



Now at 3,950/-

Customer Service Department: 8853366-8, 01712-665463

TRANSCOM ELECTRONICS

Asian Markets

MUMBAI ▲ 1.05%
14,645.47

TOKYO ▼ 0.19%
9,939.93

SINGAPORE ▲ 0.83%
2,352.55

SHANGHAI ▲ 1.65%
3,008.15

Currencies

	Buy Tk	Sell Tk
USD	68.45	69.45
EUR	94.58	100.15
GBP	111.68	117.52
JPY	0.70	0.78

(As on Tuesday)

SOURCE: STANDARD CHARTERED BANK

Commodities

Gold ▼
\$931.70
(per ounce)

Oil ▼
\$70.99
(per barrel)

SOURCE: AFP

(Midday Trade)

More News

OMS of essentials from early August

Palm oil, soybean oil, sugar, onion and pulse are among the essentials Trading Corporation of Bangladesh (TCB) is to start selling in open markets countrywide from the second week of August, ahead of Ramadan to keep their prices stable during the holy month. Commerce Minister Faruk Khan laid bare this plan at a parliamentary body meeting yesterday.

B-3

International

Happy 30th birthday, Walkman



Thirty years ago Sony launched the Walkman, a gadget which revolutionised the way people around the world listened to music but has since been overtaken by an icon of the digital age -- the iPod. The July 1, 1979 rollout of the portable cassette player helped transform the Japanese company into a global electronics powerhouse.

Citigroup sells NikkoCiti Trust to Nomura Trust

Nomura Trust and Banking Co. is acquiring NikkoCiti Trust and Banking Corp from Citigroup Inc for 19 billion yen (\$196 million) as the US financial group scales back its Japan business. The sale of the trust bank - a financial institution that combines banking and the functions of a trust company - is part of Citigroup's efforts to cope with the global financial crisis.

B-4

Contact Us

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

Water pump sales grow at 15-20pc



AMRAN HOSSAIN

A man puts a water pump on display in his shop on Nawabpur Road in Dhaka yesterday. Sales of the equipment rose by up to 20 percent over the last few years.

SAJJADUR RAHMAN

A rapid concretisation of houses in Dhaka and other divisional and district cities is pushing the growth rate of water pump sales by 15 to 20 percent a year.

The growth of water pumps in industries and irrigation is relatively low because sales to these sectors depend on availability of power and new electrification, market players said.

Although there is no authentic data on the actual size of the market, industry people said it would be worth around Tk 100 crore and has been growing at a double-digit rate for the last few years.

"A big chunk of our sales is now coming from households," said Tarequzzaman, an official of the local distributing company of Italian Pedrollo brand water pumps.

The company alone sold over 50,000 water pumps, mostly to households, in 2008.

"Sales of industrial water pumps are a bit slow at the moment," Tarequzzaman said. "And irrigation purpose is completely seasonal and the sales too."

Mobarak Hossain, national sales manager of AnB, said increased demand from households is helping the sales of the pumps to grow at 15-20 percent.

Gazi, Pedrollo, Rangpur Foundry Limited (RFL) and AnB are the major market players. Except Pedrollo, all the other

companies import Chinese products and market those.

A household pump costs Tk 1,800 to Tk 10,000, irrigation Tk 5,000 to Tk 20,000 and industrial pump up to Tk 3 lakh.

According to industry insiders, Gazi Pump is the market leader in terms of sales.

"We are the leader in the local water pump market," Badrul Alam Khan, a director of the company, said, but declined to disclose his company's sales figure.

Dozens of new importers, based in Nawabpur wholesale and retail markets, are also surfacing to cash in on the growth in demands and easy availability of low-cost Chinese products. There would be around 100 importers of those kinds.

A small number of pumps are also imported from Germany and India.

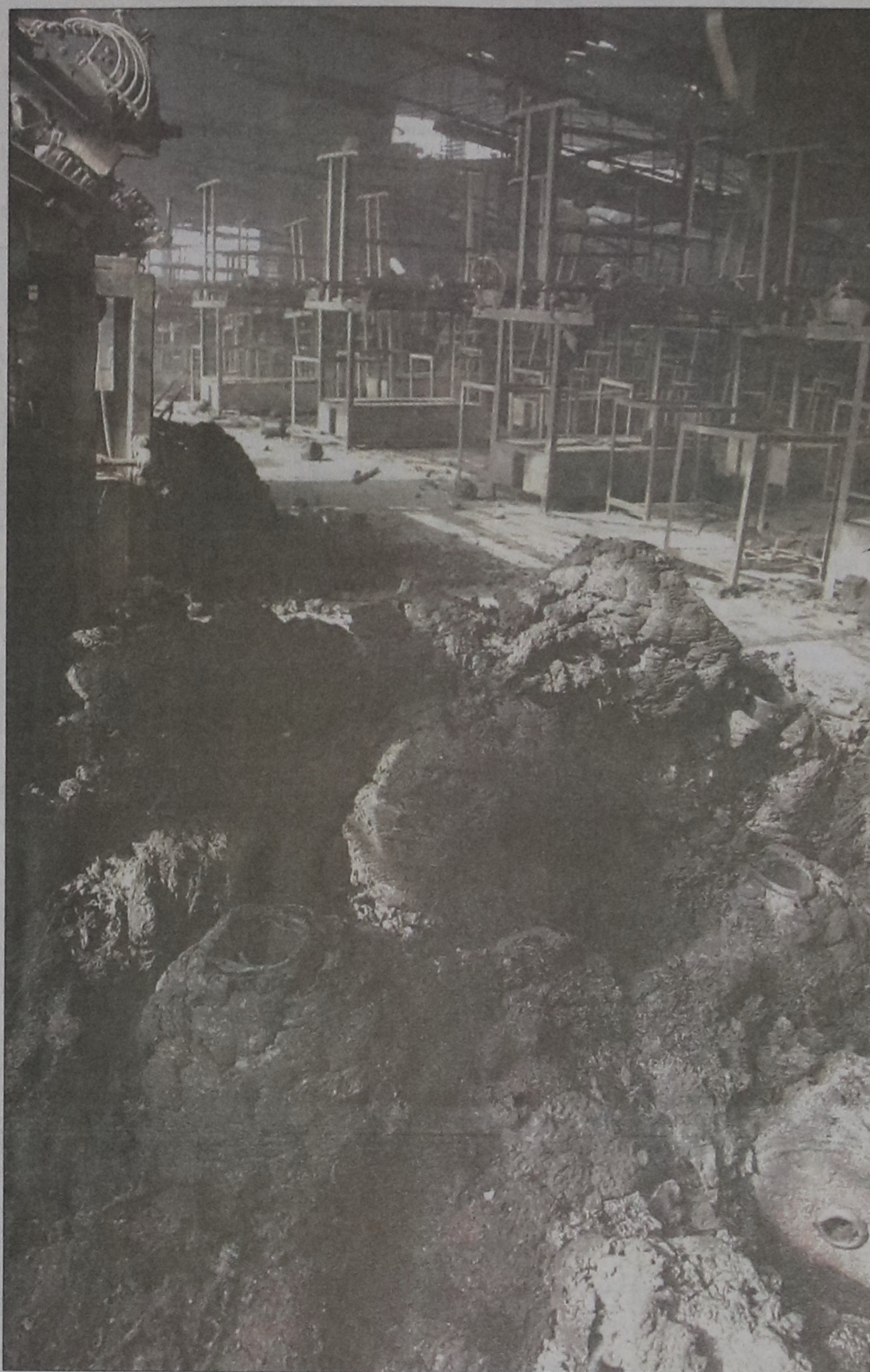
It was seen in the Nawabpur retail markets that a one-horse-power Pedrollo pump costs Tk 9,500, which is nearly Tk 5,000 for a Gazi pump and Tk 1,800 to Tk 3,000 for a Chinese pump.

"Sales of China-made low-cost water pumps are rising," said Mohammad Selim, an importer of two Chinese brands -- Kaifu and World.

Generally, lower-income segment of the society buys cheap but five-year-warranted pumps, he added.

sajjad@thedailystar.net

COUNTING LOSSES



SK ENAMUL HAQ

The picture shows remains of burnt-out sweater materials at a factory of Ha-Meem Group that counted Tk 150 crore in lost property in rioting by garment workers. The apparel giant was the latest victim of a three-day mayhem that ended on Monday. (Related stories on page 1)

Migrant outflow swings down in recession

STAR BUSINESS REPORT

The labour migration outflow slowed nearly 46 percent in the first six months of this year, dimming hopes for the growth of remittance.

In June, manpower exports went down 60 percent, compared to the same period of last year, according to a provisional report of the Bureau of Manpower, Employment and Training (BMET).

The slowdown synchronises with slowing exports, which together with remittance makes over \$24 billion or more than 29 percent of the country's \$81 billion GDP.

Exports declined 2.30 percent in April of the current fiscal year, compared to the same period a year ago.

In the January-June period, around 250,900 people went overseas for job purposes while the number was 464,000 in the same period of last year.

In June, 59,434 workers went abroad against 98,002 in June last year.

"Labour outflow is falling as Saudi Arabia, Dubai and Malaysia, three main job destinations for Bangladesh, are not hiring workers from the country now," said Muhammad Mosharraf Hossain, an executive committee member of Bangladesh Association of International Recruiting Agencies (BAIRA).

Asked about robust growth in inward remittance despite a declining trend in overseas jobs, Hossain said it would take six months to one year to feel the impact of the current manpower recruiting trend.

"Remittance inflow is still showing an upward trend but the situation may change at the end of the year due to the present overseas employment situation," said the former president of BAIRA.

The sector people blame inefficiencies of related government agencies and global financial crisis for a fall in overseas employment.

They also blamed an "irresponsible comment of a Bangladesh government official in Malaysia, which was reported in a Malaysian newspaper. The comment had reportedly led to a ban on manpower recruitment by the Southeast Asian country."

"Saudi Arabia was the top destination for Bangladeshi overseas workers, where recruitment of Bangladeshi workers is now virtually stopped. The government should find a way out of the debacle," said



A Bangladeshi worker returns home after losing his job abroad in the economic crisis. Slowing labour migration over the first six months of this year dims hopes for remittance growth.

BAIRA President Golam Mostafa.

The BAIRA chief alleged foul play by some quarters of recruiters, which contributed to a sharp fall in manpower outflow to Saudi Arabia. He also blamed the mess partly on inadequate regulatory measures.

"The number people in the relevant agency, who look after the overseas manpower recruitment issue, is very insignificant," said Mostafa.

He, however, expressed optimism about the future prospect of the sector.

"Migrant outflow may show an upward trend in the second half of next year with the recovery of global economy from recession," he said.

Joint venture company offers services for PPP initiatives

SARWAR A CHOWDHURY

NDB Capital Limited, an investment bank jointly ventured by Sri Lanka and Bangladesh, has offered project structuring and financing services to the government's Public-Private Partnership (PPP) initiatives.

"Structuring is the main foundation of a project, while financing comes second," Kusal Jayawardana, the company's chief executive officer, told The Daily Star yesterday.

"We can utilise our Lankan experience to extend support to Bangladesh government's PPP initiatives," Jayawardana said.

NDB, now looks forward to expanding its network in north and eastern Sri Lanka as peace returned to the war-torn country, has expertise in structuring projects and arranging finances for sectors like power, textile and garments, telecommunication and infrastructure.

Energy, telecommunication and port development have been prioritised in Bangladesh's PPP initiatives, introduced from the new fiscal year (2009-10). Health, education, information technology, tourism, drinking water, sanitation and housing are the other sectors that have been kept open to such initiatives.

Following the investment by the Lankan National Development Bank (NDB) to Capital Market Services Ltd, a local merchant bank, the company got a new name, NDB Capital Ltd. Now NDB owns 80 percent stake and Capital Market Services the rest.

The formal re-launch of the joint venture company was held in Dhaka yesterday.

NDB Capital's Chairman Nihal S Welikala and Director Al Maruf Khan also spoke at the launching programme.

"Identical culture, laws, population and

stable political environment are some factors that also encouraged us to come to Bangladesh," he said while elaborating the background of the venture.

However, NDB is the third Lankan bank that initiated a business venture here. Its predecessors are Commercial Bank of Ceylon and Sampath Bank. The latter has bought stakes in Lanka Bangla Finance.

NDB's global business network and its financial products such as derivatives, commercial papers and securitisation have given an impression to the local business arena that it will provide efficient services.

NDB Capital products range from equity offerings, equity private placements, structuring and placement of corporate debt securities, securitisations or covered bonds, arranging syndicated loans, underwriting, portfolio management and corporate advisory services such as share valuations, balance sheet restructuring, mergers and acquisitions and feasibility studies.

On Bangladesh capital market, Vajira Kulatilaka, chief executive officer of NDB Investment Bank, a subsidiary of NDB, said the local market is growing very fast with increased turnovers in recent times.

"A range of products covering sectors like education, information and regulations are necessary tools for a vibrant capital market," he said, adding that the NDB's Bangladesh chapter will organise educational programmes for both investors and prospective issuer companies to make a balance between the investor and the issuer.

NDB Capital Chairman Nihal S Welikala and Director Al Maruf Khan also spoke at the launching programme.

sarwar@thedailystar.net