

Stocks

DGEN 0.61%
2,676.83

CSCX 0.86%
5,332.42

Asian Markets

MUMBAI Closed

TOKYO 5.25%
8,238.64

SINGAPORE 1.60%
1,755.47

SHANGHAI 3.68%
1,927.61

Currencies

	Buy Tk	Sell Tk
USD	68.25	69.25
EUR	83.43	88.00
GBP	100.28	105.24
JPY	0.71	0.75

SOURCE: STANDARD CHARTERED BANK

Commodities

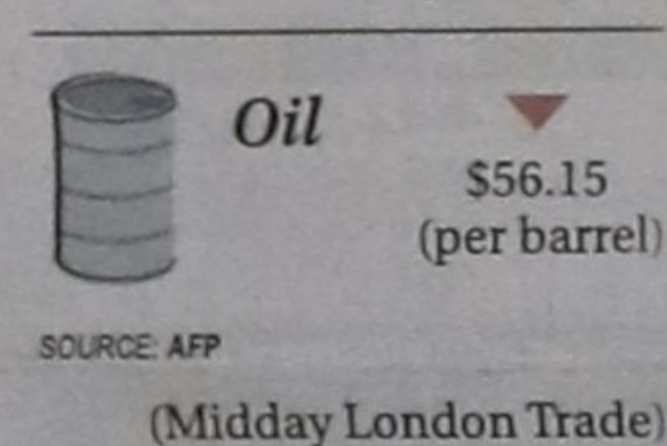
Gold \$714.97 (per ounce)

Oil \$56.15 (per barrel)

SOURCE: AFP (Midday London Trade)

More News

Going retro in fashion



Sometimes even traditional fashion designs can be surprisingly successful if it can be highlighted properly to the right customers, at the right time and in the right places.

B-4

Businessmen seek help over price fall

Businessmen yesterday sought help from the government to tackle fallout from a slump in global commodity prices, as they feared decreasing prices would hit their businesses hard. The request came from a meeting of a business delegation, led by Annisul Haq, FBCCI president, with Finance Adviser AB Mirza Azizul Islam at his ministry yesterday.

B-3

International

US abandons plan to buy toxic assets

The US government has abandoned plans to buy up the toxic mortgage assets at the heart of the global financial crisis, a reversal that helped send ailing world markets spiralling even lower.

B-4

Contact Us

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

Jet fuel sales post 22pc rise

SOHEL PARVEZ

Jet fuel sales marked a 22 per cent increase to nearly 277,000 tonnes in the last fiscal year from 226,317 tonnes a year ago, thanks to entry of a number of local and foreign airlines over the last one and a half years.

"We had an excellent growth in sales last year as a number of local and foreign carriers have started operation from Bangladesh," said Ahmed Jamal, managing director of Padma Oil Company Ltd, one of the petroleum marketing companies of Bangladesh Petroleum Corporation.

Since January 2007, at least three international carriers -- Air Arabia, RAK Airways and Jet Airways -- and three local airlines -- United Airways, Best Air and Aviana Airways -- entered Bangladesh's aviation market.

The market is now growing by around 8 per cent a year on the back of regular flow of Bangladeshi workers to the Middle East countries, Malaysia and other parts of the

world.

Now about 25 local and foreign airlines operate from Bangladesh on various global routes, while some new carriers such as Kingfisher Airlines of India and Malaysia budget carrier AirAsia are expected to fly from Dhaka.

Seven airlines are also carrying cargos from Dhaka to facilitate overseas trade of garments, fruits and vegetables.

Padma Oil, the sole supplier of jet fuel in Bangladesh, posted such a growth in sales after it witnessed steady fall in the previous two fiscal years. Sales dropped by 6 per cent to 2,38,281 tonnes in fiscal year 2005-06 from 2,53,551 tonnes a year ago.

In FY2006-07 total sales fell to 226,317 tonnes, Padma Oil said.

Ahmed Jamal attributed the drop in sales in the last two fiscal years to the decline in consumption by Biman Bangladesh Airlines.

"It seems that Biman's fuel consumption fell due to its aircraft shortage during that

period," said the official of Padma that offers refuelling facilities through two jet fuel stations in Dhaka and Chittagong.

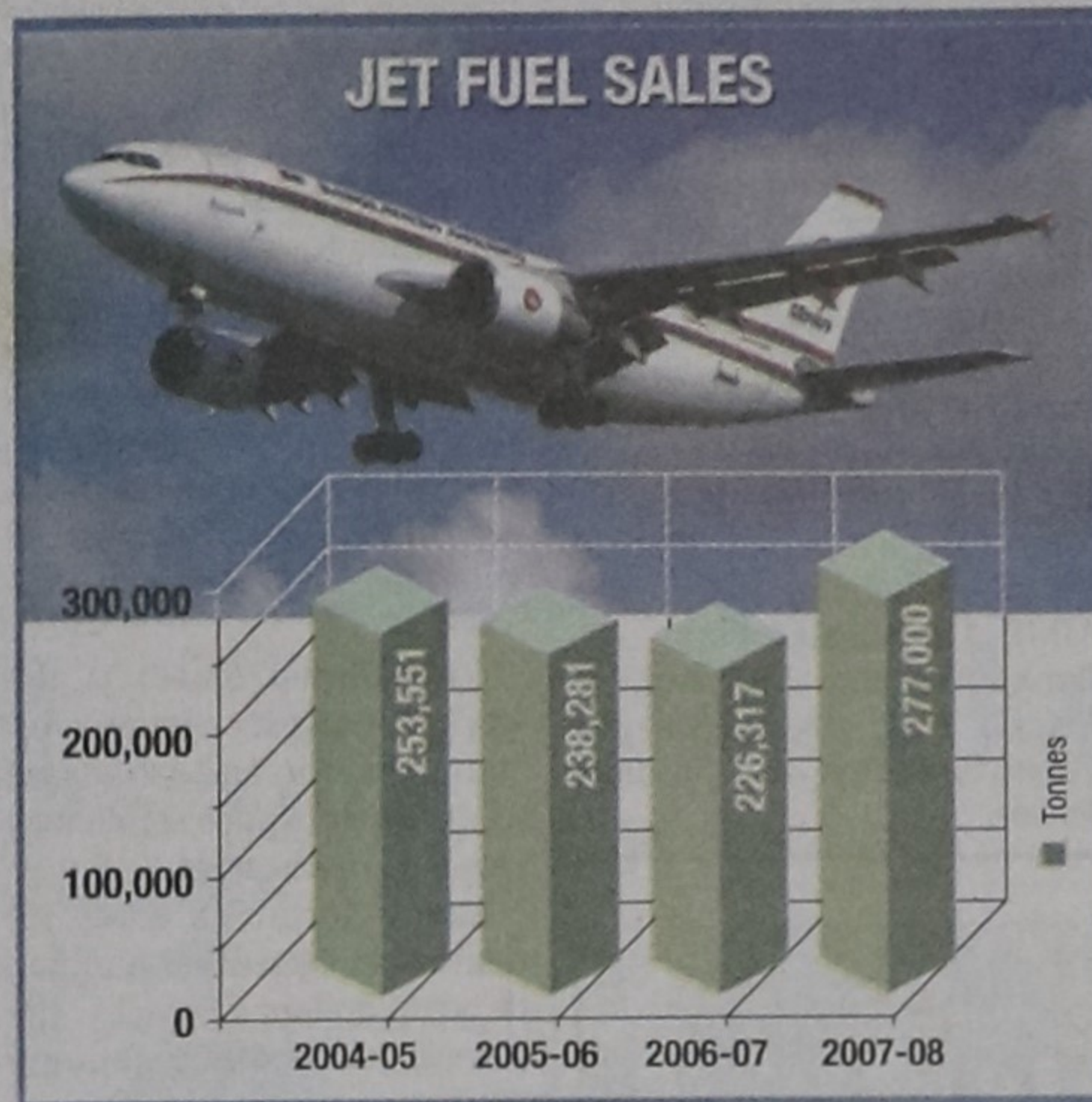
Officials of Padma Oil however said jet fuel consumption began to increase since 2002 after the government set up a three-kilometre underground pipeline to supply fuel to aircraft at Zia International Airport.

"We are planning to extend the underground pipeline further to help refuelling. We also want to improve our services," Jamal said.

Hopeful about a steady increase in jet fuel sales, Jamal however said such a jump in sales as seen in the last fiscal year might not happen in future.

"It all depends on whether Civil Aviation Authority will allow more airlines to come," he said.

Hanif Zakaria, area manager of Emirates, one of the leading carriers in Bangladesh's aviation market, said Emirates has been purchasing fuel from local market for the last 20 years.



He however said fuel price is higher here compared to that in some other countries in Asia.

"We don't face any major problem except occasional delays in refuelling. It sometimes delays our departure," he said, referring to inadequate refuellers or tank lorries.

A Biman pilot, seeking anonymity, however said refuelling service here is good. He suggested upgradation of equipment for faster refuelling.

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All eyes on G20 as recession deepens

Washington summit set for a start

AFP, New York

US President George W Bush said Thursday that world leaders will "lay the foundation for reforms" at global economic crisis talks this week but said the effort was "too large" for just one summit.

"The leaders attending this weekend's meeting agree on a clear purpose: To address the current crisis, and lay the foundation for reforms that will help prevent a similar crisis in the future," he said in a prepared speech.

"We also agree that this undertaking is too large to be accomplished in a single discussion. So this summit will be the first in a series," Bush said as the Group of 20 readied for Friday and Saturday talks in Washington.

But Germany and other leading economies are plunging into recession, data showed on Thursday as stock markets and the euro dropped.

The news that the awaited recessionary blast is now sweeping deep into advanced

economies overtook preparations by leading policymakers for talks in Washington on halting the damage and tightening up the globalised economy.

In Germany, the biggest European economy and number three worldwide pitched officially into recession as output contracted for the second quarter running.

In Paris, the OECD's director of economic policy studies, Joergen Elmeskov, told media that "the OECD as a whole is currently in recession and will likely stay there for some time."

Most global stock markets were lower, the euro retreated against the dollar, and oil prices fell to a three-and-a-half-year low close to 50 dollars a barrel as the International Energy Agency reported sharply slowing energy demand around the globe.

The big emerging countries that are now the main pillars of world economic growth are looking to push their way into seats next to the rich nations' club at the G20 summit in Washington.

Japan firm buys low-end clothes from Bangladesh

JASIM UDDIN KHAN

Japanese clothing giant Fast Retailing Co, mostly known by its brand name Uniqlo, has recently started outsourcing low-end products from Bangladesh to boost its sales worldwide.

The company plans to treble its overseas sales within the next two years through selling cheap garments amid global financial recession when consumer confidence is drifting into low.

The company's new business plan to brace for low-cost management, and the shortest and cheapest manufacturing and marketing strategy has led it to Bangladesh, a high official of Fast Retailing said.

It has opened its local office in Dhaka in September this year.

The company will also start outsourcing home furnishings and fashion accessories from Bangladesh soon, said Koji Yamamoto, an official of Fast Retailing Co in Dhaka.

Besides Uniqlo, such global retail giants as GAP, Wal-Mart, JCPenney, Hennes & Mauritz and NEXT are already operating in the country.

A high official of Fast Retailing said Bangladesh would be the Uniqlo's outsourcing partner to supply clothes both to its Japanese retail shops and other overseas



A Uniqlo showroom in Japan.

outlets in India and Russia.

"Uniqlo is market leader for low-cost clothes in Japan. As the income of Japanese consumers is going down, they are opting much for low-end products. Bangladesh can be the premium outsource destination for such low-cost products," said President of the company Tadashi Yanai recently.

He said the balance of power in the global economy is having an impact on fast growing and developing economies such as China, India and Bangladesh.

"Now you can't expand globally without having production bases in countries like Bangladesh, Vietnam and India."

Uniqlo provides fashionable, high quality, basic casual clothes that anyone can wear anytime anywhere, and always

at the lowest possible market prices, said Yamamoto.

This concept of an unwavering focus on quality and value has guided Uniqlo actions since the establishment of its first store in 1984 in Hiroshima, Japan, the official added.

Today Uniqlo has grown to over 760 stores worldwide and is a household name in Japan, said Yamamoto.

From T-shirts and sweaters to denim, outerwear and trend items, all of the clothes are made according to exacting Japanese standards for quality and come in a variety of colours and styles, according to the official.

Uniqlo now is looking to boost its appeal through development of more large-format stores with shop floors of 1,650 sqm to 3,300 sqm.

Ferries handed to Mozambique

STAR BUSINESS REPORT

Ananda Shipyard and Slipways Ltd (ASSL), one of the biggest local shipbuilders, yesterday handed over six ferries and boats to the Mozambique government.

"We are extremely happy to have built these ships for the people of Mozambique. The construction of these vessels is yet another milestone for us after we delivered 'Stella Maris' earlier to a Danish buyer," said Afruja Bari, managing director of ASSL.

ASSL handed over the vessels at a function at its shipyard at Meghnaghat, Narayanganj. On the same occasion, the company also inaugurated plate cutting and keel laying for a total of four 5,500-dwt (dead weight tonnage) ships for a German company.

Shipping Ministry Adviser Maj Gen (retd) MA Matin, Danish Ambassador Einar H Jensen and German Ambassador Frank Meyke spoke at the function among others.

Atanasio Francisco, a representative of the Mozambique government, received the vessels from the company, which has so far bagged orders worth \$373.50 million for building 34 vessels for European and African buyers.

The company has already received about \$38.54 million



A vessel built for Mozambique lies anchored yesterday.

in advance from its buyers, it said.

Another local shipbuilder, Western Marine Shipyard, has also got orders for making 17 ships for European buyers, which altogether pushes the value of the total orders to \$500 million, stakeholders said.

Cost competitiveness, technical know-how, skilled manpower and communication skill of the local shipbuilders helped them get these orders.

MA Matin said the government has declared shipbuilding a thrust sector and accorded the green channel

facilities of clearing goods for the 100 per cent export oriented shipyards.

Referring to the demands of the shipbuilders such as 30 per cent cash subsidy and waiver of bank guarantee against import of raw materials to build vessels, Matin said his ministry would take the issue to the chief adviser for consideration.

The Danish ambassador said the ship delivered earlier by ASSL is performing well.

"The world is closely watching (Bangladeshi shipbuilding industry)," he said, citing foreign ship owners and investors.

He suggested framing regulations to help develop the

sector. The German envoy stressed timely delivery of ships. "It will reflect the reliability of Bangladeshi companies and their dedicated workers."

Correction

A November 11 news story, headlined "Rough ride for leather exporters", mistakenly referred to Tipu Sultan as president of Bangladesh Finished Leather, Leather Goods and Footwear Exporters Association. In fact, Sultan was its former chairman. The chief of the association is chairman, not president. We regret the mistake.

REHAB fair sales may cross Tk500cr

STAR BUSINESS REPORT

The REHAB fair yesterday experienced a crowd of customers who showed much more interest in buying both apartments and plots, which, according to organisers, might help surpass their last year's sales record of around Tk500 crore.

The five-day exposition, where developers showcase their services and products annually, started Tuesday at the Bangladesh China Friendship Conference Centre in the capital.

A total of 187 members of the Real Estate and Housing Association of Bangladesh (REHAB) are taking part in the fair.

"Although most customers show interest in flats, a big number of them are looking for plots as many consider a piece of land as a future investment because of the rising prices of

lands in and around the capital," said Nazrul Islam, marketing manager of Tanik Kunja Housing Prokhalpo.

Islam further said he has so far received bookings for 30 plots of his 200-plot project located near Jatrabari. "Prices of per katha of land of my project range from Tk 7 lakh to Tk 8 lakh," he added.

According to developers, the low-income group, who cannot afford to buy flats in Dhaka at a price ranging from Tk 40 lakh to Tk 50 lakh, buy plots at a cost between Tk 15 lakh and Tk 30 lakh in the suburbs.

"Generally customers buy apartments to live in, but most of the time they buy plots to construct building or home in future," said Sharif Hossain Bhuiyan, assistant general manager of Sheltech.

Sheltech has offered a 10 per cent discount on booking on its plots located at Ashulia.

Different sizes of plots ranging from 3 katha to 10 katha are selling at Tk 8 lakh-Tk 9 lakh a katha, he said.

Officials of the ICAB Housing Company (Pvt) Ltd said they have announced up to Tk 1.5 lakh discount on each katha of land.

On the response from customers, an official of Hamid Real Estate Construction Ltd, the owning company of Priya Prangan Residential Area at Keraniganj, said, "On the first two days visitors only moved around to make up their minds on buying or booking apartments and plots. But now they have begun buying."

The fair organisers are also upbeat on its success. REHAB President Tanvirul Haque Probal said, "Usually we don't set a sales target for a fair. But this time we are optimistic to surpass last year's sales volume."

Franchisees Invited for International Brands in Bangladesh

Etcetera Bangladesh Pvt. Ltd., a concern of Ascent Group, and an established retail company in Bangladesh is looking for partners to sub-franchise its two international food brands - **Coffee World** and **Pizza Corner** in Dhaka.

Pre-requisites for the Sub-Franchisee are:

- Determination and commitment to be successful
- Ability to invest between BDT 80,00,000 - BDT 1,84,00,000
- Ability to provide/acquire commercial space between 300 sqft - 2000 sqft

Efficient Operation and Control Systems, Training, Supply Chain, Research and Development and Marketing are some of the key areas where ETC will provide support to its partners.

Interested companies are requested to send an application with the following information:

- Name of the company
- Name of the owner/head of the company
- Type of business
- Year of the business establishment
- Number of outlets (if it is a retail business).
- Phone number (both T&T and Mobile)
- Office Address

The application can be sent by hard copy or e-mailed to the following address:

Senior Manager - Internal Development, Etcetera Bangladesh Pvt. Ltd.,
Khawaja Tower, 95, Mohakhali C/A, Dhaka - 1212 Tel: 8852344 e-mail: cwpzc@etceterabd.com