

## Stocks

DGEN	▲ 1.42%	2,868.11
CSCX	▲ 1.58%	5,739.35

## Asian Markets

MUMBAI	▼ 3.92%	9,771.70
TOKYO	▼ 2.46%	8,460.98
SINGAPORE	▼ 4.14%	1,745.67
SHANGHAI	▼ 1.07%	1,875.56

## Currencies

	Buy Tk	Sell Tk
USD	68.40	69.40
EUR	85.70	90.31
GBP	109.13	114.21
JPY	0.70	0.74

SOURCE: STANDARD CHARTERED

## Commodities

Gold	▼ \$727.62	(per ounce)
Oil	▼ \$68.12	(per barrel)

SOURCE: AFP

(Midday London Trade)

## More News

### Women stand guard



Latifa Begum looked confident with a seemingly everlasting smile on her face when she was frisking well-dressed and beauty-conscious women with an intelligent electronic device at the entrance to a plush beauty salon in the capital.

B-4

### Global crisis fallout depends on longevity of turmoil: BUP

Bangladesh may not face any significant impact of the current global recession if the crisis does not continue for a long period, said Kazi Kholiqzaman Ahmad, chairman of Bangladesh Unnayan Parishad (BUP).

B-3

## International

### Pakistan has not yet requested IMF funding

Pakistan has not yet made a formal request to the International Monetary Fund for cash assistance to help it overcome the current economic crisis, a top finance ministry official said Thursday. Pakistan immediately needs up to 4.5 billion dollars to deal with a balance of payments crisis.

B-4

## Contact Us

If you have views on Star Business or news about business in Bangladesh, please email us at [business@thedailystar.net](mailto:business@thedailystar.net)

# Govts shield businesses

## Europe calls for more help from Asia on financial crisis



German Chancellor Angela Merkel (2R) looks on as Chinese Premier Wen Jiabao (3R) talks to German entrepreneurs at the Great Hall of the People in Beijing yesterday, ahead of the Asia-Europe Meeting.

AFP, Paris/Beijing

Governments rolled out fresh measures yesterday to shield businesses and banks from the financial maelstrom as deepening fears of a global recession ensured another battering for stock markets.

As new figures showed cross-border lending by banks had suffered its biggest decline for a decade, French President Nicolas Sarkozy announced a sovereign wealth fund to protect strategically important firms while Britain's government leant on bank bosses to start loosening the purse strings.

The fresh falls came despite an announcement of further measures designed to restore confidence in the finance sector and among consumers.

Japan's central bank said it had injected 600 billion yen (6.2 billion dollars) into the short-term money market while the International Monetary Fund moved to bail out Pakistan, which could need as much as 15 billion dollars to help pay mounting foreign debt.

Governments around the world have unveiled packages over the last month totalling more than three trillion dollars, including loan guarantees and cash injections, to restore confidence to the financial system and reverse a sharp slowdown in lending.

The scale of the slowdown was illustrated by figures from the Bank for International Settlements, the world's biggest central banking body, which showed cross-border lending by



G20 is set to meet on November 15 in Washington for a summit on the global financial crisis.

banks fell 1.1 trillion dollars in the second quarter of 2008.

Banks were also hit by one trillion dollars' worth of withdrawals, particularly by clients in the United States, Britain and Switzerland.

Sarkozy said the events of recent weeks had discredited free-market ideology and showed that economies needed strong state intervention to succeed.

"The ideology of the dicta-

torship of the market ... is dead," he said, in a speech in which he announced that France would set up a sovereign wealth fund to "intervene massively" in companies of national strategic importance.

In Britain, the finance minister was meeting the heads of major banks to urge them to relax their lending conditions for small firms.

Chancellor of the Exchequer Alistair Darling and Business

Secretary Peter Mandelson were expected to tell bank chiefs that they had to help small firms through the looming recession.

Europe yesterday called for greater help from Asia in tackling the "unprecedented" challenges of the global economic crisis, on the eve of a summit in Beijing between leaders of the two regions.

However a diplomatic spat threatened to distract the two-day Asia Europe Meeting (ASEM), after the European Union parliament defied warnings from China and awarded its major human rights award to a prominent Chinese dissident.

With both continents struggling to cope with the worst economic meltdown since the Great Depression, the 43 nations belonging to ASEM were expected to see the two regions agree on tighter cooperation in tackling the turmoil.

"We swim together or we sink together," European Commission President Jose Manuel Barroso said after arriving in Beijing, as he called for Asia and Europe to work together if they were to survive the crisis.

"We need Asia to be on board, and more particularly countries like China, India (and) Japan," he told reporters, outlining the "unprecedented" challenges facing the global economy, under threat of a looming worldwide recession.

## Kingfisher on horizon



An aircraft of Kingfisher Airlines, which aims to fly on Dhaka-Kolkata route by the year-end.

SOHEL PARVEZ

Intense competition is set to land on busy Dhaka-Kolkata air route as India's second biggest private carrier Kingfisher Airlines looks for taking off from Bangladesh within this year.

"We are looking at the possibilities to begin operation from Bangladesh. We are yet to fix any particular date. But we are trying to start by the year-end," a senior official of Kingfisher Airlines in Dhaka told The Daily Star yesterday.

Kingfisher will be the sixth entrant to the Dhaka-Kolkata route after Bangladesh Biman, GMG Airlines, United Airways and India's two other carriers -- Air India Express and Jet Airways.

A concern of India's one of the largest alcohol beverage manufacturers UB Group, the 88-fleet carrier made debut on international routes early September this year.

Leisure travellers and medical treatment seekers constitute bulk of the traffic on the route that witnesses over 200

passengers per day, according to industry insiders.

"We also want to launch flights on Chittagong-Kolkata route," the official of the airline said, adding that Kingfisher is now awaiting approval from the aviation authorities in Bangladesh and India.

"Hopefully we will operate regular flights from Dhaka and Chittagong," he said.

The carrier, which has already appointed a general sales agent (GSA) in Dhaka, now connects 64 cities and operates over 418 flights daily.

Entry of another airline to the route may hurt the carriers' profitability considering the present volume of passengers, said Kazi Wahidul Alam, an aviation industry analyst.

"Travellers have options as bus and train services are available now. Entry of another carrier will benefit the passengers, as they will be able to travel at promotional fares due to increased competition. But ultimately it will affect the airlines," he said.

[sohel@thedailystar.net](mailto:sohel@thedailystar.net)

## BTRC assures PSTN operators of help



### STAR BUSINESS REPORT

The parley between telecom regulator and public switched telephony network (PSTN) operators concluded yesterday with a consensus on formation of a working committee comprising representatives from both the sides to resolve the problems the sector now faces.

"At this moment we are happy that the Bangladesh Telecommunication Regulatory Commission has admitted our problems," reacted a representative of the Association of PSTN Operators of Bangladesh after the meeting.

According to this official of the sectoral trade body, high tax on capital machinery, inter-connection charge, SMS sharing, tax on connection, mandatory rollout and customer acquisition were high on agenda of the meeting.

Since its inception in 2005, the operators have been unhappy over what they said the policy discrimination in the market.

BTRC Chairman Major General (rtd) Manzurul Alam told The Daily Star recently,

"We are aware of the problems in PSTN industry. We will try our best to do what is needed to make a level playing field."

Meanwhile, industry insiders say since the start of operation of the wireless land phone by the private sector three years back, the industry has been struggling to translate its dream of grabbing a major portion of the growing telecom market.

Operators blame the regulator's discriminatory policies for the hindrance to their business growth.

Not a single landline operator has yet touched breakeven, they said. As of September 2008, the 11 private landline operators added only 4.5 lakh to the total 13.26 lakh subscription base. The state-run Bangladesh Telecommunications Company Ltd (BTCL) holds the lion's share in this base.

The private PSTN industry has so far invested an amount of Tk1500 crore.

"We are not so big. It does not mean we are on the wane," said a leading operator, urging the telecom regulator to go in a way so that everyone sustains in the market.

## Two merchant banks' licences cancelled

### STAR BUSINESS REPORT

The stock market regulator yesterday scrapped licences of two inactive merchant banks in a move to discipline the rogue ones, with immediate effect.

The Securities and Exchange Commission also set December 31 as the deadline for three merchant banks, which are also inactive, to start their operations, SEC officials said.

The two merchant banks who faced licence cancellation are First Securities Services Ltd and Rasmit Securities and Management Limited.

The two failed to accomplish the licensing conditions with regard to merchant banking, said Farhad Ahmed, executive director of SEC.

Responsibilities of full-fledged merchant bank include underwriting, issue management and portfolio management in the capital market.

As per the licensing conditions, a merchant bank in a calendar year has to form at least five portfolios in addition to its own portfolio and be underwriter for at least two public issues or manage at least one public issue.

On the other hand, a merchant bank having only an issue manager licence has to manage at least one public issue in a year and submit the necessary documents to the SEC.

With the cancellation of the two merchant banking licences, the number of merchant banks now stands at 28, according to the SEC.

The merchant banks who got a new deadline for starting operations are Pangaea Partners (BD) Ltd, Prime Securities and Financial Services Ltd and Mercantile Securities Limited.

Earlier in 2006, the SEC scrapped merchant banking licence of the Equity Valuation Research and Distribution Ltd.

GE Energy

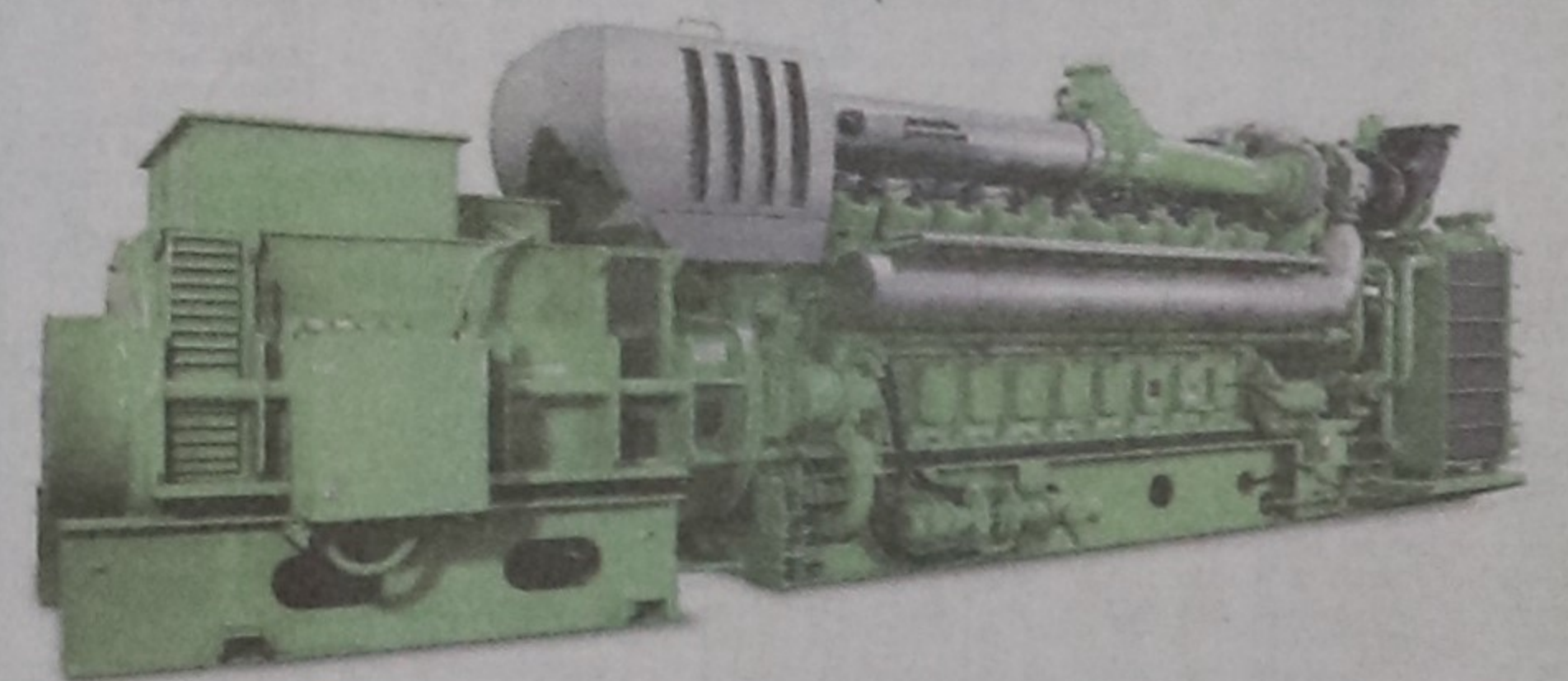
# Generating power and heat, wherever you need it.

Highly reliable and efficient power supply with Jenbacher original gas engines.

It's a simple idea, really: If you can't get to the power, let the power come to you.

Our combined heat and power plant (CHP) uses advanced technology to provide a highly efficient and reliable power supply - even in the most remote locations. Jenbacher gas engines range in power from 0.25 to 3 MW. Our products are running worldwide - more than 250 MW sold in Bangladesh. And since we also offer global service execution, our commitment goes beyond designing the best available technology.

To find out more about our innovative gas engines, please visit [www.gejenbacher.com](http://www.gejenbacher.com)



GE imagination at work

GE Energy  
Jenbacher gas engines Austria (Headquarters)  
6200 Jenbach  
T +43 5244 600-0  
F +43 5244 600-527  
[jenbacherinfo@ge.com](mailto:jenbacherinfo@ge.com)

Authorized Distributor & Service Provider Bangladesh  
ORIENT Energy Systems Ltd.  
T +88 02 8861638 & +88 02 8857355  
F +88 02 8826530  
[info.bd@orient-power.com](mailto:info.bd@orient-power.com)  
[www.orient-power.com](http://www.orient-power.com)