

Stocks

DGEN ▼ 1.08%
2,570.96

CSCX ▼ 1.61%
5,059.73

(Week-on-week)

Asian Markets

MUMBAI ▼ 0.71%
8,891.61

TOKYO ▲ 1.48%
7,568.42

SINGAPORE ▼ 1.40%
1,594.87

SHANGHAI ▼ 1.81%
2,082.85

(Friday closings)

Commodities

Gold ▲
\$952.00
(per ounce)

Oil ▲
\$43.51
(per barrel)

SOURCE: AFP

(As on Friday)

More News

US trade fair ends

The three-day US Trade Show 2009 ended yesterday at Dhaka Sheraton Hotel amid low turnout of visitors in the wake of an armed mutiny by border guards in the capital. Fifty-four companies including Boeing, IBM, Microsoft Corporation, Pepsico Inc and Intel showcased products and services.

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International

US economy moving in reverse



The economy is moving in reverse faster than the government can measure. The contraction for the fourth quarter of 2008 had been estimated at 3.8 percent just a month ago. Then the Commerce Department raised it to an astonishing 6.2 percent Friday - the largest revision since the government started keeping records in 1976.

Southeast Asia faces economic battle

Southeast Asia faces a battle to survive the global economic meltdown, Thailand's premier said Saturday, while expressing hope that the region can agree on the path towards recovery.

Biden pushes 'green jobs' for the middle class

US Vice President Joe Biden pushed "green jobs" Friday as a way to help the middle class weather economic hard times, saying better pay and social benefits will flow from producing environmentally friendly goods and services.

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

Thai firm eyes tourism, retail

Central Plaza plans to invest Tk 3,000cr in Bangladesh

SAJJADUR RAHMAN

Centara Hotels and Resorts, a major hotel and chain store business group in Thailand, plans to invest up to Tk 3,000 crore in Bangladesh's growing hospitality and retail business.

"The group has enough budget, but the investment amount will be based on site selection," Ron Haque Sikder, managing director of R and R Holdings, local representative of Centara, told The Daily Star yesterday.

Central Plaza Hotel Public Company Limited (CENTEL), set up in 1980, is the registered name of Centara that manages and operates a chain of hotels and resorts throughout Thailand and the region.

"The company is ready to invest up to Tk 3,000 crore in Bangladesh's hotel and superstore business," Sikder said.

It is likely to unveil the investment plan for Bangladesh at a formal programme this week.

CENTEL is a major player in tourism and travel industry as well as fast food business segment. It was listed on the Stock Exchange of Thailand in 1990, and currently has a registered capital of 135 crore baht (Tk 253 crore).

The group recorded \$8 billion in business turnover last year.

It is currently exploring the opportunities for investment in the hotel and retail business in Bangladesh, according to local officials.

They said Bangladesh is a growing economy and achieved over 6 percent rate of growth for the past four consecutive years. The country's economy is worth around \$80 billion.

The hospitality industry of the country is underdeveloped and cannot attract ample foreign tourists because of poor infrastructure facilities, the officials said.

Aashiq Alam, an official of R and R Holdings, said the Thai company is



Some resort and superstore projects of Centara Hotels and Resorts in Thailand. Centara plans to invest up to Tk 3,000 crore in Bangladesh's hospitality and retail business.

exploring all the existing opportunities in the hotel industry of the country.

"We are taking initiatives to either buy franchise or directly operate an establishment in the hospitality industry in Bangladesh," Alam said.

"If we fail to take over any existing hotel, we will build our own," he said. "A

vice president of Centara visited Bangladesh recently to see the business potential here."

The company has also planned to invest in the hotel business in Cox's Bazar, the world's longest unbroken sea beach, and Kuakata, another sea beach in Southern Bangladesh, local officials

said.

CENTEL runs 10 luxury hotels and five food franchises, including KFC and Mister Donut in Thailand. It plans to spend about 3 billion baht to open six new hotels in 2009, including one in the Maldives.

The company also owns the leading

chain superstore in Thailand, with 13 outlets under its own brand, 19 under Robinson and a number of outlets under specialised merchandise in Zen, Tops, Power Buy, Super Sports, B2S, Home Works and Office Depot.

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CENTARA

Stocks reel under mutiny fallout

DSE trade starts 30 minutes late today

STAR BUSINESS REPORT

Stocks skidded last week as the market was rattled by a two-day bloody mutiny by a group of rebels of the border security guards.

Dhaka Stock Exchange starts trading today half an hour behind schedule to mark the national mourning day.

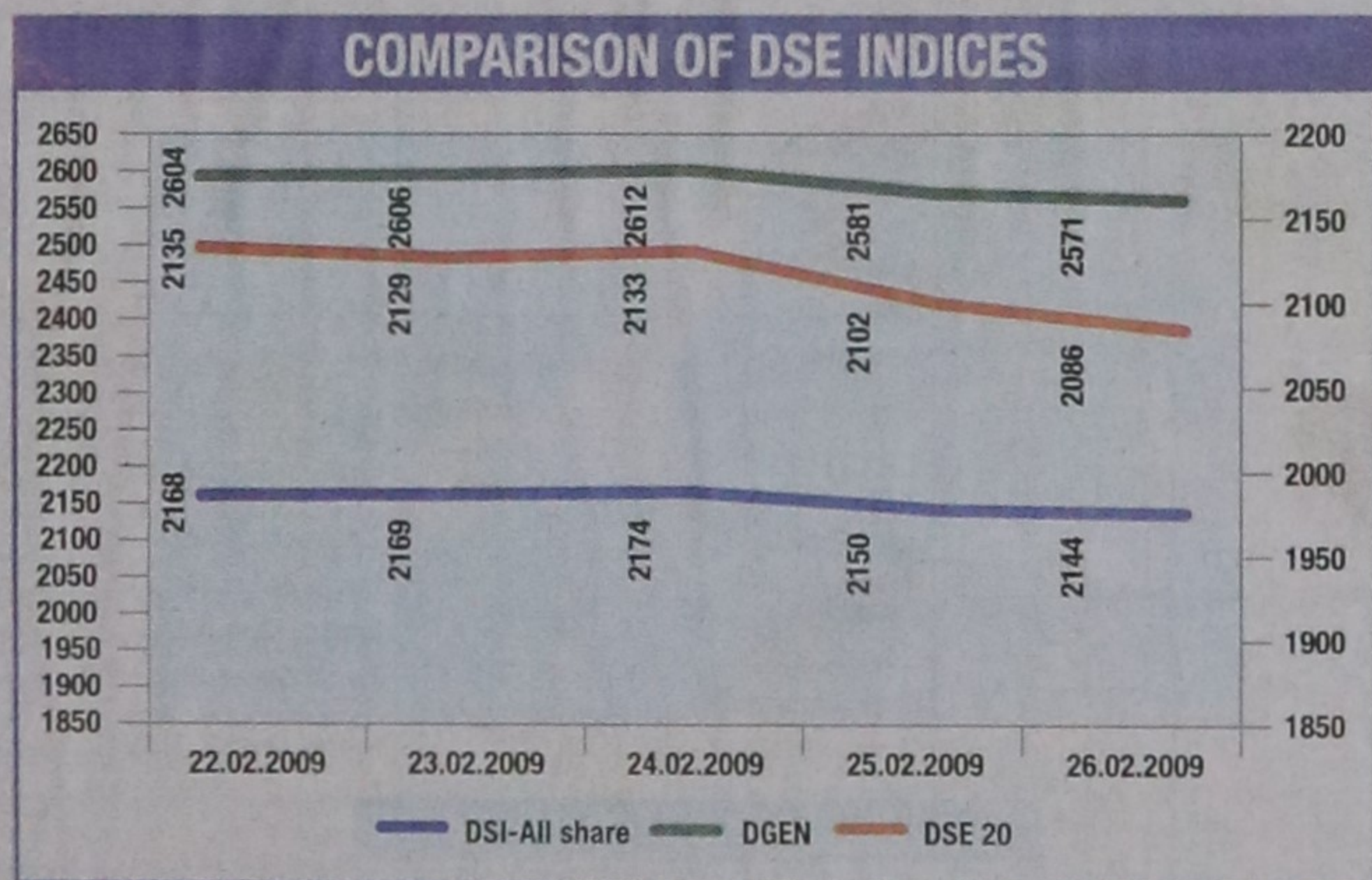
Although the market started with a positive note on last Sunday, the first trading day of the week, and remained almost steady for the next couple of days, it came down during the last two sessions amid anxiety over the mutiny at Bangladesh Rifles headquarters in Pikhana, Dhaka.

Some jawans of BDR (Bangladesh Rifles), the official border security force, mutinied at their headquarters on Wednesday, spreading fear and confusion also on Thursday.

The benchmark index of the Dhaka Stock Exchange, DSE General Index, fell 28.12 points, or 1.08 percent to 2,570.96, on the week-on-week basis. The DSE All Share Price Index also shed 17.51 points, or 0.081 percent to 2,144.29 on Thursday, the last trading of the week.

Although the market felt the pinch of the mutiny, which left many nervous investors on the edge, the market did not get panicked, analysts said.

The capital market is influenced by both economic and non-economic factors. The BDR mutiny was a non-economic but a major incident. It is very natural that it



would have an impact, at least psychological, on the stock market, said Salahuddin Ahmed Khan, a professor of finance at Dhaka University.

The market rout was paced by psychological fallout from hours of gunfights at the BDR headquarters, Khan said.

However, it was a good sign that not every investor lost confidence, said a merchant banker. "This time the investors showed matured behaviour," he added.

Both the total and daily average turn-

overs, however, rose by 26.08 percent. The total turnover on the DSE last week was Tk 1,882.81 crore, which was Tk 1,493.30 crore in previous week.

The daily average turnover was Tk 376.56 crore last week against Tk 298.66 crore in the previous week.

A total of 15,75,06,963 shares were traded last week against the previous week's 11,36,99,180 shares, which was 38.53 percent up.

Majority of the securities traded up on

the premier bourse. Of the 277 traded issues, 173 advanced, 102 declined and two remained unchanged.

Total market capitalisation however fell 0.56 percent to Tk 99,933.50 crore from Tk 1,00,495.93 crore the previous week.

Shinepukur Ceramics topped the turnover leaders with 75,61,700 traded shares worth Tk 80.43 crore, which was 4.27 percent of the total turnover. The week's other turnover leaders were S Alam Cold Rolled Steels, Beximco Pharma, Titas Gas, Beximco, British-American Tobacco Bangladesh, AIMS 1st Mutual Fund, Summit Power, Golden Son and Eastern Housing.

On the Chittagong Stock Exchange, the CSE Selective Categories Index slid 1.61 percent to 5,059.73 points. The CSE All Share Price Index also dropped 1.31 percent to 7,870.63 points.

A total of 3,05,09,123 shares worth Tk 236.25 crore changed hands on the port city bourse last week.

Of the 204 traded issues, 101 advanced, 93 declined and 10 remained unchanged.

Shinepukur Ceramics topped the turnover leaders on the CSE with 13,53,400 traded shares worth Tk 14.40 crore. The week's other turnover leaders were Beximco, AIMS 1st Mutual Fund, Beximco Pharma, Grameen Mutual Fund One: Scheme Two, Meghna Petroleum, S Alam Cold Rolled Steels, Jamuna Oil, Titas Gas and Maksons Spinning.

DSE gets new president



Rakibur Rahman

STAR BUSINESS DESK

Rakibur Rahman has been elected new president of Dhaka Stock Exchange (DSE) for the next one year.

Saiful Islam and Shakil Rizvi have been elected senior vice-president and vice-president of the DSE, it said in a statement yesterday.

They were elected at the 47th annual general meeting of DSE yesterday, chaired by the prime bourse's outgoing President Abdul Haque.

Rakibur Rahman is the managing director of Midway Securities. He served as DSE president from 1997 to 2000. Rahman had also worked as a DSE councillor for two terms -- from 1979 to 1983 and from 1991 to 1997.

Citigroup gets new rescue

AFP, Washington

The US government will own up to 36 percent of Citigroup under a deal announced Friday to convert up to 25 billion dollars of capital injected into the ailing bank to ordinary shares.

The conversion does not call for more government funds but helps shore up the troubled banking giant's capital position, according to Citi and US officials.

The US Treasury would convert up to the 25 billion dollars injected in the form of preferred stock under two bailouts for Citi, once the world's biggest financial services firm.

Citigroup said the Treasury's conversion of its preferred stock from its 45 billion dollars so far pumped into the crisis-ridden bank could see the government take a stake of up to 36 percent.

"Based on the maximum eligible conversion, the US government would own approximately 36 percent of Citi's

outstanding common stock and existing shareholders would own approximately 26 percent of the outstanding shares," the bank said in a separate statement.

"All investors' new stakes will be determined following the exchange."

Richard Parsons, Citigroup chairman, said the bank's board would be revamped.

"The board unanimously decided to have a majority of new independent directors as soon as feasible," he said in a statement.

The move to shore up the capital base of Citigroup comes amid market jitters over the strength of US banks saddled with possibly trillions of dollars of soured home mortgage securities.

The mortgage crisis triggered global turmoil and slammed the brakes on economic growth.

The Treasury Department stressed that the "transaction does not increase the amount of Treasury's investment in Citigroup."

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