

Garment workers stage demonstration

STAR BUSINESS REPORT

Hundreds of garment workers took to the streets in the city's Maghbazar area yesterday afternoon in protest against non-payment of their wages. The angry protesters put a road barricade for around two hours resulting in severe traffic congestion.

Some persons hired by the owner of Century Garments also beat up five of their fellow workers when they raised their voice against the decision of the authorities, they alleged.

Sapna Begum, a worker, said, "The authorities agreed to pay the salary of half a month when a two-month salary remains unpaid."

"As we protested against it and demanded payment of all of our dues, staffers Selim, Masud, Jalal and several others beat us severely", she said.

At one stage of the demonstration, the factory owner rushed to the factory and assured the employees of settling their payment. Later, the workers left the road free for transport movement.

Romania urged to recruit Bangladeshis

UNB, Dhaka

President Iajuddin Ahmed yesterday said Romania government could contribute more in their economy recruiting skilled and semi-skilled workforces from Bangladesh.

The President also called upon Romanian entrepreneurs to invest in Bangladesh as presently a very congenial investment atmosphere is prevailing in the country.

He welcomed the outgoing envoy and appreciated him for his sincere efforts in further strengthening relations between Bangladesh and Romania during his tenure.

President Iajuddin underscored the need for exchanging visits of trade delegations for increasing volume of trade and commerce between the two countries.



Rubaba Dowla, director of marketing for Grameenphone Ltd, and Habibullah N Karim, president of Bangladesh Association of Software and Information Services, sign a sponsorship deal at Sonargaon Hotel in Dhaka on Saturday. In line with the agreement, Grameenphone is accredited as the key sponsor of the upcoming BASIS SOFTEXPO 2009.

Citi's DCC services from Dec 15

STAR BUSINESS DESK

Citibank NA Bangladesh will formally launch direct custody and clearing (DCC) services in Bangladesh from December 15, according to a press statement.

This will enable Citibank to better support its global clients and channel more foreign portfolio investments into the emerging Bangladesh capital market.

Faruq Ahmad Siddiqi, chairman of the Securities and Exchange Commission, will be the guest of honour at the launching ceremony.

Citigroup, which already launched its investment banking wing in Bangladesh to support the country's growing capital market, has now put its global strength on the arena.

Auto supporter unsure bailout can pass Congress

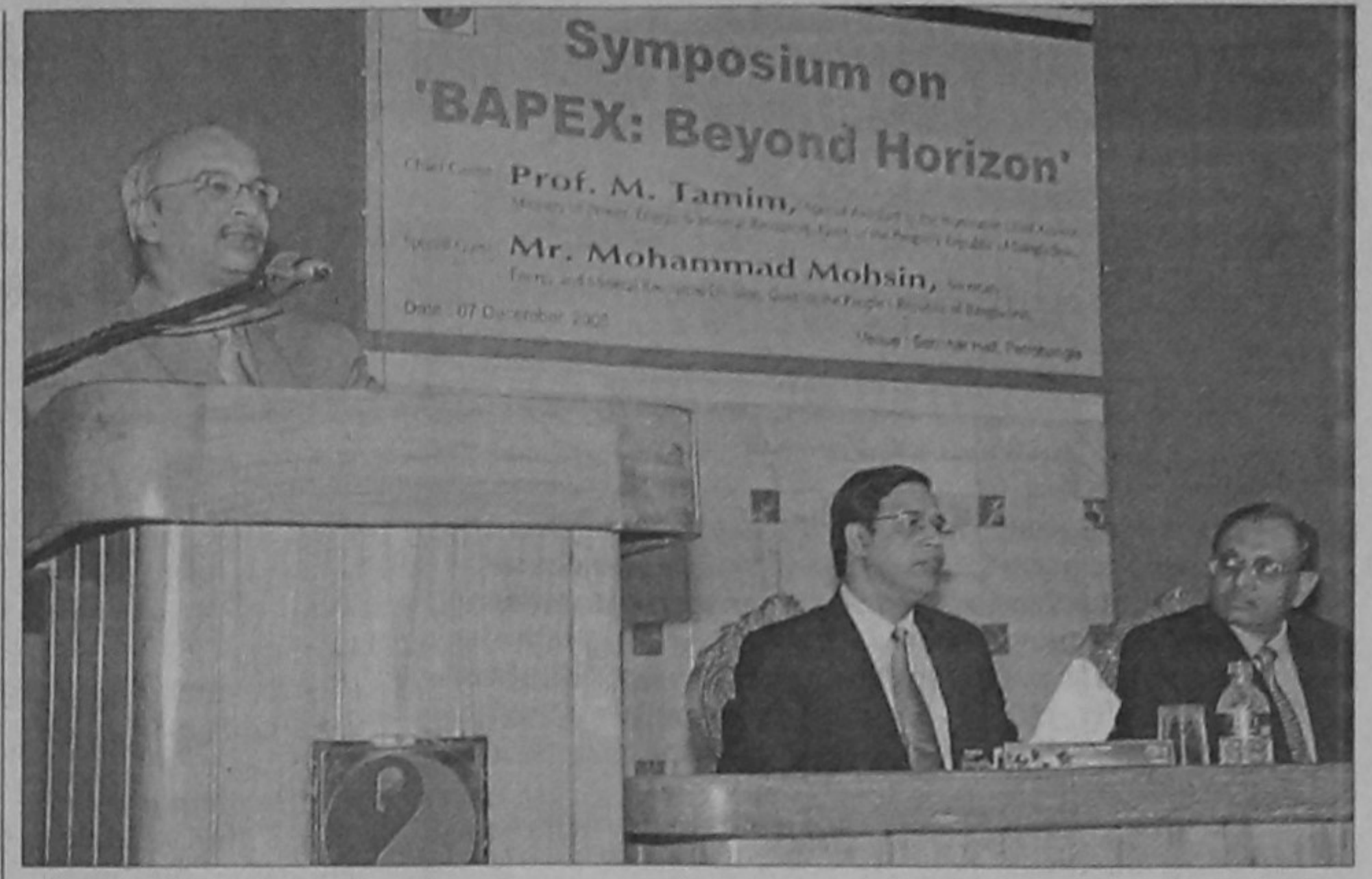
AP, Washington

One of the auto industry's biggest supporters in Congress says he does not know if there are enough votes to pass a rescue plan.

Sen. Carl Levin says he is confident that White House and congressional Democrats will complete a deal in the next several days on a \$15 billion aid package.

But as for passing that deal, the Michigan Democrat calls that a much more complicated question.

Auto industry supporters fear an impending collapse of General Motors and Chrysler unless immediate government help is provided.



M Tamim, special assistant to the chief adviser, speaks at a symposium, titled "BAPEX: Beyond Horizon" in Dhaka yesterday. (Story on page 16)

Export of vessels to begin through Mongla port

UNB, Bagerhat

Export of vessels will begin soon through Mongla port, the second largest maritime port of the country, for the first time.

Mongla port Harbor Master Commander Enamul Haque said a German national flag carrier MV Kondoc-2, loaded with a consignment of six vessels, will start for Mopatu port of Mozambique in two or three days.

The vessels being loaded in the ship for export included a 49-meter long ferryboat, 750-meter long passengers' boat, 21-meter long loading craft and three water taxis each 12-meter long.

Ananda Builders of Narayanganj manufactured these vessels for export.

Eastern Housing declares 15pc cash dividend

STAR BUSINESS DESK

Eastern Housing Limited has declared 15 percent cash dividend for the year ended on July 31, 2008.

The dividend was declared at the company's 44th annual general meeting in Dhaka on Thursday, said a press release.

Manzurul Islam, chairman of Eastern Housing, presided over the meeting.

The net profit of the company amounted to Tk 10.71 crore for the year ended on July 31 against Tk 9.61 crore the previous year.

US economic skid raises fears of deep downturn

AFP, Washington

A housing and credit crisis brought the US economy to a halt in 2008, creating a firestorm that has engulfed the world.

Many analysts say the downward spiral has spread and become self-reinforcing, with the financial system largely frozen and consumers retrenching, portending the worst economic slump in decades.

The question now is how hard and how fast the fall will be.

The United States entered recession in December 2007, according to the officially recognized arbiter of business cycles, the National Bureau of Economic Research (NBER).

Even though the US has not yet recorded two consecutive quarters of declining activity -- the traditional definition of recession -- the downturn in income and employment has been significant enough to qualify as a recession, NBER said.

Official US figures showed gross

domestic product declined at a relatively modest 0.5 percent pace in the third quarter after 2.8 percent growth in the second quarter.

But many are bracing for a steep decline in the fourth quarter of as much as 5.0 percent. This would reflect the sharp drop in consumer spending, an all-time low in consumer confidence and auto sales at their weakest levels in decades. Unemployment is rising, which threatens to continue the downward spiral.

Advertisement for Goyasa (গয়াসা) featuring a logo and text about a company's performance and awards.

Advertisement for Titas Gas Transmission & Distribution Co Ltd, including details about gas pipe line materials procurement.



IDLC Finance Ltd General Manager and Chief Financial Officer HM Ziaul Hoque Khan recently receives the bronze medal under the South Asian Federation of Accounts (SAFA) Best Presented Accounts Award 2007 at a ceremony in Hyderabad, India.

Financial crisis to cut cost of air travel

AFP, Paris

The price of air tickets should start coming down soon because of the world financial crisis, experts are predicting, while ruling out a plunge that would endanger the health of airlines.

"If you keep prices too high you're going to lose more passengers," said Geoff van Klaveren, of Exane BNP Paribas, against a background of both companies and tourists cutting back on air travel.

Cut price airline Ryanair's boss Michael O'Leary forecast a reduction in an average ticket of between 15 and 20 percent by the end of March, and claims to be attracting passengers from more conventional companies like British Airways.

Most airlines nowadays use the yield management system, whereby prices are adjusted by computer on an almost daily basis in line with demand, starting relatively low then rising if a particular flight fills up, or falling if it does not.

"However, company profit margins are narrow, and they cannot really engage in a price war," commented Didier Brechemier, a consultant with Roland Berger.

Few airlines have yet adopted an aggressive pricing strategy, as they try to recover from the massive cost of fuel which neared 150 dollars a barrel in mid-July, forcing them to slap surcharges on tickets.

While oil has now fallen to a third of this level, companies have held back from price-cutting at the same

rate, while from time to time announcing a reduction in the surcharges since September.

At the same time they have adopted other tricks to keep the money coming in, such as the introduction by the leading European airline, Air France-KLM, of a 50-euro charge on economy class seats located near the emergency exits, where passengers enjoy more legroom.

The same company is also introducing an extra class between business and economy which will come into effect towards the end of next year, and Brechemier predicted that others would follow suit.

"This project is perfectly matched to the crisis, and we are in a hurry to put it into effect," said Air France-KLM boss Pierre-Henri Gourgeon, noting that it would allow businessmen to continue travelling in reasonable comfort while saving money.

The global airline industry -- forecast to lose 4.1 billion dollars this year by industry body IATA -- is also fast consolidating in a bid to reduce costs by achieving economies of scale.

Last week, German airline Lufthansa announced a takeover offer for loss-making rival Austrian Airlines (AUA) and Irish low-cost airline Ryanair made a 748-million-euro cash offer for national rival Aer Lingus.

British Airways said Tuesday it was "exploring a potential merger" with Australian rival Qantas Airways as part of a broad tie-up.

India unveils \$4b stimulus

AFP, New Delhi

India yesterday announced an extra four billion dollars in spending to shield the country's economy from the impact of the global financial crisis.

The government said it would also ensure a substantial increase in expenditure for next year's budget.

The new measures follow a cut in interest rates by India's central bank on Saturday to stimulate the economy, which has been hit by the global recession.

Confidence has been undermined further by attacks in the financial capital Mumbai that killed 163 people, including more than two dozen foreigners.

"The government has decided to seek

authorisation for additional planned expenditure of up to 200 billion rupees (four billion dollars) in the current (financial) year," Prime Minister Manmohan Singh's office said in a statement.

"The government is keeping a close watch on the evolving economic situation and will not hesitate to take any additional steps that may be needed to counter recessionary trends and maintain the pace of economic activity."

Under the package, the government said that various categories of value-added tax would be cut by up to four percent to increase spending.

To boost exports, the government announced extra allocation of 70 million dollars for a host of incentive

schemes.

The package also includes measures to boost infrastructure spending, small and medium businesses, and labour-intensive export sectors such as textiles and handicrafts.

On Saturday, the Reserve Bank of India reduced its repo rate -- the rate at which it lends to commercial banks -- to 6.5 percent, and its reverse repo rate -- the rate at which it borrows overnight -- to 5.0 percent.

Singh, who recently took control of the finance ministry, last week forecast growth of 7.5 percent for the year to March 2009.

Economists say growth could be as low as 6.8 percent this year and 5.5 percent the following year.

Government notice from Bangladesh regarding tender procedures, including a table with 11 items and a table of tender details with columns for item number, name, amount, and date.