

## Stocks

DGEN	▲ 0.55%
	2,914.90
CSCX	▲ 0.71%
	6,340.90

## Asian Markets

MUMBAI	▲ 1.41%
	15,387.96
TOKYO	▲ 0.15%
	10,165.21
SINGAPORE	▲ 1.23%
	2,636.19
SHANGHAI	▲ 1.69%
	3,321.56

## Currencies

	Buy Tk	Sell Tk
USD	68.42	69.42
EUR	94.34	99.52
GBP	110.31	115.72
JPY	0.71	0.79

SOURCE: STANDARD CHARTERED BANK

## Commodities

Gold	▼
	\$931.57
	(per ounce)

Oil	▼
	\$63.17
	(per barrel)

SOURCE: AFP

(Midday Trade)

## News in Brief

### Lufthansa H1 results weak



AFP, Frankfurt

Lufthansa, Germany's leading airline, reported on Thursday disappointing first half results due to the global travel slump and pledged to cut costs sharply.

It said the outcome made its full-year target of an operating profit harder to reach but it maintained the forecast.

"We still cannot be satisfied with this result," finance director Stephan Gemkow said in a statement after Lufthansa posted an operating profit of eight million euros (11.3 million dollars) and pledged to cut costs in its passenger division by one billion euros by 2012.

### Softbank outshines DoCoMo in Japan's cellphone battle

AFP, Tokyo

Japanese mobile telephone operator Softbank announced Thursday a surge in first-quarter profits, outshining its bigger rival NTT DoCoMo Inc. whose earnings sank amid tough competition.

Softbank, Japan's number three cellphone operator, said its net profit jumped 41 percent in the April-June quarter to 27.38 billion yen (288 million dollars), helped by increased revenue from handset sales and operating fees.

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# Money-whitening scope pushes flat sales up



AMRAN HOSSAIN

The new fiscal year has brought good news to real estate. Apartment sales increased around 15 percent in July.

MD HASAN

Apartment sales have soared around 15 percent in the first month of the new financial year, as the government announced that buyer's source of income would not be questioned under black money whitening scope.

Housing sector people say the scenario was reverse during January-March of 2009. The realtors blamed the ongoing global recession fallout for about 30 percent drop in sales at that time.

"The sector has overcome that bad time in July and now it enjoys around 15 percent growth in terms of sales," said Tanveerul Haque Probal, president of Real Estate and Housing Association of Bangladesh (REHAB). "The scope of money whitening is one of the reasons."

Had the National Board of

Revenue (NBR) already issued the SRO ((statutory regulatory order), such responses would have been much more.

The 2009-10 budget has allowed whitening black money through investing in more than 64 sectors, including housing.

Any person can legalise his or her black money by purchasing a single flat after paying a certain amount of tax fixed for per square feet. However this tax varies in line with the apartment location.

In a recent meeting with the finance minister, the industry insiders pointed to the sales growth.

"Definitely, it happens because of the money whitening scope," said Mohammad Abdul Awal, managing director of the Structural Engineers Ltd (SEL), a leading developer.

SEL has ongoing projects at Gulshan, Mohammadpur, Uttara,

Mirpur, Indira Road, Malibagh and Shyamoli in Dhaka. Its project outside the capital is in Comilla. Earlier, apartment sales in city's posh areas dropped significantly in the first three months of the year.

Awal, a former president of REHAB, said customers queries are now coming from all parts of the city. "The queries are plenty," the SEL boss said.

An anti-graft drive during the caretaker government rule, which bound the intending buyers of flats to show their sources of incomes, pushed the sales down to over 40 percent.

Sayed Ismail Ali, managing director of Multiplan Development Ltd, who runs 13 housing projects in Dhaka, said customers' interests in buying apartments have doubled this month.

As many as 500 developers construct around 7000 flats every year on an average. The usual

monthly sales hover around 600, but the March sales came down to 180. In the changed scenario, demand for apartments in July jumped to more than 800, according to the sectoral trade body.

Although sales go up, apartment price is yet to come down, rather in some cases it soared. The present prices range from Tk 8,000 to Tk 15,000 per square foot in posh areas, while the rates are between Tk 4,000 and Tk 5,000 in other areas.

The housing sector has contributed nearly 7.35 per cent to the country's gross domestic product (GDP) in the financial year 2009. Some 2.0 million skilled and non-skilled persons are directly and indirectly involved in the sector.

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# Move away from export-led growth

## Experts suggest as regional workshop ends

STAR BUSINESS REPORT

Asia-Pacific countries should focus more on growth driven by internal resources than on export-led growth, said finance and central bank officials at a high-profile regional workshop that ended yesterday.

The four-day workshop on "Strengthening the Response to the Global Financial Crisis in Asia-Pacific: The Role of Monetary, Fiscal and External Debt Policies" was co-organised by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and Bangladesh Bank (BB) in Dhaka.

The experts also recommended a separate regional currency for Asia-Pacific countries.

At a press briefing, Bangladesh Bank Governor Dr Atiur Rahman said they do not want to exclude export-led growth but couple it with an emphasis on internal resources such as agriculture and small and medium enterprises.

"Depending on only external sources would not work anymore. We have to depend on our own resources," Rahman said. "Issues over a separate currency are still at discussion levels. We have far to go before it can be implemented."

Rahman stressed faster growth of regional exports and development of regional bond markets.

On the need for deeper regional cooperation in the Asia-Pacific, the delegates said in a written statement: "Given the need to contain global imbalances, the United States and the European Union are unlikely to continue to act as engines of driving Asia's export-led economic growth."

Asian countries need new engines of growth to revive their rapid growth rates, according to the statement.

"An increase in the share of domestic demand in aggregate demand can make up for the expected loss of dynamism in traditional export markets," it said.

The experts recommended a regional unit of account for intra-regional trade could be created as a way to facilitate the expansion of trade and reduce disruptions to foreign exchange rates.

Moreover, part of the region's huge foreign exchange reserves could be allocated to a regional sovereign wealth fund to promote investment activity across the region," the statement said.

"It could play a role in supplementing national efforts to generate aggregate demand and support poorer countries and countries with less fiscal space, in a sort of regional Keynesianism," the statement added.

The experts also said the outcome of this workshop will be presented to ESCAP's member countries at the meeting of the "Committee on Macroeconomic Policy, Poverty and Inclusive Development" to be held in Bangkok on November 23-26, which will report to the 2010 annual session of the commission.

Dr Aynul Hasan of ESCAP spoke at the press conference while BB Economic Adviser Dr Habibullah Bahar presented the recommendations.

High-level government officials from the finance ministry and the central banks of 17 countries, economists and experts from United Nations Development Programme, Asian Development Bank, International Monetary Fund, World Bank and NGOs attended the workshop.

Finance Minister AMA Muhith inaugurated the workshop on July 27.

# Small jobs comfort thousands in north



HASIBUR RAHMAN BILU

Weavers work at a factory in Adamdighi upazila in Bogra. Small entrepreneurs in the northern districts of Bogra, Joypurhat and Naogaon have created jobs for more than 100,000 people.

HASIBUR RAHMAN BILU, Bogra

Small entrepreneurs in 11 upazilas under Bogra, Joypurhat and Naogaon districts in the north have created jobs for over one lakh underprivileged people including around 25,000 women.

The businessmen are engaged in producing thread, low-cost blankets, bed sheets, towel, scarf, warm clothes and other cotton products to meet the demand of the country and export to India.

The business has grown centring a village market at Shawail village under Adamdighi upazila of Bogra -- Shawail Suta Bazar, which has been running for the last 150 years without any government support.

Md Uzzal Hossain, president of the thread businessmen's committee of the market, said the annual turnover of the market is around Tk 375 crore.

The turnover is likely to go up this year due to an

increase in demand, he added.

"Although a huge transaction takes place at the market, there is not any bank branch here," complained Uzzal.

Incidence of fire, snatching and other offences is frequent, but there is no police or fire station in the market area, he said.

"I have sent several request letters to the authorities concerned to set up fire station and police box here, but they are yet to respond," said Uzzal.

Local Nasharatpur Union Parishad Chairman Md Shamsul Haque said he has been trying for the last 12 years to help set up a bank branch there, but he failed to convince any bank.

"I have also been trying for the last 4 years to set up a fire station in the market area, but in vain," he said.

Uzzal Hossain said thousands of men and women are engaged with weaving works mainly in Akkelpur

upazila of Joypurhat district, Raninagar, Atrai and Naogaon Sadar upazilas of Naogaon district and Adamdighi, Kahalu and Dupchanchia upazilas of Bogra district.

The local entrepreneurs have set up more than 1,200 shops of warm and other clothes as well as fabrics at the market, where business volume stands at around Tk 10 crore on each Sunday and Wednesday -- the two hectic weekly market days.

"I have been running my four-member family for the last ten years working at this market after the death of my husband," said Muslima of Adamdighi upazila, who earns Tk 1,500 per month working in a handloom.

"I bear the expenses of my college-going son and others," she said.

Muslima is among the many struggling but surviving on the income from the market.

# Telecom fetches highest FDI, says BB

STAR BUSINESS REPORT

Telecommunication topped the list of sectors to fetch the highest amount of foreign direct investment (FDI) in the country during the January-June period of fiscal year 2007-08, said the latest Bangladesh Bank survey.

The country received a total of \$483.66 million FDI during the period against \$381.34 million in fiscal 2006-07, marking a 26.78 growth, according to the survey released yesterday.

During the period, telecommunication sector fetched \$210.68 million, which is an 87.5 percent rise from \$112.66 million pumped in the sector in the same period of fiscal year 2006-07.

Banking sector received \$119.58 million during the time, which is a 183.33 percent increase from \$42.74 million inflow during the same period of fiscal 2006-07.

Investment in textile and garment sector was \$55.41 million that marked a 14.1 percent decrease compared to \$64.34 million in the previous fiscal year.

FDI inflow in power sector remained almost static during the time as the sector fetched \$16.15 million against \$16.80 million a year ago.

Other sectors pulled in \$20.20 million, while the amount was \$25.78 million in the previous fiscal year.