

Projects to be put before Sino-Bangla JEC meet discussed

STAR BUSINESS REPORT

The preparation for the upcoming Joint Economic Commission (JEC) meeting with China was discussed in an inter-ministerial meeting at the finance ministry yesterday, with Finance Minister AMA Muhiuddin in the chair.

Bangladesh will put forward a number of projects in the JEC meeting, due in Beijing on July 28-30, and seek Chinese government's assistance to implement those.

Economic Relations Division Secretary Mosharraf Hossain Bhuiyan will lead the Bangladesh delegation, while Vice Minister Chen Jian will lead a nine-member Chinese delegation to the 12th JEC meeting. The last JEC meeting was held in Dhaka in May 2005.

LGRD Minister Syed Ashrafur Islam, Health Minister AFM Ruhul Haque, Communications Minister Syed Abul Hossain, Post and Telecommunications Minister Rajiuddin Raju, Prime Minister's Power and Energy Adviser Toufiq-e-Elahi Chowdhury, State Minister for Power and Energy Shamsul Haque Tuku and State Minister for Science and ICT Yeafesh Osman attended the meeting.



Ericsson Bangladesh gets new president

STAR BUSINESS DESK

Håkan Rusch has been appointed as the new president of Ericsson Bangladesh Ltd, it said in a press statement yesterday.

Prior to his new assignment, Rusch was vice president and head of market development of Ericsson Southeast Asia, based in Malaysia.

Rusch succeeds Arun Bansal, who has been appointed as the president of Ericsson Indonesia.

Rusch, a postgraduate in economic and business from Stockholm School of Economics, Sweden and with 30 years of experience in the telecommunications industry, worked in management roles in Europe, Africa and Asia after joining Ericsson in 1979.

"Rusch's predecessors have left a strong legacy in Bangladesh, not only in enhancing Ericsson's position as a strong and reliable partner to the operators here, but also in ensuring that Ericsson is a trusted partner and employer of choice in the country," says Jan Signell, president of Ericsson Southeast Asia.

Int'l renewable energy trade shows in Oct

UNB, Dhaka

A four-day international solar and renewable energy trade shows and conference will begin at Bangabandhu International Conference Centre on October 29.

Commerce Minister Faruq Khan is scheduled to inaugurate the curtain raiser programme of the tradeshow on July 25.

ZAK Trade Fairs and Exhibitions Private Limited, an event management company, is going to organise the trade shows to project Bangladesh in global arena, ZAK Director Syed Ahad Ahmed told the news agency yesterday.

Seventy companies from 15 countries are expected to take part in the exhibition.



Governor of Bangladesh Bank Dr Atiur Rahman speaks during a meeting with a delegation from the Federation of Bangladesh Chambers of Commerce and Industry, led by its President Annisul Huq, in Dhaka yesterday.

BPC troubled by 'substandard' jet fuel

UNB, Dhaka

The state-run Bangladesh Petroleum Corporation (BPC) is now in trouble with a consignment of 10,900 tonnes of "substandard" jet fuel shipped from Kuwait and seeks help from the authorities.

The country might face a shortage of jet fuel if the government does not take quick steps, BPC says in a letter sent to the National Board of Revenue (NBR) on July 20.

A vessel, MT AL-Kuwaitiyah, anchored at Chittagong seaport with the jet fuel (Jet A-1) along with 21,914 tonnes of diesel on July 16.

The 21,914 tonnes diesel was unloaded from the vessel after com-

pleting all necessary activities. But the BPC declined to unload the jet fuel as inspections found out that the standard of the fuel is not up to the mark.

For the import of the diesel and jet fuel the BPC opened LC on June 24 with Janata Bank in Dhaka. The jet fuel was loaded on the vessel MT AL-Kuwaitiyah on July 2 while the diesel loaded on July 3 after completing an agreement with Kuwait Petroleum Corporation (KPC).

As per the agreement between BPC and KPC, the prices of the diesel and the jet fuel have to be paid within 30 days of the bill of lading (BL).

But the prices of the diesel and jet fuel were not paid yet.

According to the letter, signed by BPC Chairman Anwarul Karim, the corporation will not pay the price of the jet fuel as it did not unload the fuel, which is used for airplanes.

The BPC has already informed the KPC about the matter and requested them to take back their jet fuel that was found substandard.

The chairman said his organisation has to pay \$20,000 in damages per day if the vessel MT AL-Kuwaitiyah makes a delay in departing from the port.

Furthermore, the crisis will arise for jet fuel (Jet A-1) if there is a delay in finding another vessel with same kind of fuel, the BPC chairman said in his letter.

"As a result, supply of fuel to dif-

ferent airlines will be disrupted."

According to the available sources, the demand for jet fuel in the country is on average 600 tonnes per day while the current reserve is no more than 12,000 tonnes.

Officials said BPC had asked the state-run Eastern Refinery Limited (ERL) to produce 300 tonnes of jet fuel a day.

The BPC chairman urged the NBR to take urgent steps and provide directives to the commissioners deployed at Chittagong Customs House (Export and Import) to release the vessel MT AL-Kuwaitiyah for avoiding crisis of jet fuel in the country and help BPC avert demurrage.



Md Jahangir Alam, general manager of Sylhet branch of Bangladesh Bank, poses at a workshop on Anti-Money Laundering and Combating Financing of Terrorism, organised by Mutual Trust Bank Ltd for its officers in the district town recently.

Germany ready to help develop solar energy

UNB, Dhaka

Germany is ready to assist Bangladesh in the solar-energy sector by providing its high technology for developing and tapping the renewable energy, the outgoing German ambassador said yesterday.

"We're ready to help in the solar-energy sector providing Germany's hi-technology," Frank Meyke said when he paid a courtesy call on President Zillur Rahman at Bangabhaban.

The envoy also apprised the President that a 20-

member trade delegation from Germany would visit Bangladesh in October for exploring new trade and investment avenues.

During the meeting, the President said the German government could provide technical support for improving Bangladesh's renewable-energy sector, especially solar power, in the wake of growing electricity demand in the country.

Zillur Rahman urged the German entrepreneurs to import more world-standard Bangladeshi shipping, pharmaceutical,

ceramic and jute products considering their very cheap prices.

Emphasising exchange of high-level political and government visits between Germany and Bangladesh to further increase trade and commerce, the President said parliamentary teams from both the countries have already undertaken visits few days ago.

"Bangladesh put high values on strengthening relations with Germany which have widened to cover political, economic, trade and educational affairs," the President said.

Tk 200cr loans for jute mills underway

BSS, Dhaka

A process with nationalised commercial banks of providing 17 public jute mills with about Tk 200 crore credit for two financial years is likely to be finalised this month.

The step is aimed at freeing the jute goods business of the nationalised jute mills under Bangladesh Jute Mills Corporation (BJMC) from the huge bad loans, officials said.

If everything goes well, the process will be finalised this month for getting final approval from the finance

ministry.

The government should ensure the credit for the mills under the BJMC before the jute purchasing season, they added.

The jute purchasing season is yet to begin this year as the sowing period began late as there was no rain. The delay in disbursing the loans will not create any problem, said the officials.

The BJMC mills overloaded with the cumulative loans and losses of over Tk 4,000 crore are unable to get any more loans without giving 30 percent from its sales proceeds.

Thais keen to invest

STAR BUSINESS DESK

Thai businesses are keen to invest in various sectors of Bangladesh such as frozen food, leather, textile, pharmaceutical, telecom, education, shipbuilding, food processing and healthcare, said the leader of Thai delegation.

Watcharee Tintani, director of Investment Development Assistance Bureau of Board of

Investment (BOI) Thailand, was speaking at a meeting with the leaders of Bangladesh Thailand Chamber of Commerce and Industry at Thai embassy in the capital on Tuesday, said a statement.

The seven-member delegation expressed interests to help promote and further

strengthen economic relation between the two countries.

The delegation came to Bangladesh with an intention to build coalition with Bangladesh business and industries, let them know about the opportunities and incentives of investing in Thailand as well as explore investment opportunities by Thai businesses in Bangladesh.

The BOI has recognised agricultural and light industry sectors as key driver of trade and investment between the two countries.

Thai Ambassador Chalermphol Thanchitt, President of the chamber MA Momen and chamber directors were present at the meeting.

Business News in Brief

Morgan Stanley posts loss of more than \$1.2b

AP, New York

Morgan Stanley said Wednesday it lost more than \$1.2 billion during the second quarter as it took a charge to repay government bailout money. The investment bank was also hurt for a second straight quarter by the improving value of its own debt.

Morgan Stanley's trading profits and investment banking revenue, while strong, were unable to offset mounting charges during the second quarter, which also included losses tied to real estate investments.

The bank said its net loss after payment of preferred dividends was \$1.26 billion, or \$1.10 per share, during the quarter ended June 30. The New York-based bank earned \$1.06 billion, or \$1.02 per share, during the same quarter last year.

Analysts polled by Thomson Reuters, on average, forecast a loss of 49 cents per share for the quarter.

Morgan Stanley said underwriting revenues rose 19 percent to \$855 million during the quarter. As credit markets have improved, more companies have tapped equity and debt markets to raise much-needed capital. Like competitor Goldman Sachs Group Inc., Morgan Stanley was able to take advantage of that pent-up demand for underwriting new offerings.

Revenue in Morgan Stanley's fixed income sales and trading division also rose. Revenue from the trading of interest rate, credit, currency and commodity products totalled \$973 million in the second quarter, up 44 percent from a year earlier.

Yahoo to spend more after cost cuts lift Q2 profit

AP, San Francisco

Carol Bartz has already shown off her cost-cutting skills in her first six months as Yahoo Inc's chief executive.

Now, she will try to prove she isn't making a bad bet by spending more money while the Internet company's advertising sales are still sagging.

The risky strategy caused investors to fret more about what might happen in Yahoo's third quarter than to celebrate the 8 percent increase in second-quarter profit reported late Tuesday. It marked Yahoo's first quarterly earnings improvement since the start of 2008, but Yahoo shares nevertheless slid 45 cents, or 2.7 percent, to \$16.30 in Tuesday's extended trading.

The Sunnyvale, California-based company wouldn't have boosted its second-quarter profit if not for layoffs and other cost cutting that pared Yahoo's operating expenses by nearly \$150 million, or 15 percent, from last year. The savings enabled Yahoo to shake off the biggest drop in its ad revenue since the dot-com bust at the beginning of the decade.

But Bartz raised questions about whether the earnings momentum will continue by vowing to spend at least \$75 million more promoting Yahoo's brand, hiring more engineers and improving some of its services during the third quarter. On top of that, Yahoo expects to surrender about \$75 million in revenue by reducing the volume of ads that management has identified as being too obnoxious.



A mini bond investor holds a placard reading "only accept a one hundred percent refund" in the lobby of the building housing the Securities and Futures Commission in Hong Kong yesterday. A group of Hong Kong banks said they have agreed to partially refund thousands of investors who bought complex financial products at the centre of a mis-selling scandal.

Apple beats Street despite recession

AP, Seattle

Apple Inc seems to have missed the memo -- you know, the one about the recession.

Cupertino, California-based Apple coasted past Wall Street's expectations for its fiscal third quarter on a wave of laptop and iPhone sales. It did it during a quarter in which total computer shipments fell worldwide. And it did it without sacrificing profit.

Investors sent Apple's stock up \$6.82, or 4.5 percent, to \$158.33 in after-hours trading Tuesday. Shares had dipped \$1.40 to end regular trading at \$151.51.

"Times are tough. Apple continues to post pretty strong numbers," said Shaw Wu, an analyst for Kaufman Bros. "It's pretty incredible. It truly is."

Apple, the closest thing the tech industry has to a luxury brand, said earnings for the three months that ended June 27 jumped 15 percent to \$1.23 billion, or \$1.35 per share. Apple's profit was \$1.07 billion, or \$1.19 per share, in the same period last year.

Boeing profit climbs on strong defence sales

AP

Boeing Co said Wednesday its second-quarter earnings rose 17 percent from a year earlier, when a charge weighed down results. Higher defence sales and lower costs bolstered the company's profit in the latest period.

The Chicago-based company also said it would announce a revised schedule for its long-delayed 787 jetliner in the third quarter. Boeing's credibility suffered a serious blow last month when it announced the latest of several costly delays of the plane's inaugural test flight.

Boeing, the world's second-largest commercial plane maker, said it earned \$998 million, or \$1.41 per share, for the three months ended June 30. That compares with \$852 million, or \$1.16 per share, during the same period last year, which included a charge of 22 cents per share for late delivery of military aircraft.

Revenue edged up 1 percent to \$17.15 billion from \$16.96 billion in the year-earlier period. Sales for its defence unit, which accounts for roughly half Boeing's overall revenue, rose 9 percent to \$8.7 billion.



Md Ziaul Haque Khondker, chairman of Securities and Exchange Commission, speaks at the launch of City Bank's brokerage operations in Dhaka yesterday. Aziz Al Kaiser, chairman of the bank, and K Mahmood Sattar, managing director, are also seen. (Story on B1)