

International Business News

India will need 1,000 planes in 20 years: Boeing

AFP, New Delhi

Indian carriers could require 1,000 aircraft worth 100 billion dollars over the next two decades, according to the Indian unit of the US aeronautical giant Boeing.

The bullish estimate Wednesday from Boeing-India president Dinesh Keskar, came despite the recent decision by India's largest privately owned carrier, Jet Airways, to defer delivery of seven Boeing aircraft because of declining passenger traffic.

Keskar noted that Air India, the ailing state-run carrier, had not deferred deliveries of any of 68 aircraft it had ordered.

"A phenomenal growth is likely in India as its economy is in a better shape than the rest of the world and the aviation industry will come out (of the economic slowdown) faster than other sectors," Keskar said.

Projecting annual economic growth of 6.5 percent in India over the next 20 years, Keskar said Boeing forecast the Indian market "will require 1,000 commercial jets valued at approximately 100 billion dollars" over the period.

The economic slowdown has shrunk corporate traffic globally by 20 percent and economy travel by nine percent, but Keskar said Boeing expected a rebound in the Asia-Pacific region driven by India's future needs.

The number of commercial passenger planes in India has grown from 122 in 2003 to 330 in 2009, with 350 currently on order.

EU unveils bank restructuring 'guidelines'

AFP, Brussels

The European Commission said on Thursday that it would take account of the financial crisis when assessing bank restructuring plans but warned that banks would have to make sacrifices.

The approach was outlined by the commission, which polices competition issues in the 27-nation European Union, in new "guidelines" explaining how it assesses state aid giving to the bloc's ailing banks.

It is based on three pillars: banks which receive help must be given a viable future without further support, aided banks must pay some of the restructuring costs, and measures must be taken to limit distortions of competition.

"We need to make banks viable again without state support and to re-invigorate competition," EU Competition Commissioner Neelie Kroes said.

The guidelines, which will be followed instead of normal rules until the end of 2010, come amid growing calls to clean up European bank balance sheets.

The European Central Bank warned last month that eurozone banks might have to take another 283 billion dollars (204 billion euros) in write-downs by the end of 2010, mainly to account for risky loans.



AFP

Frank Appel, chairman and CEO of Deutsche Post, speaks during the half-year press conference in the company's headquarters in Bonn, Germany, yesterday. The world's largest logistics firm reported having decreased the effects of the economic crisis in the second quarter 2009 despite ongoing difficult general conditions due to extensive cost cuts.

Porsche CEO steps down, making way for VW merger

AP, Stuttgart, Germany

Porsche chief executive Wendelin Wiedeking is leaving the luxury sports car maker after 16 years at the helm, a move widely expected to clear the way for a merger with Volkswagen AG.

The board for Porsche Automobil Holding SE said Thursday that Wiedeking, 56, and chief financial officer Holger Haerter, 53, were leaving with immediate effect from the heavily indebted company that makes the 911, among other models.

The move - along with the announcement that Porsche will seek to raise funds, possibly from a Qatar investor - is expected to make it easier for Volkswagen and Porsche to merge given that Wiedeking, who had been CEO since 1992, opposed such a move.

"The measure shall create the foundation of building an integrated car manufacturing group with Porsche SE and Volkswagen AG," a company statement said.

Credit Suisse posts 29pc jump in profit

AFP, Zurich

Swiss banking giant Credit Suisse on Thursday posted a 29 percent jump in second quarter profits, adding that it is well positioned to "perform well" even if the economic environment were to worsen.

The earnings of 1.571 billion francs, equivalent to 1.474 billion dollars or 1.035 billion euros, marked a second consecutive quarter of profits made by the bank, as it turns the page from a full-year loss of 8.2 billion francs in 2008.

The bank's chief executive Brady Dougan said the global economic climate is expected to "remain challenging and uneven business conditions" should persist.

"However, if markets continue to improve we expect to see further momentum across our businesses, and if markets become more difficult we believe that Credit Suisse is positioned to perform well," he added.

CAREER

SAYEDA AKTER and MUNEERA PARBEEN

In the world of glitz and glamour, it took Tumpa, a renowned model, a decade to make her mark.

Attention to the minutest of details, overcoming the frenzy of the ups and downs in the trade and sheer determination finally lead her to stardom.

"A relative of mine once spotted me at a wedding ceremony in 1998 and suggested I try out modelling. She encouraged me to submit a portfolio to an advertising agency. Soon I received a call from the agency to come in for a screen test," she says.

"There was no looking back since then."

"As a fresher, I struggled to learn the tricks of the trade. It was difficult to learn things on a trial and error basis, as there were no training institutes to help," Tumpa says.

"But after so many years, I still feel the same thrill as I first felt when I took part in my first catwalk at the Anamika Sheetal Fashion Show," says Tumpa, who also runs a grooming agency.

Tumpa is one of many who are attracted by the ecstasy of the job, as more people -- mainly youngsters -- are trying out their luck in modelling.

Lured by the fascination of instant success and recognition, currently there are thousands of models working for media in the country.

Tumpa says most models take up this profession as a hobby and for a passion to make it as a star.

However, a strong passion is not enough to get a break; one has to get the basics right, like creating a portfolio that makes a statement, submitting it to an advertising agency or a famous director, and finally, having the patience to wait for a call.

A typical portfolio includes several photographs of the person, taken from different angles, and a detailed resume with vital statistics and other relevant background information.

According to industry experts, growth of the modelling sector is pinned to growth of the advertising industry. The sector mainly has three segments -- print modelling, television commercials and ramp modelling -- where print modelling alone holds around 50 percent of the total market size.

Modelling in Bangladesh debuted in the late sixties with print media, when magazines first began using models to glamorise their pages. At the time, it was next to impossible to convince one's family to allow posing for a product.

The local advertising industry in fact boomed when television commercials became popular in the mid seventies.

Later in the mid eighties, catwalk modelling, commonly referred to as the ramp, shook urban life, presenting a completely new way of advertising. With onset of the nineties, mushrooming boutiques and a growing sense of fashion added new dimension to modelling.

Bangladesh's epic model Bibi Russel was the sole person behind popularising the catwalk.

"A catwalk mainly introduces a designer's new collection to the market. Once I have to launch a new collection, I

arrange a catwalk show," Bibi says.

"There is a lot of hard work that goes into preparing a catwalk, as the primary objective is to create a distinct image about the clothes or accessories and leave that impression on the audience's mind," she says.

"This form is also the toughest among all forms of modelling because the show is live and we cannot afford to make any mistakes."

However, the Tk 250 crore modelling sector is still struggling to gain recognition as an industry and modelling remains an individual profession, say industry insiders.

In terms of turnover, the sector accounts for only 20 percent of total advertising spending.

Aly Zaker, CEO of Asiatic JWT, a leading advertising agency, says modelling has not yet achieved the position of an industry.

"Advertising in Bangladesh is mostly associated with growth of the FMCG companies -- Fast Moving Consumer Goods. Since the number of FMCG companies is small in this country, the scope for its related fields to develop is also small."

He said the sector lacks professional agencies and institutions to train newcomers to sustain in this profession.

"One of the foremost problems is the complete lack of professional agents who would handle the work prospects for a model. An agency would not only groom an aspiring model but also bring in work and handle his or her career."

For lack of such institutions that could bargain for the betterment of a model's career, models are left to fend for themselves, making do with whatever work they get.

"Another major problem is the lack of training institutes that could teach aspiring models the essentials of the profession -- personal care, body language, working in front of cameras, personal assets, aesthetic sense and knowledge of the industry," says the veteran advertising expert.

At present, the few beauty pageants or talent hunting contests -- such as Lux-Channel i Superstar or Pantene's You Got the Look -- are the sole platforms for aspiring models to get professional grooming in this country.

A number of advertising bosses and models also echo Zaker.

Amitabh Reza, famous television commercial maker, says in absence of professional agents or training institutes, advertising agencies or directors have to provide preliminary training to newcomers.

"There are only a few agencies that have grown over recent years that help us choose new models for adverts. But essentially, they function as a model bank, and not as a professional agent," he says.

Aspiring model Porosh says, "There are many people offering short courses on modelling, but the best they could give me was an amateur portfolio. Afterwards I am left to look for work on my own."

Apart from these limitations, the sector also suffers from many other problems, including payment. Newcomers often complain they are not paid well or sometimes not even paid.

Porosh did not get paid for many assign-



ZAHIDUL KHAN

The Tk 250 crore modelling sector is still struggling to gain recognition as an industry. Modelling remains an individual profession.

ments.

"I couldn't insist for payment as I was afraid I would not get further work," he says.

Other new comers complain of similar experiences. Some say they were not paid for years.

Youngsters, while overcoming the associated social reservations of using one's looks or appearance to earn a livelihood, therefore struggle to take up modelling as a full time job.

"Most of the time, a model can't make ends meet with modelling as a full time profession, because of the insecurity over payment," Zaker says. "As a result, most models are forced to consider alternate professions."

Experts point that this is why many mod-

els break into related professions as acting or choreography.

Nazim Farhan Choudhury, deputy managing director of Adcomm, one of the oldest local advertising agency, says, "Only professional agencies can solve these problems."

He suggests that newcomers ask for formal contracts with agencies, where the terms and conditions are clearly mentioned. This would save both parties from unnecessary hassles and disappointments.

Despite all odds, the profession keeps luring hundreds of young people because the demand for models is on the rise and the industry is on its way to flourish.

sayedat@thedailystar.net
muneera13@gmail.com

Japan trade surplus logs first rise in 20 months

AFP, Tokyo

Japan's trade surplus grew in June for the first time in 20 months as an export slump eased, data showed Thursday, supporting hopes the world's number two economy is crawling towards a recovery.

The surplus jumped roughly five-fold to 508.0 billion yen (5.4 billion dollars), from 104.1 billion yen a year earlier, the finance ministry reported.

Exports exceeded imports for a fifth straight month, giving a vital boost to a country whose heavy dependence on overseas demand left it highly exposed to the global economic downturn.

The year-on-year improvement in the trade balance, the first since October 2007, reflected a smaller decline in exports and a sharp fall in imports.

Exports sank 35.7 percent from a year earlier to 4.6 trillion yen, after a 40.9 percent plunge in May, while imports dived 41.9 percent to 4.1 trillion yen.

Markets had expected a bigger surplus of 593 billion yen, but analysts still saw the data as a positive sign for the recession-hit economy.

"Exports are improving. What had been most worrying were shipments to the United States, but they shrank less than before," said Daiwa Institute of Research economist Hiroshi Watanabe.

US-bound exports were down 37.6 percent from a year earlier, compared with drops of more than 40 percent in April-May and more than 50 percent in January-March.

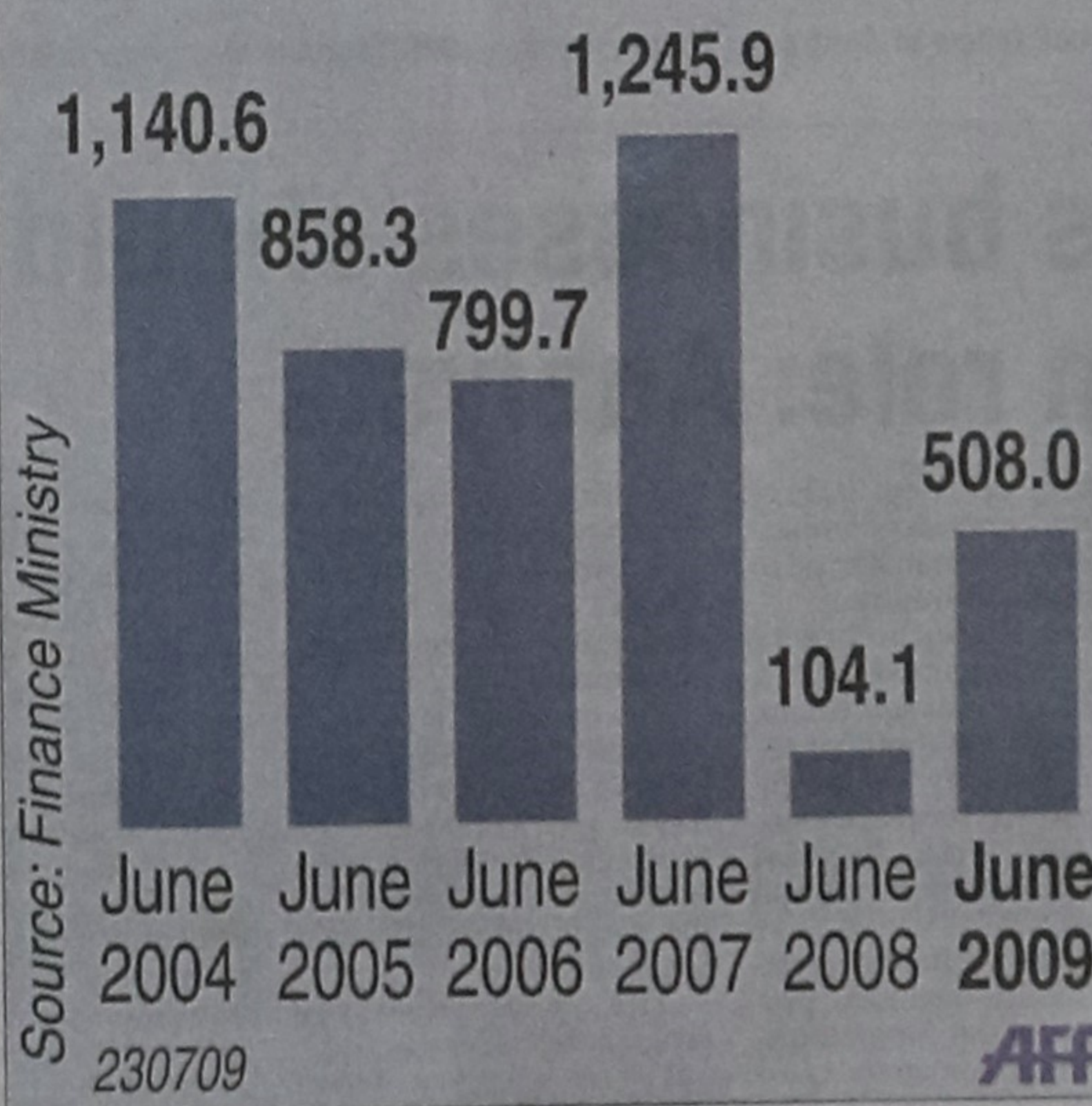
Watanabe said a credit crunch that had squeezed demand for cars and other products was now easing, supporting overseas demand for Japanese goods.

Japan

Trade surplus

(Billion yen)

US\$1=¥93.70



Asia economies to rebound in 2010, fears remain: ADB

AFP, Bangkok

Asian economies will likely bounce back from the global economic slump in 2010 but fears remain over the sustainability of growth if there is no wider recovery, the Asian Development Bank said Thursday.

The bank's chief economist Lee Jong-Wha said the outlook for East Asia this year remained "pessimistic" but foresaw a V-shaped recovery led by China if countries continue to focus on stimulating domestic demand.

"We are optimistic for developing Asia for a V-shape recovery... But the big question is whether it will be sustainable growth -- in that part we are rather pessimistic without a full global recovery," Lee told AFP ahead of the launch of the ADB's biannual Asia Economic Monitor in Bangkok.

"It will be very difficult to return to the pre-crisis trend of growth," he added.

Despite an increasing proportion of export demand coming from within Asia, notably China, the region overall continues to rely on markets in the US, European Union and Japan for 60 percent of final goods exports, Leesaid.

Those markets are less likely to recover from the global financial crisis so quickly, he said.

The ADB report recommended a continued focus on loose monetary and fiscal policies to stimulate domestic demand, with support for small enterprises and stimulus packages that must be fast and efficient.

"The issue is how effectively they (Asian governments) can mobilise these additional fiscal resources," Leesaid.

But non-economic events such as the A(H1N1) swine flu pandemic and political issues such as North Korea nuclearisation, with "low probabilities but potentially large impacts" pose a big risk in the coming months, it said.

It showed that the pace of capital outflows from Asia had slowed in the first quarter of 2009, and Lee urged large Asian investors to focus more of their capital spending within the region.

There was already evidence that investors' appetite for risk was returning, said Lee, but the report included a chapter dedicated to regulation and the requirement for Asia to develop stronger financial architecture.

"We need to balance between innovation and regulation," said Lee, calling for greater harmony of regulatory policy between states of the Association of Southeast Asian Nations and its regional partners in China and beyond.