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CSCX	▲ 0.29%	5,833.00

Asian Markets

MUMBAI	▼ 0.03%	14,870.90
TOKYO	▲ 0.38%	9,741.67
SINGAPORE	▲ 0.34%	2,383.82
SHANGHAI	▲ 1.99%	2,778.59

Currencies

	Buy Tk	Sell Tk
USD	68.45	69.45
EUR	95.79	101.37
GBP	111.50	117.19
JPY	0.70	0.78

SOURCE: STANDARD CHARTERED BANK

Commodities

Gold	▲	\$980.47 (per ounce)
Oil	▲	\$68.52 (per barrel)

SOURCE: AFP

(Midday Trade)

More News

Exporters back interest subsidy



Garment exporters and chamber leaders demand subsidies on bank interest rates instead of cash incentives as a stimulus in the upcoming national budget. Finance Minister AMA Muhith has recently hinted that he will design a stimulus package for the ready-made garments (RMG) sector in the budget for fiscal 2009-10, as the sector was bypassed in the interim stimulus package.

B-4

Contact Us

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

BB sees slowdown

Quarterly report says some indicators are strong

STAR BUSINESS REPORT

A prolonged global economic crisis, especially in advanced economies, may pose a big challenge to Bangladesh, Bangladesh Bank forecasts in its quarterly report released yesterday.

The Bangladesh economy has remained somewhat unaffected from the global recession, but significant downside risks remain there, the central banksays.

"The risks may channel through exports, remittances and foreign capital inflows," it predicts.

The exports of traditional items such as jute, jute goods, handicrafts, electronics, frozen food, leather and ceramic products including some primary commodities and engineering products declined significantly in the last six months, according to the BB report on the January-March period.

"It is apprehended that exports of RMG products could also slow down in the near future."

The central bank proposed three options to offset the probable negative impacts on the RMG exports that account for over 75 percent of the country's total exports worth nearly \$15 billion in fiscal 2007-08.

The options are: Enhancing the efficiency of customs, ports and infrastructure as exporters need cost cutting measures to stay competitive, installation and strengthening safety net programmes for garment workers through public-private partnerships and an uninterrupted supply of power and other inputs.

The report also predicts a slowdown in remittances arguing that falling oil prices may have created adverse impacts on recruiting new workers by Middle Eastern countries.

"Remittances from the developed economies like USA and Europe could also face setbacks depending on the duration and the depth of crisis," the reportsays.

Bangladesh's policy priority should be to resolve the hurdles facing expatriate workers at home and abroad and explore new markets, especially for skilled technical and service workers, it suggests.

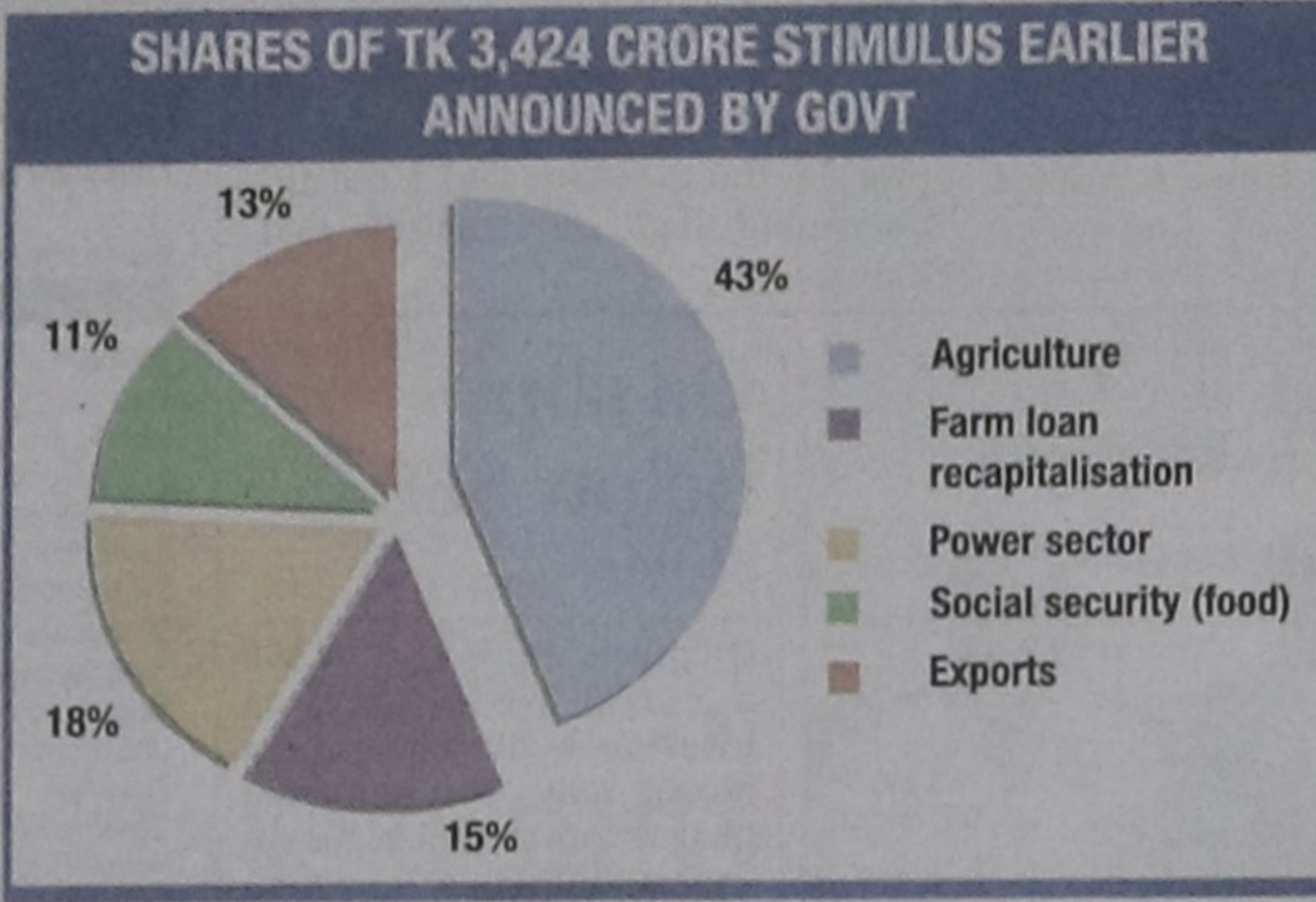
The BB was upbeat on Bangladesh's performance in the first nine months of the current fiscal year to be ended in June 2009.

The report attributed the success mainly to the country's limited international openness to short-term capital flows and innate wariness about excessive debt.

Export earnings showed a dip in October 2008, but by global recession, but the overall export earnings bounced back and regained its momentum in November 2008.

Exports registered a slower 5.5 percent growth in the January-February period but the overall growth was 15.9 percent in the July-February of the current fiscal year over the same period of previous fiscal year.

In the reported period, RMG (woven and knitwear products) registered higher exports but some other commodities such as raw jute, jute goods, leather, frozen shrimps and fish, fertiliser and terry towels



declined over the same period of last fiscal year. RMG exports recorded 21.2 percent growth in the July-February period.

Total merchandise imports declined by 3.9 percent during January-February of 2009 compared to 12.1 percent growth recorded in October-December quarter of the current fiscal year. Capital machinery import recorded a 12.4 percent decline.

The inflow of workers' remittances, the critical anchor for the country's current account balance recorded 14.5 percent growth during January-March of the current fiscal year. The inflow of workers' remittances recorded a strong 24.5 percent growth in the July-March period of the current fiscal year.

Inflation has significantly sub-

sided in the January-March period. The point-to-point inflation stood at 5.04 percent in March 2009, down from 6.03 percent in December 2008 and 10.19 percent in September 2008.

The foreign exchange market remained mostly stable due to a healthy situation in the foreign exchange reserves. The current account balance maintained a sizeable surplus worth \$816 million in the July-February period of the current fiscal year.

Private sector credit grew year-on-year at 19.8 percent in February 2009, which was 19.4 percent in the same period a year earlier. The disbursement of agricultural credit in the July-February of FY09 stood at Tk 5,940 crore, which is 7.2 percent higher than the same period a year ago.

PRE-BUDGET QUIPS

Why is there such divergence of views among different chambers and associations on the question of whitening of black money?

It is a fight between 'have' and 'have-nots'.

MMI

5-star hotel construction takes off in Chittagong

STAR BUSINESS REPORT

Sena Hotel Developments Limited (SHDL), the owning company of Radisson Water Garden Hotel Dhaka, started building a five-star hotel in Chittagong in May, said the company's managing director yesterday.

Brig Gen Mohammad Manzur Qader also said the company plans to build a three-star hotel in Khulna to increase tourist flow in that region.

Meanwhile, SHDL launched yesterday Sena Hotel Management Institute on Radisson premises to train people in food and beverage and fit them for local and international hospitality sector.

Chief of Army Staff and Chairman of SHDL Gen Moeen U Ahmed inaugurated the institute.

"We've found that there is no five-star hotel for tourists and businesspeople in Chittagong, the country's commercial capital. The port city is also connected with such tourist attractions as Cox's Bazar, Rangamati and Bandarban,"

Qader said.

Being built at Lalkhan Bazar, the five-star hotel -- Sena Garden Hotel Chittagong -- will have 200 rooms with some exclusive amenities such as golf playing facility and river cruise from Kaptai to Rangamati.

Qader said the hotel would start operation by 2013 and expected an occupancy rate of around 60 percent, which he said would be viable for the first-ever five-star hotel in Chittagong. SHDL hopes Radisson would also invest in the venture.

The construction works of the SHDL's planned three-star hotel in Khulna, Tiger Garden Hotel, will begin next year.

The hotel will help explore the Sundarbans, the biggest mangrove forest in the world, and attract more tourists to the area, Qader said.

SHDL's first venture was Radisson Water Garden Hotel, inaugurated in February 2006. The hotel is a chain of US-based Carlson Hotels Worldwide. SHDL is a joint venture of Sena Kalyan Sangstha and Army Welfare Trust.

Mongla opens up to imported vehicles



STAR

Vehicles are being offloaded at Mongla Port yesterday for the first time since its beginning.

QUAZI AMANULLAH, KHULNA

Mongla Port started offloading yesterday the reconditioned vehicles imported from Japan.

It is the first time that imported vehicles are being offloaded at the port since it came into operations in 1950.

MV Estrella Eterna, a flag bearer of the Philippines, left Nagao Sea Port in

Japan on May 15 and was berthed at Mongla seaport yesterday with 255 vehicles.

Khulna City Corporation Mayor Talukder Abdul Khaleque inaugurated Jetty no-8 of the port at 11am, where the imported vehicles are being kept.

The imported vehicles include cars, microbuses and pickups, said Md Lutfor Rahman, member (operations)

of Mongla Port Authority.

The use of Mongla Port to unload imported vehicles will help reduce the problems with a shortage of space at the car sheds of Chittagong Port, he added.

The MPA will earn nearly Tk 10 lakh in revenue against the offloading of imported vehicles, he said.

The mayor said the port will undergo capital dredging soon.

পুরান ঢাকায় এইচএসবিসি-এর নতুন শাখা

যেসব বিষয়কে আপনি মূল্য দেন বিশ্বের স্থানীয় ব্যাংক হিসেবে আমরা বুঝতে পারি সে বিষয়গুলো। তাই আপনাদের সুবিধার জন্য পুরান ঢাকায় অবস্থিত এইচএসবিসি-এর কাস্টমার সার্ভিস সেন্টারটি হয়ে যাচ্ছে এইচএসবিসির একটি পূর্ণাঙ্গ শাখা। পুরান ঢাকার ঐতিহ্যবাহী চকবাজার এলাকায় এইচএসবিসির এই নতুন শাখায় আপনাকে স্বাগতম।

ঠিকানা: ২০০ ওয়াটার ওয়ার্কস রোড, চকবাজার, লালবাগ, ঢাকা ১২১১
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