

## Stocks

DGEN	▼ 1.00%
	2,612.67
CSCX	▼ 0.78%
	5,189.06

## Asian Markets

MUMBAI	▲ 0.91%
	9,149.03
TOKYO	▼ 0.62%
	7,825.51
SINGAPORE	▲ 0.39%
	1,711.92
SHANGHAI	▲ 2.44%
	2,060.81

## Currencies

	Buy Tk	Sell Tk
USD	68.50	69.50
EUR	86.61	91.25
GBP	95.86	100.78
JPY	0.76	0.80

SOURCE: STANDARD CHARTERED

## Commodities

Gold	▼ \$905.35 (per ounce)
Oil	▼ \$40.53 (per barrel)

SOURCE: AFP  
(Midday Trade)

## More News

### Low-cost flats can fix crunch



The government should assist developers by providing land at low costs to solve the city's chronic housing problems, says Sheikh Aftab Ahmed, chief operating officer of Shanta Properties. In a recent interview with The Daily Star, Ahmed says the present prices of flats are expensive for the middle class.

B-4

**Govt mulls measures to face losing trade competitiveness**  
Finance Minister AMA Muhith has said the government is considering measures to face the losing competitiveness in trade amid heavy devaluation of currencies against US dollar by major trading partners. "We're losing competition against the trading partners especially with India, Pakistan and China in Asia as their currencies were devalued against US dollar," he told reporters yesterday.

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## International

### African leaders discuss economic crisis

African leaders discussed Tuesday ways to ride out the global economic downturn, fearful that 2009 will see trade hit and reductions in much-needed aid and development finance. Earlier sessions of the African Union summit were dominated by the election of Libya's Moamer Kadhafi to head the bloc.

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# Exports splutter down

KAWSAR KHAN

Export earnings went down by 10.07 percent in December of the current fiscal year against the same month in last fiscal, indicating that the Western financial trauma has begun to weigh on the country's export sector.

After October, it is for the second time in 2008-09 fiscal year that the country's monthly export fell that the exporters blame on the global recession, which is now creating a domino effect across the world after getting shaped in Europe and the USA.

In December export sectors bagged US\$ 1,195.83 million, while the earning in the same month in last fiscal was \$ 1,329.70 million, according to Export Promotion Bureau (EPB) statistics.

Export earning was \$133.87 million less in December than the earning in the same month last year, the statistics said. Export earning also dipped by 7.48 percent in last October compared to the same month in the last fiscal year.

However the overall exports in the first half of the current fiscal year posted a 19.38 percent growth, earning \$7,852.59 million against \$6,495.92 million in the same period of the previous fiscal.

According to export statistics, in the first half of the current fiscal year woven garments showed a 20.99 percent growth fetching \$2,738.55 million and knitwear earned \$3,172.03 million with a 27.07 percent growth.

Despite growth in woven and knitwear sectors, frozen food, the third largest export earner of the country, marked a negative growth of over 4 percent, earning \$276.62 million against \$280.20 million in the same period last year.

Raw jute, handicrafts, jute goods, pharmaceuticals, electronics, leather, ceramic products, cut flower/foilage, bicycle and iron chain also showed negative growth during the six-month period.

On the other hand, terry towel, textile fabrics, chemical fertiliser, footwear, home textile, tobacco and agro-processed food, among some others, posted positive export growth during the period.

While talking on export performance in December, President of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) Fazlul Hoque said: "Under the banner of knitwear sector we have been saying from as early as last September that the global recession will certainly affect the export earnings of the country, but the government didn't pay any heed to us."

Brushing aside the anticipation that the global financial meltdown will not affect Bangladesh since the country makes low-end products, he said, "The low-end market will be the first victim of the crisis because the consumers, generally low earners, will curtail their demands for cloths to adjust to low earnings."

However, while talking on the issue, EPB Vice Chairman Shahab



Ullah did not link the export fall to recession, saying there could be different other reasons behind the fall in export earnings.

Showing an example, he said: "Although there was a negative growth in October, export earnings increased in November and the situation may change again in February."

He also called upon not to lose nerve on the topsy-turvy trend of export.

The EPB vice chairman was optimistic about achieving the \$16.3 billion export target fixed for the current fiscal year since, he said,

the overall export performance in the July-December period was 'satisfactory'.

Alike Bangladesh, exports of the countries known as Bangladesh's export competitors have also been hampered resulting from the global financial meltdown. In December China's export went down by 2.8 percent compared to the same month in the previous year, according to international weekly The Economist.

Export earnings of Japan fell by 35 percent and Singapore's by 20 percent during the time.

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## Spending cuts likely in revised budget

### Muhith reviews ADP

REJAUL KARIM BYRON

The total expenditure this fiscal year is likely to be revised to Tk 99,000 crore through a 0.90 percent cut from the original outlay of the national budget.

The budget size was Tk 99,664 crore.

A meeting of the Fiscal Coordination Council, with Finance Minister AMA Muhith in the chair, reviewed the budget yesterday. The revised budget is supposed to be finalised by March, as per a new ordinance.

Revenue income, expenditure, foreign aid and annual development programme (ADP) came up for discussion in the council meeting.

The Finance Division presented a preliminary estimate of the revised budget. Concerns about government's revenue income during the current fiscal year were expressed in yesterday's meeting. The National Board of Revenue (NBR) anticipates the income target might not be fulfilled because of the fallouts from global financial crisis.

In the six months up to December, revenue grew 13.24 percent, which was 24.21 per cent during the corresponding period a year earlier, according to the NBR. Taxes under the NBR came down to Tk 53336 crore from Tk 54,500 crore.

The meeting also pointed to a 24 percent execution of the ADP in the July-December period. Primarily it has been downsized to Tk 24,723 crore from the original Tk 25,600 crore.

However, the review meeting noted the pace of ADP implementation higher this fiscal compared to the previous one, expecting a further accelerated pace in the remaining period of FY2008-09.

During the meeting it was also pointed out that revenue expenditure might be raised to Tk 64415 crore from Tk 60745 crore in the revised budget. The rise in such spending is because of subsidies in fertilizer, power and energy.

The amount of foreign aid estimated in the budget will be available this time, which might not lead to a bank borrowing that exceeds target, despite a decline in revenue earning.

# Tk 650cr glassware plant to come on stream



SAJJADUR RAHMAN

Workers construct a glassware and energy-saving bulb plant in Mirzapur, Tangail. The project undertaken by Nasir Group will cost Tk 650 crore.

SAJJADUR RAHMAN

Nasir Group is going to set up the country's first glassware and energy saving tube plant within this year at a cost of Tk 650 crore.

Officials said the new company -- Nasir Glassware and Tube Industries Ltd -- is expected to start operations by the end of this year.

"We have already invested around Tk 200 crore for the ongoing civil construction, including land acquisition," said Habibur Rahman, project engineer of Nasir Glassware and Tube Industries.

The plant is being set up on a 125-bigha land at Sohagpur under Mirzapur upazila of Tangail district. Nearly 5,000 tonnes of 75-grade rod will be used for the factory.

Some 800 people will be employed permanently in addition to several hundreds casual workers, officials said.

"We have initially estimated the project cost at Tk 600 crore, but this will exceed considering the pace of the expenditure," said Rahman who was also the project engineer of successfully built Nasir Glass Industries, the coun-

try's largest float glass manufacturer.

Nasir Glassware and Tube Industries will be the first of its kind in the country and will compete against a flood of imported goods now dominating the glass tableware, fluorescent and energy saving bulb market here.

Glassware products that will be manufactured at the plant include tableware, flower vase, perfume bottle, bowl and candle stand.

Officials, quoting a survey report, said the country has an annual market of glassware worth around Tk 500 crore. All of the items are imported from different countries including China, Thailand, Malaysia and Indonesia.

The market size of fluorescent and energy saving bulbs is almost same as that of glassware, they said. The energy saving bulb market will boom once the government makes its use mandatory.

"Initially our plan is to meet the domestic glassware demand, but we will export also," said Aby Sayed, general manager (commercial and banking) of Nasir Group.

On the issue of bank financing, Sayed said: "It's under process."

He however said several banks are

offering the company their credit and the company is also going to some banks.

A senior private bank official admitted they are now appraising the project, and prefer to arrange a syndicated loan for one of its 'valued clients'. "We are studying the proposal thoroughly," he added.

Earlier, as the lead arranger, Prime Bank managed a syndicated loan of Tk 100 crore for the group's Nasir Glass Industry Ltd in 2003.

Nasir Glass Industry manufactures float glass, reflective glass, tempered glass, coated glass, mirrors, clear and colour glasses.

Nasir Group, originally a regional bidi manufacturer based in western Kushtia district, became a household name after setting up the country's first float glass factory.

The group, also the country's biggest melamine manufacturer, has a sports shoes plant and sells low-priced cigarette.

Named after its owner Nasir Uddin Biswas, the group has an annual turnover of around Tk 1,000 crore.

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## Good news for car owners, bad for thieves

STAR BUSINESS REPORT

The telecom watchdog has moved to introduce the vehicle-tracking system, good news for car owners, bad for thieves.

The system can locate any car of its owner or a third party if it installs a GPS (global positioning system) transponder.

Bangladesh Telecommunication Regulatory Commission (BTRC) yesterday posted a guideline on its website to award licences for the vehicle-tracking system to mobile and WiMax operators.

The vehicle tracking system is a value-added service provided through a GPS transponder, which helps track the vehicle's movement and other activities while both in stationary and running modes.

The system is a convergence of an onboard automotive device, wireless communication and GPS to track vehicles via digital mapping application and reporting information system by using a web-interface, mobile phone and/or computer network.

GPS consists of 32 satellites in different orbits around the world. At any given time, a number of satellites are in view in any place on the earth. A GPS receiver receives information from these satellites and uses it to locate itself.

This service can also be provided through location-based service (LBS) on the mobile network's ability to

locate the geographical position of the SIM subscriber identification module (SIM) or mobile device without employing GPS.

The service allows authorities to set rules against "speed violations" and "harsh braking" and helps implement discipline against the drivers. It reduces the possibilities of rough and dangerous driving and unauthorised vehicle use.

A GPS transponder means a portable device mounted on a vehicle, which acquires vehicle data (position and condition), and transmits data via wireless networks to a designated vehicle-tracking server.

In line with the licensing guideline, vehicle tracking service information is restricted by the subscriber's privacy and confidentiality, which means information can only be disseminated according to a subscription agreement.

In case of requests from law-enforcement agencies, tracking process will be followed. All the licensees will have to follow this privacy and confidentiality with utmost priority, the guideline emphasises.

"The system could be minimise carjacking and help build customer confidence to own a car as well," said Abdul Haque, former president of Bangladesh Association of Reconditioned Vehicles Importers and Dealers.

Around 10 lakh cars are plying roads in Bangladesh.

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