

# Star Business

DHAKA FRIDAY AUGUST 29, 2008

## Stocks

DGEN  $\Delta$  0.08% 2,765.45

CSCX  $\Delta$  -0.09% 5,609.41

## Asian Markets

MUMBAI  $\Delta$  1.74% 14,048.34

TOKYO  $\Delta$  0.12% 12,768.25

SINGAPORE  $\Delta$  0.52% 2,691.00

SHANGHAI  $\Delta$  0.34% 2,350.14

## Currencies

Buy Tk Sell Tk

USD 68.20 69.20

EUR 99.29 103.82

GBP 123.57 128.73

JPY 0.62 0.65

SOURCE: STANDARD CHARTERED

## Commodities

Gold  $\Delta$  \$834.30 (per ounce)

Oil  $\Delta$  \$116.93 (per barrel)

## More News

Setting sights on Eid sales



Mohammad Sabir lazes out on a hot summer afternoon at his cosmetics and fashion accessories store at New Market. The 28-year-old is taken by surprise as he is asked if he had a few minutes to spare to comment on the state of business, aspirations and game plans that he held, in anticipation of Eid.

B-4

## International

NTT Docomo to lower fee for Internet-access services

Japan's NTT Docomo Inc will lower fixed monthly fees for packet communication Internet-access services on its cell phones in October in an attempt to counter rivals such as KDDI Corp and SoftBank Mobile Corp.

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## Contact Us

If you have views on Star Business or news about business in Bangladesh, please email us at business@thecitystar.net

# PSI firms to go after 2009

## STAR BUSINESS REPORT

Pre-shipment inspection companies (PSI) will be in existence until the end of next year, as four companies have been reappointed for a period of one year and four months, according to a government decision.

A meeting of the cabinet committee on public purchase yesterday approved a proposal for reappointment of four-PSI companies -- Bureau Veritas, SGS, OMIC and ITS -- until December 2009. The original agreement with the PSI companies will expire this month.

The PSI companies started their operations in Bangladesh in 2001. Over the years, one of the major responsibilities of the PSI companies has been to help the NBR develop the capacity of its customs officials.

"If we could recruit people for the post of the inspector, there would not have been the

"PSI companies will not be necessary after 2009, as the customs department is likely to achieve the required efficiency by that time," Finance Adviser AB Mirza Azizul Islam, who chaired the meeting, told The Daily Star yesterday.

Inefficiency and corruption of the revenue officials have created opportunities for the PSI companies for doing the job that is supposed to be carried out by the customs department.

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"If we could recruit people for the post of the inspector, there would not have been the

need for hiring PSI companies," NBR Chairman Muhammad Abdul Mazid told The Daily Star yesterday.

A section of NBR employees filed cases, as they believed they should be absorbed as inspectors rather than recruiting new ones. As a result of the court cases filed by the employees, NBR has not been able to recruit fresh faces since 1984.

The purchase committee also approved a proposal of the works ministry for awarding a contract for developing land and roads under the proposed Uttara Residential Model Town project.

Installation of power substations in different cities under the privatisation drive by returning them to their respective ministries. These SoEs are: Chittaranjan Cotton Mills, Daulatpur Jute Mills, Service Facilities Centres, Textile Facilities Centre and Khulna Newsprint Mills.

fertiliser factories at a cost of Tk 176 crore and rock sulphur at a cost of Tk 184 crore were also approved by the purchase committee.

Meanwhile, a meeting of the cabinet committee on economic affairs directed the Privatisation Commission for the re-examination of a proposal for privatisation of the state-owned Karnaphuli Rayon and Chemical Mills and Particle Board & Veneer Plant.

The meeting, however, asked the PC to take five state-owned enterprises (SoEs) off the privatisation drive by returning them to their respective ministries. These SoEs are: Chittaranjan Cotton Mills, Daulatpur Jute Mills, Service Facilities Centres, Textile Facilities Centre and Khulna Newsprint Mills.

times make decisions based on rumours instead of analysing company fundamentals.

"Such investor awareness programmes will help the investors to make knowledge-based investment decisions in lieu of rumour-based investment decisions," Siddiqi said.

The entrance of new investors from across the country was due mainly to a steady growth in the capital market during the last couple of years, he said. About two years back, market capitalisation was below \$ 4 billion and at present, it stands at around \$14 billion, he said.

"The investors should be educated about the capital market first and then should make

investment decisions," Siddiqi stressed. "If investors make wise investments, they should be able to profit. Rumour-driven investments are too risky."

IDLC Chairman Anwarul Huq and IDLC Chief Executive Officer and Managing Director Anis A Khan also spoke.

Professor Abu Ahmed of Dhaka University presented the keynote paper at the programme, while IDLC General Manager Arif Khan presented a paper on 'Capital Market Investment'. Former Dhaka Stock Exchange Chairman Imtiaz Husain moderated the awareness programme.

## ADB sets new poverty line for Asia

ANN/THA NATION

Asian Development Bank (ADB) has offered new ways to measure poverty in Asia and Pacific and fixed US\$1.35 a day as a new poverty line for the region.

In a report released on Wednesday, the ADB provided a comparable rates of poverty using price data specific to the Asia and Pacific region, and, critically, to the poor.

The report describes important methodological issues involved in generating international comparable estimates of poverty. "This is a landmark study for two reasons," says Dr Ifzal Ali, ADB chief economist. "For the first time a thorough sensitivity analysis of the internationally comparable poverty estimates has been carried out. Second, a poverty line that is relevant specifically to the Asia and Pacific region has been adopted."

The new poverty line, called the Asian Poverty Line, is roughly \$1.35 a day. A person who earns less than \$1.35 a day is considered a poor.

"While the \$1-a-day poverty line remains an appropriate benchmark for counting the extent of extreme poverty in Asia, and the developing world more generally, in a region that has witnessed rapid economic growth it might also be time to evaluate poverty incidence using a benchmark that reflects the region's dynamism," says Dr Ali. A major contribution of the report is to examine the sensitivity of poverty estimates to different methods for evaluating purchasing power parities (PPP). PPPs are conversion factors that ensure a common purchasing power over a given set of goods and services.

"PPPs are one of the most vital ingredients in generating internationally comparable estimates of poverty," says Dr Ali.

## Deeper coordination to curb money laundering AGP team stresses



David Shannon, leader of a team of Asia Pacific Group on Money Laundering, attends a recent meeting with senior officials of the FBCCI.

## STAFF BUSINESS REPORT

A team from the Asia Pacific Group (APG) on Money Laundering that wrapped up its assessment of Bangladesh said yesterday that the central bank and related ministries must have better coordination in controlling money laundering.

Shannon said Bangladesh has made a lot of efforts to combat money laundering, but the country still has a long way to go.

The APG team held meetings with the officials of Bangladesh Bank and ministries, Anticorruption Commission, customs and law-enforcement agencies.

"We are working in close contact with Bangladesh Bank and many other agencies," Shannon said.

"Developing and developed -- every country faces many challenges when they go after the money and the funds that finance terrorism."

The APG team said it would continue dialogue with authorities here and produce a report to be made public sometime next year.

# Wise up to stock market: SEC

## STAR BUSINESS REPORT

The Securities and Exchange Commission yesterday urged merchant bankers and brokerage houses to organise regular awareness programmes for investors to help them make rational investment decisions.

At least one lakh new investors have entered the capital market in the last two years and most of them have no clear knowledge about the market and investment tools and techniques, said Faruq Ahmad Siddiqi, chairman of the SEC.

In most cases, the capital market regulator said, investors some-

times make decisions based on rumours instead of analysing company fundamentals.

"Such investor awareness programmes will help the investors to make knowledge-based investment decisions in lieu of rumour-based investment decisions," Siddiqi said.

The entrance of new investors from across the country was due mainly to a steady growth in the capital market during the last couple of years, he said. About two years back, market capitalisation was below \$ 4 billion and at present, it stands at around \$14 billion, he said.

The SEC chief addressed the

launching ceremony of 'Investors' Awareness Programme' co-organised by IDLC Finance Limited and IDLC Securities Limited in Dhaka.

Siddiqi said investors, especially amateurs, have to be well-informed before investing in securities. "They must know when an investment decision should be taken, when shares should be sold, how to analyse a company's financial statement, and figure out its price earnings ratio, net asset value and earnings per share," he said.

"The investors should be educated about the capital market first and then should make

investment decisions," Siddiqi stressed. "If investors make wise investments, they should be able to profit. Rumour-driven investments are too risky."

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# Asean concludes free trade deal with India

AFP, Singapore

Southeast Asian nations have concluded a deal for free trade in goods with India, ministers said Thursday, in a development hailed as a key regional milestone after hard negotiations.

The agreement between the Association of Southeast Asian Nations (Asean) and India, its seventh-largest trading partner, covers billions of dollars in trade and a market of 1.7 billion people.

Singapore's Minister for Trade and Industry Lim Hng Kiang and India's Minister for Commerce and Industry Kamal Nath announced the deal during an Asean meeting in the city-state.

Nath expressed India's "deep satisfaction" at the conclusion of the pact, which followed six years of talks.

"This is an important milestone for our region," he said.

Asean and India have set a target for total trade to reach 50 billion US dollars by 2010 from 38 billion dollars currently, Nath added.

The Southeast Asian bloc of about 550 million people is forging free trade pacts with key regional economies, including China and India, to ensure it does not become economically sidelined.

Asean itself aims to achieve a single market and manufacturing base by 2015.

Senior officials agreed on the Asean-India pact earlier this month during a meeting in Brunei, but it was only sealed this week at the Singapore meetings.

The deal is to be signed at Asean's Bangkok summit in December. It covers contentious products like crude and refined palm oil, coffee, pepper and tea, but also excludes 488 items from tariff cuts.

Lim said the excluded items represent five percent of annual trade value and are "not a very significant number."

The agreement was supposed to have been concluded last year, but talks became bogged down by differences over products that India wanted excluded from tariff cuts.

New Delhi had submitted a list of 1,414 products, while Asean's target number was 400.

India adopted a free-market economy in the early 1990s and was keen to expand trade ties with Asean, but it also wanted to protect sensitive sectors such as agriculture and textiles, which provide livelihoods for millions.

"It took a long time understanding the sensitivities of all the countries within the Asean and for the Asean countries to understand India's sensitivities," Nath said.

Lim, the Singapore trade minister, said it was not easy for India to deal with Asean's 10 diverse states, but "respecting our sensitivities and exercising flexibility" sealed the deal.

Nath said India's trade with Asean is 9.6 percent of his country's global trade, while trade with India is only two percent of Asean's global trade.

Asean, Australia and New Zealand also announced Thursday that they had concluded talks on comprehensive free trade deals.

## নিউজিল্যান্ড ডেইরী প্রোডাক্টস বাংলাদেশ লিঃ সম্পর্কে সম্প্রতি বিভিন্ন পত্রিকায় বিভিন্ন মূলক সংবাদ প্রকাশ ও প্রচারের প্রতিবাদ।

এ বিষয়ে সংগৃহি করেক্ট ডেনিক পত্রিকায় মুক্তি দেওয়া হয়েছে তাতে আমাদের মতে নিউজিল্যান্ড ডেইরী প্রোডাক্টস বাংলাদেশ লিঃ অত্যন্ত ব্যাপক ও মর্মান্ত হয়েছেন। আমাদের মতে এ দেশে ব্যবসা বাণিজ্য ও শিল্প বিকাশে দীর্ঘদিন যাবৎ অত্যন্ত তরঙ্গপূর্ণ ভূমিকা পালন করে আসছে। তাহাদের পথে ভোজা সাধারণের মাঝে দারুন জনপ্রিয়তা ও গ্রহণযোগ্যতা লাভ করেছে।

নিউজিল্যান্ড ডেইরী প্রোডাক্টস বাংলাদেশ লিঃ অত্যন্ত ব্যাপক ও মর্মান্ত হয়েছে তাতে আমাদের মতে নিউজিল্যান্ড ডেইরী প্রোডাক্টস বাংলাদেশ লিঃ এবং বিভিন্ন মূলক সংবাদ পত্রিকায় মুক্তি দেওয়া হয়েছে। আমাদের মতে নিউজিল্যান্ড ডেইরী প্রোডাক্টস বাংলাদেশ লিঃ এবং বিভিন্ন মূলক সংবাদ পত্রিকায় মুক্তি দেওয়া হয়েছে।

এ বিষয়ে সংগৃহি করেক্ট ডেনিক পত্রিকায় মুক্তি দেওয়া হয়েছে তাতে আমাদের মতে নিউজিল্যান্ড ডেইরী প্রোডাক্টস বাংলাদেশ লিঃ অত্যন্ত ব্যাপক ও মর্মান্ত হয়েছে। আমাদের মতে এ দেশে ব্যবসা বাণিজ্য ও শিল্প বিকাশে দীর্ঘদিন যাবৎ অত্যন্ত তরঙ্গপূর্ণ ভূমিকা পালন করে আসছে। তাহাদের পথে ভোজা সাধারণের মাঝে দারুন জনপ্রিয়তা ও গ্রহণযোগ্যতা লাভ করেছে।

নিউজিল্যান্ড ডেইর