - to pay a fee to pollute, even though the flight was headed for a non-European destination.

Indications are already pointing towards fierce opposition led by the United States.

When the idea for the emissions trading scheme emerged last year, the ambassadors of Australia, Canada, China, Japan, South Korea and the United States raised their concerns in a letter to the German ambassador to the European Union. Germany at the time held the rotating EU presidency.

"Inclusion of our airlines in the EU scheme without the consent of our governments would potentially violate EU Member State international obligations under the Convention on International Civil Aviation, as well as bilateral agreements," said the letter, which was also circulated to other EU representatives.

At an ICAO General Assembly meeting last September, countries lined up behind the US to oppose the EU initiative.

However, the EU pushed ahead as it felt that ICAO was dragging its feet on a global standard.

IATA spokesman Antonio Conde said he was confident that ICAO could deliver on a global solution.

He also said the current case was reminiscent of a long-drawn US-EU trade war on aircraft noise rules almost a decade ago.



Dhaka Bank celebrates its 13th anniversary in Dhaka yesterday. To celebrate the occasion Chairman Altaf Hossain Sarkar, former chairman ATM Hayatuzzaman, Vice-chairman Mohammed Hanif, directors Md Amirullah, Aminul Islam, Abdullah Al Ahsan and Matin Uddin Ahmed Barabhuiya, sponsor shareholder Reshadur Rahman and Managing Director Shahed Noman were present.

TRADED ISSUES OF THE WEEK Jun 29 - Jul 03, 2008

Table with columns for Company, FV/ML, Price, Turnover, and other financial metrics. Includes sections for BANK, DSE, CSE, and Other Info.

TRADED ISSUES OF THE WEEK Jun 29 - Jul 03, 2008

Table with columns for Company, FV/ML, Price, Turnover, and other financial metrics. Includes sections for BANK, DSE, CSE, and Other Info.

TRADED ISSUES OF THE WEEK Jun 29 - Jul 03, 2008

Table with columns for Company, FV/ML, Price, Turnover, and other financial metrics. Includes sections for BANK, DSE, CSE, and Other Info.

Market Highlights

Summary table of market highlights including DSE All Share Index, DSE General Index, and CSE All Share Index with percentage changes.