

International Business News

IEA sees easier oil market conditions in 2009

AFP, Paris  
Tension on oil markets is set to ease early next year amid a US slowdown, the IEA forecast on Thursday, noting strong output by OPEC this year.  
The International Energy Agency said that despite uncertainty on the length of the US downturn, demand in advanced countries seemed to be on a weaker trend although it forecast a global increase in demand of 1.0 percent next year.  
"Superficially the risks to demand appear to be on the downside," the IEA said.  
But the agency cautioned that demand for oil would remain robust in Asia, the Middle East and Latin America, fuelled by vibrant economic momentum and continued low fuel prices.  
On the supply side of the equation, the IEA found that production by the Organization of Petroleum Exporting Countries (OPEC) in the last nine months is "well ahead" of the same period last year.

India imposes maximum anti-dumping measures: WTO

PTI, New Delhi  
India imposed the maximum measures and ordered the highest number of probes into dumping of goods from different countries, including China, during July 1 to December 31, 2007, a WTO report has said.  
"Concerning application of new final anti-dumping measures, India with 16 reported the largest number during the second half of 2007, twice the number it reported (8) during the corresponding period of 2006", the report said.  
India was followed by Brazil, which reported eight new final measures, China and the European Communities (seven each) and Colombia (four). Compared with the figures reported during the second half of 2006, these represented increase for Brazil, Colombia, Costa Rica, India, New Zealand, and Thailand and decrease for China, Egypt, Israel and Turkey.  
India also topped the list for initiating the highest number of probes, at 31 into dumping of goods from other countries during the second half of 2007.

Plunge in FDI into Philippines

AFP, Manila  
Foreign direct investment in the Philippines plunged 43.5 percent from a year earlier to 820 million dollars in the four months to April, the central bank said Thursday.  
April's figure, however, rose more than four-fold from a year earlier to 269 million dollars, a central bank statement said.  
The four-month drop was "due to the generally sluggish economic growth in major investor countries, particularly the United States, and the prevailing cautious investor sentiment amid global uncertainties," it said.  
Investments came mainly from Japan, Singapore, Germany, Malaysia, the United States and South Korea, the central bank said.



AFP  
Audi India Managing Director Benoit Tiers poses with the Audi A4 motor-car during the launch in Mumbai on July 10, 2008. Audi, the German luxury car manufacturer, launched its new Audi A4 sedan which offers a new technical concept combined with a powerfully dynamic design. The prices for the new Audi A4 start at 29,00,000 INR (USD 67 thousand).

ECB repeats warning on inflation

AFP, Frankfurt  
The European Central Bank warned on Thursday that inflation would stay clearly above its target for longer than expected.  
And it said it had raised its main lending rate to 4.25 percent last week to prevent price rises from spiralling out of control.  
Eurozone inflation that hit a record 4.0 percent in June would remain far above the bank's target of just below 2.0 percent "for a more protracted period than previously thought," the central bank said in its monthly bulletin for July.  
Its wording reiterated comments made by ECB president Jean-Claude Trichet at a press conference on July 3, when the bank raised its key short-term interest rate to prevent what it calls second-round effects, when wages and consumer prices rise to compensate for spikes in the cost of energy and food.

ENTERTAINMENT INDUSTRY

FM radio: The latest craze



(left) Two radio jockeys at Radio Foorti conducting a musical programme and (right) a group of students on Dhaka University campus passing their time enjoying FM radio programmes.

SAYEDA AKTER  
You can't avoid them. From the car and buses you are travelling on or your mobile handset, and also from tea stall to your home, the humming of radio jockeys of different FM radios are drawing your attention with songs, traffic updates and many more.  
The programme contents of those are also well-planned to meet your instant requirements, ranging from the brief description of traffic situation of city's prominent points, hourly updates of national and international news and variety of songs.  
Musical programmes run all day long, where songs, ranging from Bengali songs of yester days to latest hip hops, are played at the SMS requests from thousands of listeners.  
In fact, the present radio industry has revived its old glory, which was mired by the satellite channels and stylish music devices that won people's heart, especially the urban ones.  
The FM radio renaissance has gripped the whole South

Asian region with around hundreds of radio channels flourished in recent years.  
FM means the frequency module a radio actually covers. Its level ranges from 88 MHz to 108 MHz and the frequency generally covers one kilometre around any centre of a radio station.  
There are three FM radio stations now in operation in the country: Radio Today, Radio Foorti and Radio Amar. However, yet another FM radio will be launched this month, an evidence of the industry's boom and popularity.  
But it was not too easy to launch such a radio station in the era of satellite culture. This reflects in what Rafiqul Haque, a pioneer of the country's maiden private FM radio, put his experiences in words:  
"It was tough to even think of launching a full time radio when satellite channels and different music devices are so popular."  
The chief executive officer (CEO) of Radio Today said although the government gave the go-ahead in late 2002, he started his journey in 2006 with an investment of Tk 4.5

crore. At that time, he was discouraged by all of his friends and family members to take the risk.  
"But, I had a strong belief that people would not let me down, if I could present it in an interesting way, because we had a long tradition of radio in this region," Rafiq added.  
He also pointed to the fact that radio has a strong power to reach out to the people of different class and age, while other media don't have.  
He said, "Even blind and illiterate people can enjoy radio programmes and learn a lot."  
In late 2005, the government gave permission to set up three more new frequency modulation (FM) band radio channels. These are Radio Foorti, Radio Amar and ABC Radio.  
In May 2006, Radio Today started its test transmission with songs and news and views items.  
Later, in a few months, its full time commercial broadcasting kicked off.  
In September of the same year, Radio Foorti started its test transmission with full

contents of entertainment, except presenting the news. In 2007, Radio Amar went for commercial broadcasting.  
And soon those have been able to make the populace feel their presence with a variety of programmes and presentation. Among their listeners are the urban people of all ages and classes, from teenager to middle age housewives, corporate executive to night guards.  
Echoing the Radio Today CEO's view on the reasons for the popularity of FM radio, Zahidul Haque Apu, a popular radio jockey and station producer of Radio Foorti, said public response is a boon for the industry.  
"You can enjoy radio programmes when you drive, cook, read or even write something. So it is more friendly than other vehicle of the media," he argued in favour of radio.  
"At the same time, as yet switching options are not several, as radio channels are limited. So, it is also a factor that helped the industry keep going," Zahid added.  
The recent economic

growth has also developed a market for radios, with customers they are prepared to battle for.  
"The growth in radios was fueled by the advertising market, as radio ads are cheaper than those in any other media," said Rafiqul Haque, adding that radios are now a more convenient ad vehicle.  
According to a research conducted by the Bangladesh Brand Forum, radio is the fourth largest advertising vehicle with four percent of the total expenditure, which accounts for around Tk 40 crore a year.  
Industry insiders said another source of income of these radios is revenue from SMS.  
Apu of Radio Foorti said they receive around 12 thousand SMS a day, but the figure reaches a lakh on any special occasion.  
Radio gets 60 percent of revenue from each SMS, the rest goes for the telecom operators, he said.  
Such development also increased the sales of radio sets and mobile handsets with radio options, according to the

industry people.  
The industry employs a good number of skilled people every year.  
The popular radios are now concentrating on widening their networks to different divisions.  
In March, Radio Foorti opened its branches in Chittagong and Sylhet, while Radio Today already started operation in Chittagong.  
The industry now flourishes very fast with around 20 percent growth per annum, say industry experts.  
While the business turns profitable, there are more radios now on the way to join the rally.  
ABC Radio, the latest entrant in the industry, awaits its test transmission started with full arrangement of entertainment and news by the month-end.  
Sanaullah Lavlu, head of News and Programme of ABC Radio, said, "As FM radio has already created a market, if one could present quality programme, certainly it will succeed."  
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CLOTHING

Battle for fashion heats up in China

ANN/CHINA DAILY  
The fight for customers in the young professional market segment between several large international fashion chains and numerous local boutiques in Shanghai is coming to a head as economic uncertainties are threatening to shrink consumer spending.  
In the past several years when the stock market was going through a spectacular bull run, the foreign fashion chains, represented by Zara, Hennes & Mauritz (H&M) and C&A, made tremendous inroads into the Shanghai retail market, winning over many loyal customers among the young professional women in the city.  
Sales at Zara, a trendy apparel chain run by Spanish Inditex, has seen rapid growth since it established its first store in the city in 2006. "Growth rate of sales (at Zara in China) is more than double the growth average of the group, which underlines the remarkable importance of China," said Jesus Echevarria, chief communications officer of Inditex Group, which has reported a jump in the rate of 25 per cent to 1.25 billion

euros (US\$1.97 billion) in net profit in 2007.  
Maggie Zhang, a 26-year-old who works in marketing for a multinational company, is a loyal follower of Zara. She said she is obsessed with the unique European-style design and its wide fashion spectrum. "I personally prefer Zara Women looks. It's fashionable and chic, but fits for office dress code, which beats the most local uniform brands," Zhang said.  
On the same street of Middle Huaihai Road, there lies Europe's second largest garment purveyor, Swedish H&M, which has been running its first mainland store since 2007. It now owns three outlets in Shanghai and four in Hong Kong.  
Most customers are intrigued by its renowned brand name. Yu Xiaochun, a piano teacher in her mid 30s, began to patronise H&M stores after hearing of it from her friends. She spent around 700 yuan for five items in the five-storey outlet. "I heard of this brand from my friends. I am amazed by its casual wear collections, affordable prices, and broad size options." Yu showed her newly purchased bright red-striped tops. "It's

size 14. I'm quite big, most offerings from local shops don't fit me," she added.  
The wide customer plaudits give more incentives to those cut-price garment makers. European fashion chain C&A, which has been operating seven stores in Shanghai and Beijing since 2007, underscores its expansion plan. "(We will) roll out C&A's retail format to some provincial capitals in China before the spring of 2009," said its communication officer.  
Enchanted by China's young people, the budget brands, however, gives a punch on small local boutiques.  
Unlike foreign outlets, which often have crowds of shoppers, Zhou Youqing's fashion house in Xinle Road, next to the sleek Middle Huaihai Road, is quite unruffled. This 40-sq-m unnamed boutique, has been going through lean times since H&M moved into the neighborhood in 2007. "We have been operating here for almost seven years, but saw customer flows decreasing during the first few months after H&M opened its gate, in particular at weekends. The monthly sales revenue had



An outlet of fashion brand Zara in Shanghai. The fight for customers between large international fashion chains and local boutiques in Shanghai is coming to the fore.

about a one-digit per cent drop," Zhou said.  
Then she decided to fight back by cutting prices and beefing up the clothes cycle. "We make smaller-size apparel with Korean and Japanese

styles, which meet oriental women's needs with slimmer figures, and differentiate our store from the European clothes giants. And our prices have been trimmed down by up to a few hundred yuan."

Zhou's strategies worked and is now seeing climbing customer flows. "But the profit progress was minor, as customers are now tightening the purse strings when it comes to fashion."