

# BGMEA chief calls for stimulus

UNB, Dhaka

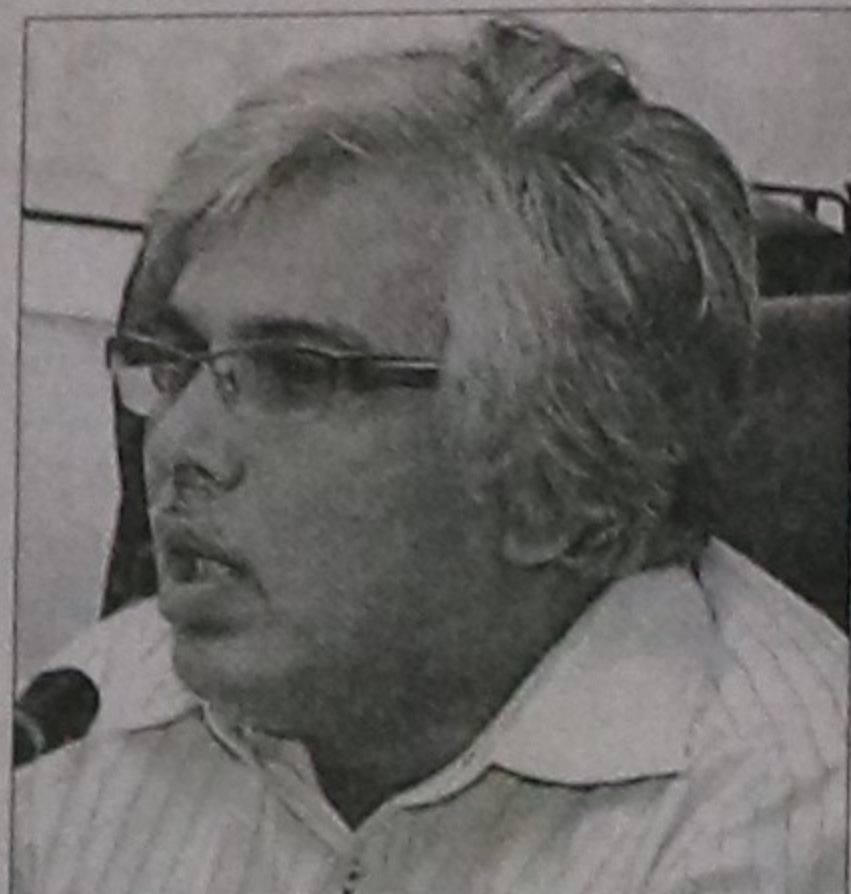
BGMEA's outgoing president, Anwar-Ul-Alam Chowdhury Parvez, cried out for immediate stimulus package to help the country's export-oriented garment industry to face adverse impacts of global economic recession.

"Policymakers need to take immediate decision to support the RMG sector that experiences declining growth and price fall," he told journalists at Dhaka Reporters Unity yesterday.

Giving some statistics, he said the quarterly growth from July to September 2008 was 48 percent compared to the corresponding period a year earlier, while it came down to 4.5 during October-December period. He feared a negative growth during January to March this year.

Parvez said new orders will be coming and they are trying to negotiate with buyers, but price fell down by 15 to 17 percent, in the meantime.

Saying that Bangladesh has tremendous opportunity despite the recession, but some measures need to be taken urgently. The measures include technical upgradation fund, export-performance-benefit scheme and export incentives on retention.



The Bangladesh Garment Manufacturers and Exporters Association leader referred to stimulus package already taken in India and China and pleaded that the Bangladesh government also needs to take some

measures to protect this promising export sector.

"If stimulus package is given by the government, 20 percent growth rate could be maintained," he said on an upbeat note on the bright side of the situation.

Referring to his recent talks with representatives of top 10 companies, including Wal-Mart, Parvez said the representatives suggested five-year multiple visa, alternative port, low internet cost and a good relation between workers and management of the garment factories.

The BGMEA chief said instead of depending on the World Bank and the IMF, the government can rely on the private sector for infrastructure development, including multiple-lane Dhaka-Chittagong highway on BoT basis.

BGMEA Vice President Mahmud Hasan Babu, DRU President Shamim Ahmad and General Secretary Pathik Saha were present. Earlier, Parvez inaugurated a BGMEA-assisted new conference lounge at DRU.

# Crisis scaled back Russia's ambitions

Says Medvedev

AFP, Moscow

President Dmitry Medvedev said Saturday that the world economic crisis had "substantially" impacted his plans for Russia, including an ambitious idea to turn Moscow into a global financial centre.

"This crisis changed our plans very substantially, but I would especially like to stress that despite all these hardships we must keep moving forward," Medvedev said in a video address posted on the Kremlin website.

"It would be stupid to say that nothing is happening," Medvedev said in the address, meant to mark the first anniversary of his election victory.

"It is clear, for example, that one of these major ambitious tasks, forming a global financial centre in Moscow, which I spoke of last year... today is not task number one, though this does not mean we must give it up," he said.

Last year Medvedev said repeatedly that he wanted to Moscow into a global financial centre, at a time when the Russian economy was still booming thanks to high prices for oil and other commodities.

Since then Russia has seen a drastic slide in its stock markets, billions of dollars worth of capital flight and a gradual devaluation of the ruble amid the global economic crisis and a plunge in the price of oil.

Medvedev was elected president in March 2008 to succeed Vladimir Putin, who later became prime minister but who is widely seen by most analysts as still holding the reins of power.

The presidential vote was March 2, 2008 but the video was posted March 7, one year since Russian elections officials announced the results, formally confirming Medvedev's victory, which had never been in much doubt.

# US jobless rate takes toll on dollar

AFP, London

The dollar fell against the euro Friday on news that the US jobless rate jumped to 8.1 percent in February, its highest level in 25 years.

The single European currency in late-day trade was at 1.2677 dollars after 1.2538 late Thursday in New York. The euro jumped to 1.2738 dollars just after the announcement of the US jobs figures.

The government said the US economy shed 651,000 jobs in February, in line with most forecasts but also underscoring the dire state of the economy as companies axe jobs to cope with an intensifying slump.

The unemployment rate rose from 7.6 percent in January to 8.1 in February, the highest since December 1983.

"It's ugly and always seems to be uglier than the previous month," said Robert MacIntosh, chief economist at investment firm Eaton Vance. "It's a deep and dark recession."

MacIntosh said the report suggests a long road to recovery for the recession-ravaged economy.

"I think you have to go into 2010 to actually start to see growth," he said, adding that unemployment "is a lagging indicator so it will keep getting worse even if the economy has turned."

Officials in President Barack Obama's administration pledged to step up efforts to revive the ailing economy.

"We will continue to do whatever is necessary to break the destructive cycle of job loss in this country and put Americans back to work," Labor Secretary Hilda Solis said.

The jobs report underscores the challenges facing Obama's administration in stabilizing a teetering financial system and pulling the shrinking economy out of a second year of recession.



Commerce Minister Faruk Khan poses with others at the closing ceremony of the eighth City IT Computer Fair that ended at the BCS Computer City in Dhaka yesterday. The fair posted a turnover of Tk 200 crore as laptops and digital cameras marked a rise in sales.

# Govt to observe poultry week in March every year

STAR BUSINESS REPORT

The government will organise poultry week in March every year to create awareness among farmers as well as other stakeholders, the fisheries and livestock ministers said yesterday.

"We will celebrate a poultry week in March every year. We are also committed to take necessary measures to ensure less conditional bank loans," Abdul Latif Biswas told the closing programme of Sixth International Poultry Show and Seminar at the Bangladesh-China Friendship Conference Centre in the capital.

The World's Poultry Science Association Bangladesh Branch (WPSA-BB) organised the three-day show where more than 130 organisations from 26 countries attended.

Food and Disaster Management Minister Dr. Muhammad Abdur Razzaque also spoke at the programme.

Latif made the disclosure at a time when the country poultry industry has been trying to revive from the beleaguered situation, resulting from the losses due to the closure of thousands of farms amid outbreak of bird flu disease.

"We are considering measures to allow poultry industry operators bank loans at reduced rate of interests. But entrepreneurs should keep in mind that Tk 140 for a kilogram of chicken is not rational, said Dr Muhammad Abdur Razzaque.

The food minister, referring to the issue of subsidy, said the government would

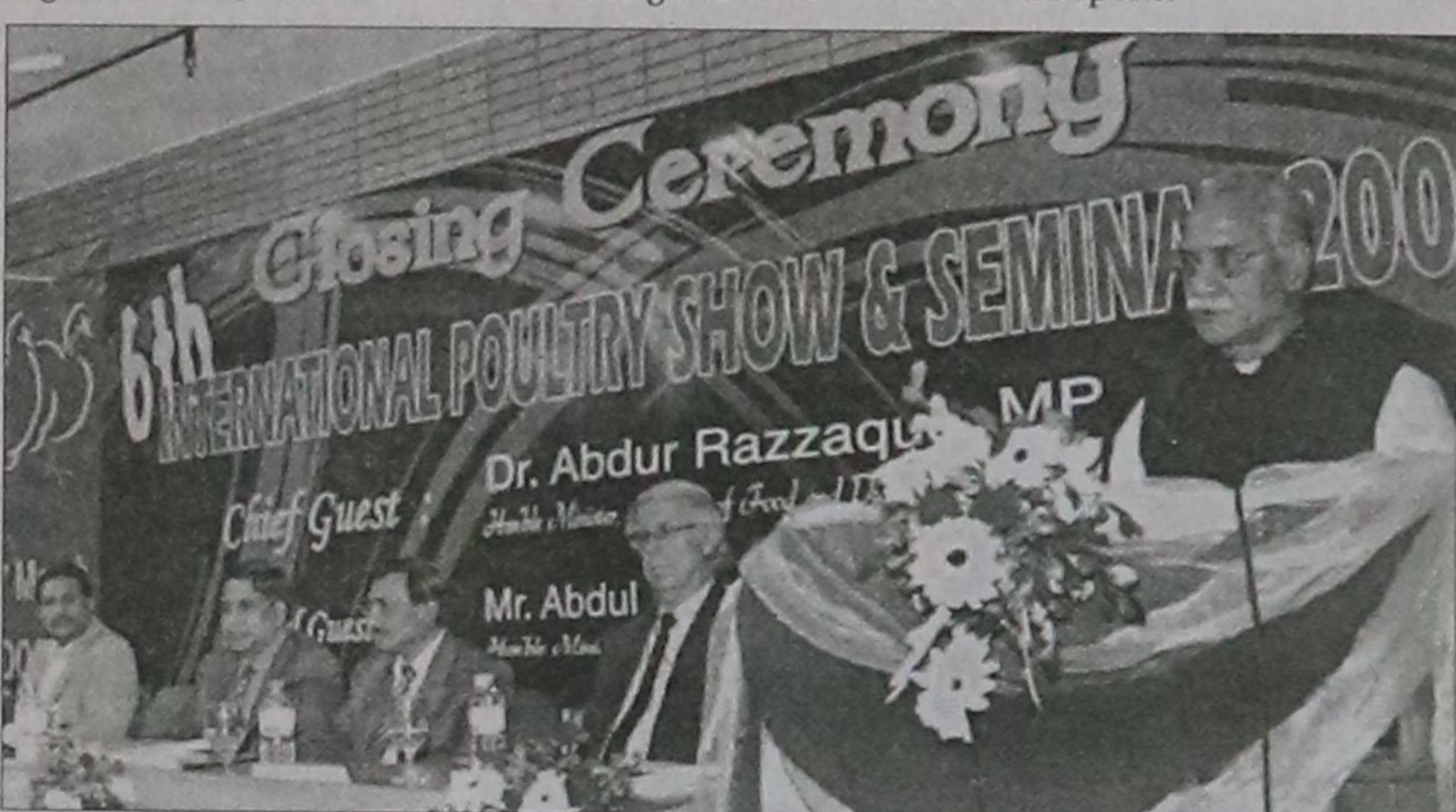
continue providing subsidy to agriculture and its sub-sector like poultry to help farmers.

He also cited the recent surge in the prices of chicken and eggs and called on the farmers and entrepreneurs to reduce production costs.

Latif said the government has framed a poultry policy to enable the industry grow in a disciplined manner, he said.

He also said the government has taken steps to ensure supply of poultry products at fair prices to the consumers.

Among others, Fisheries and Livestock Secretary Md Shah Alam, Department of Livestock Director General Saleh Uddin Khan, WPSA (Holland) President Bob Pym and WPSA-BB President Moshir Rahman also spoke.



Fisheries and Livestock Minister Abdul Latif Biswas addresses the closing programme of Sixth International Poultry Show and Seminar at the Bangladesh-China Friendship Conference Centre in the capital yesterday.

# Berlusconi upbeat on economic outlook

AFP, Rome

Italian Prime Minister Silvio Berlusconi struck a note of optimism Friday on the global financial crisis, accusing the media of exaggerating its extent.

"The media continue to describe the crisis as something tragic, (which) goes against everyone's interests," Berlusconi told a news conference. "It's exaggerated, because the crisis is heavy but not tragic."

The crisis "exists but is described in the media with too much drama," he said.

"Losses on the stock market are due only to a handful of shares," he asserted after a cabinet meeting that gave the go-ahead to a public works programme.

Berlusconi also said Europe had done more than any other region to address the crisis.

The Italian economy contracted 1.0 percent in 2008, its worst showing since 1975.

The central bank predicted Wednesday that the economy would likely shrink by 2.6 percent this year, revising downward its earlier estimate of a 2.0 percent slide.

# Seminar stresses luring NRBs for portfolio investment



Dr Hasan Mahmud, state minister for foreign affairs, speaks at the seminar "Capital Market: The Best Source of Equity Raising for Entrepreneurs" in Chittagong yesterday. Chittagong Stock Exchange President Nasiruddin Ahmed Chowdhury presided over the seminar.

STAFF CORRESPONDENT, Ctg

Speakers at a seminar here yesterday stressed a proper managerial policy to facilitate investors to reap benefit from the capital market.

They said the stock market could be the cheapest and most reliable source of financing for the entrepreneurs in Bangladesh, if transparency is ensured.

Chittagong Stock Exchange organised the seminar "Capital Market: The Best Source of Equity Raising for Entrepreneurs" at Hotel Agrabad in the port city.

Chaired by Nasiruddin Ahmed Chowdhury, the CSE president, the seminar was also addressed by State Minister for Foreign Affairs Dr Hasan Mahmud, SEC members Prof Md Yasin Ali and Monsur Alam and Prof MA Baki Khalily of the Finance Department at Dhaka University.

Arif Khan, deputy managing director of IDLC Finance Ltd, presented the keynote paper.

Pointing to the fact that over six million non-resident Bangladeshis (NRBs) are now living in Middle East, Europe, America and other countries, the state minister said the stock markets here could be a great source of investment of their remittance that mostly drained out in unproductive sectors like purchasing plots and flats.

"Urgent steps are needed to attract the NRBs to invest their money in establishing industries or other enterprises in Bangladesh through the capital market," Hasan Mahmud said.

Arif Khan in his keynote paper outlined some opportunities and benefits of the capital market, which include 10 percent tax rebate for the listed companies if minimum 20 percent dividend is paid.

Termining the introduction of book building 'a major leap forward', the IDLC boss said it ensured the real price discovery method for primary market equity issuance.

"This particular measure (book building) would encourage large and profitable enterprises, especially the multinational companies (MNCs) to enter the market and reduce the price gap between primary and secondary markets," Khan added.

The CSE president suggested incorporating over 2,500 non-listed PLCs (public limited companies) and large MNCs like Unilever in bourses to help the stock market contribute 30-35 percent to the country's gross domestic product (GDP).

# Global stocks retreat

AFP, London

Global stock markets lost ground Friday as a half-hearted technical rebound gave way in face of more massive US job losses and growing concerns over once iconic companies such as General Motors.

Dealers said the February US employment report showed the depth of the recession eating away at the world's biggest economy -- 651,000 jobs were lost to push the unemployment rate to 8.1 percent, its highest level in 25 years.

Very sharp upward revisions of the data for January and December -- now the worst month on record since October 1949 -- added to the gloom.

Wall Street bounced more than two percent on the figures, which some welcomed with relief as not being worse than expected, but the gains soon faded as investors had a closer look and fears about the length of the recession took fresh hold.

The Dow Jones Industrial Average was little changed at around 1715 GMT, having lost more than four percent on Thursday after GM's auditors said they had "substantial doubt" about the company's survival.

The opening rebound fizzled out as investors digested the February employment report more fully.

"The headline employment (loss) didn't meet the worst fears but that doesn't make this report anything but awful. The labour market remains in freefall," said Nigel Gault, chief US economist at IHS Global Insight.

"We are heading for total job losses of at least seven million and an unemployment rate peaking above 10 percent," Gault added.

General Motors plunged nearly 13 percent to 1.62 dollars after losing 15 percent Thursday. According to The Wall Street Journal, GM top executives are more open to a Chapter 11 filing for bankruptcy protection to allow the automaker to restructure.

Citigroup, once the world's biggest bank, inched up to 1.03 dollars having fallen Thursday below one dollar for the first time.

In London, the FTSE 100 index of leading shares proved resilient to the onslaught of bad news to finish flat at 3,530.73 points. In Frankfurt, the DAX shed 0.80 percent to 3,666.41 points and in Paris the CAC 40 fell 1.37 percent to 2,534.45 points.

Dealers said bargain hunters remain hesitant to come into the market, having been caught out so many times recently as an overwhelming bad news flow erodes any attempt to generate some upward momentum.

"The bargain hunters remain reluctant to step in so the risk has to be that another bloodbath could be lurking in the shadows," said Jimmy Yates, head of equities at CMC Markets.

In Paris, Guillaume Garabedian of Meeschaert Gestion Privee said "investors no longer know which way to turn" in such volatile markets, with financials under pressure on concerns about their survival.

The banks in particular came in for another drubbing, with UBS, Switzerland's largest and one of the worst hit by the global financial crisis, falling nearly five percent to end at a record low 9.05 10 Swiss francs.

HSBC fell nearly 4.5 percent, extending heavy losses after announcing Monday plans to raise 18 billion dollars in fresh cash from shareholders.

Asian stocks fell sharply, hit by Wall Street's downturn to a fresh 12-year low on Thursday.

# Employees of investment firm Stanford laid off

AP, Houston

About 1,000 people working around the nation for the troubled Stanford Financial Group founded by Texas billionaire R. Allen Stanford were laid off Friday by order of the court-appointed receiver in the investment firm's case.

"After a review of the circumstances, the receiver concluded that continuing employment for these employees is not in the interest of conserving and preserving the value of the estate because there are insufficient resources to continue to compensate all present employees," the receivership said in a statement.

The order affects about 85 percent of Stanford's U.S. workers, although the receivership said most of Stanford's business and operations "will be discontinued or wound down." Those remaining on the payroll, primarily at Stanford's Houston headquarters, would be involved in the shutdown.

According to the receivership's order, those laid off effective Friday will receive no severance and regular salary and benefits will be cut immediately.

The Securities and Exchange Commission has accused Stanford and his finance chief James M. Davis of conducting a "massive Ponzi scheme" through companies they controlled, including Antigua-based Stanford International Bank. Stanford and Davis misappropriated billions of dollars of investors' money.

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## NOTICE FOR ENLISTMENT

Applicants are invited from the Bonafide Suppliers/ Manufacturers/ Printers/ Insurance/ Courier/ Motor Workshops/ Event Management/ Ad. firms for enlistment with BASIC Bank Limited for 01 (One) year term for the year 2009 to supply/ work under the following groups:-

01. Groups :
  - Group 'A' : Architectural firm for interior decoration work.
  - Group 'B' : Printing press for printing stationery.
  - Group 'C' : Supplier of air-conditioner including installation and maintenance.
  - Group 'D' : Supplier of wooden furniture.
  - Group 'E' : Supplier of steel furniture.
  - Group 'F' : Supplier of office stationery and equipment.
  - Group 'G' : Supplier of plastic/bras signboard and name plate.
  - Group 'H' : Workshops for repairing/maintenance of Bank's motor vehicles including supply of spare parts.
  - Group 'I' : Insurance Companies
  - Group 'J' : Courier services
  - Group 'K' : Advertisement firms & Event Management firms

### 2. DOCUMENTS REQUIRED TO BE SUBMITTED ALONG WITH APPLICATION FORM:

- a) Valid municipal trade license, Vat registration, up to date income tax clearance certificate and bank solvency certificate.
- b) Performance certificate for at least 3 (three) years in respective field/Trade from any Bank/Financial Institution/reputed organization.
- c) Membership certificate/License from concerned Authority/Chamber/Trade body/Business/ Syndicate/Association/Board.

### 3. OTHER CONDITIONS:

- a) No firm will be allowed to apply for enlistment in more than 2 (two) groups.
- b) Architectural firm should have its own architect/Engineer and at least 5 years experience.
- c) Insurance firms must submit their Credit Rating from their respective authority.

4. Prescribed schedule are available from the office of the undersigned against payment of Tk.1000/=(Non-refundable) for each group upto 16<sup>th</sup> March,09.
5. Interested firms may drop their application by 25<sup>th</sup> March,2009 within office hour in the tender box to be kept in the Head Office.
6. Bank authority reserves the right to accept/reject any or all applications for enlistment without assigning any reason, whatsoever.

N.B: Name of the group applied for must be mentioned on the top of the envelope.

Mohammed Mosharrif Hossain  
Deputy General Manager  
Establishment and Branch Control Division