

Chittagong commodity prices go high

DWAIPAYAN BARUA, Ctg

Both the wholesale and retail markets of different commodities in Chittagong have become volatile with price hike of the items despite enough stocks.

Traders termed the price hike as 'natural' since demand for the items increased remarkably in the last couple of weeks when traders from different parts of the country started stockpiling the items targeting the upcoming Shab-e-Barat and Ramadan.

A good quantity of commodities like gram, lentil, dun pea and sugar was imported in the last three months till June, said officials of Chittagong Customs House and Khatunganj Wholesale Market.

Retail prices of all these commodities rose by Tk 2 to Tk 12 per kilogramme at the kitchen markets in the last two weeks. Retailers blamed the wholesalers for such a price hike.

The retail price of good quality Australian gram, widely used as an liftar item during Ramadan, reached Tk 48 a kg on Monday, while the price was Tk 40 last week.

The wholesale price of the same item increased by Tk 150 per maund

(around 37 kg) at the Khatunganj market in the last 20 days, while it was selling at Tk 1,500 a maund yesterday against the price of Tk 1,480 on Tuesday and Tk 1,350-Tk 1,370 three weeks ago.

Absar, a retailer of Karnaphuli CDA Market, said he bought Australian gram at Tk 1,370 per maund from Khatunganj on July 8, while it was selling at Tk 1,500 in the same market yesterday.

The retailers were found selling good quality Indian lentil at Tk 112 to Tk 115 per kg against its earlier price of Tk 110. Retail price of Nepalese lentil rose to Tk 100-Tk 102 per kg from Tk 90.

Ram Prasad, a retailer of Reazuddin Bazar, said: "We are forced to sell lentil at higher prices as the wholesale price of lentil rose by Tk 10 a kg in Khatunganj."

The wholesale price of lentil imported from Nepal went up by Tk 300-Tk 350 within two weeks and reached Tk 3,350 per maund on Tuesday from Tk 3,000 earlier.

Different qualities of lentil were found selling within the range of Tk 2,900 to Tk 2,980 per maund yesterday at the Khatunganj wholesale market, while the price was Tk 2,800-Tk 2,850 on July 22.

Price of sugar also rose by Tk 2 per kg at the kitchen markets in the last four days. Indian sugar was selling at Tk 40-Tk 41 in the last two days against Tk 38 four days ago, while fine quality sugar was selling at Tk 42 against Tk 40 earlier.

The wholesale price of sugar increased by Tk 95 a maund in a week and reached Tk 1,470 on Wednesday, while the price was Tk 1,435 on Monday and Tk 1,375 on July 22.

Retailers were selling dun pea at Tk 26 to Tk 27 yesterday against its earlier price of Tk 22. The price of dun pea increased by Tk 4 per kg to Tk 23 within a week at the Khatunganj wholesale market.

The Chittagong Customs House officials said a total of 39,427.43 tonnes of gram, 28,103.43 tonnes of lentil, 319,418 tonnes of raw sugar and 114,820.70 tonnes of dun pea were imported through Chittagong Port in the last three months till June this year. And the quantity of import is also higher than that of last year.

During the same period last year, a total of 32,593 tonnes of gram, 14,605 tonnes of lentil, 203,226 tonnes of raw sugar and 75,913 tonnes of dun pea were imported through the port, they said.

55m euro German grant for energy efficiency, rural infrastructure

STAR BUSINESS DESK

Two agreements were signed with Germany in Dhaka yesterday under which Bangladesh will get 55 million euros from the largest economy of Europe.

German Ambassador to Bangladesh Frank Meyke and Joint Secretary (Europe) of Economic Relations Division Salahuddin Akbar signed the deals, according to a press release.

Of the grants, 40 million euros will be utilised to promote energy efficiency, local governance in urban areas and health financing. The rest of the funds will be utilised for rural infrastructure development.

\$1.22m Dutch investment in Comilla EPZ

UNB, Dhaka

The Netherlands company, Golden Moon Bangladesh Ltd, will set up a shoe-upper manufacturing industry in the Comilla Export Processing Zone (CEPZ).

This fully foreign-owned company will invest US\$ 1.22 million to set up its plant, said a press release.

To this effect, an agreement between the Bangladesh Export Processing Zones Authority (Bepza) and the Netherlands Company was signed in the Bepza complex yesterday.

Bepza Member Prasanta Bhushan Barua and Operation Manager of Golden Moon Bangladesh Ltd Campaci Giorgio signed the deal on behalf of their respective organisations.

The company will produce upper for women footwear, creating employment for 300 Bangladeshi people, including five foreigners.

Dollar mixed

AFP, Tokyo

The dollar was mixed in narrow Asian trade Thursday as traders nervously eyed recent falls in Chinese stocks blamed on worries about tightening credit in the Asian powerhouse, dealers said.

The greenback was at 95.04 yen in Tokyo afternoon trade, unchanged from its level in New York late Wednesday. The euro edged up to 1.4060 dollars from 1.4049 and to 133.64 yen from 133.51.

Recent optimism about a rebound in global share prices has given way to renewed worries about the global economy, Mitsubishi UFJ Trust and Banking strategists Hideaki Inoue said.



Mosharrif Hossain MP, chairman of the parliamentary standing committee on civil aviation and tourism ministry, and others visit a stall at the Galileo Chittagong Travel Mart 2009, in the port city yesterday.

Tourism fair kicks off

CU CORRESPONDENT

A three-day international tourism fair -- "Galileo Chittagong Travel Mart 2009" -- began in the port city yesterday.

The country's travel journal The Bangladesh Monitor organised the fair, the first of its kind in Chittagong, at Hotel Peninsula.

Mosharrif Hossain MP, chairman of the parliamentary standing committee on civil aviation and tourism ministry, who attended the inaugural ceremony as chief guest, emphasised the need for private-public partnership to boost tourism.

"Most people in the country do not even know what we have. We should work together to introduce them to the beauty of Bangladesh by wiping out all things bad," he said.

The government owns 250 acres of land near Cox's Bazar and the parliamentary

committee has proposed to construct a seven-star hotel, a golf-court and develop the existing airport in the area to raise comfort levels for tourists, Hossain said.

The government also attaches importance to developing Cox's Bazar, Teknaf and St Martin's Island through PPP (public private partnership) programmes, working to increase foreign investment in the tourism industry, Hossain added.

In reference to several countries earning hefty revenues from tourism, Hossain said the government should patronise the tour guides and tour operators to take the industry forward.

Local daily Azadi Editor MA Malek was the special guest at the ceremony, while Bangladesh Monitor Editor Kazi Wahidul Alam, Galileo Bangladesh Limited General Manager Tofael Ibna Solaiman and Eastern Bank

Limited Chittagong Area Head (Consumer Banking) Ahsan Zaman Chowdhury was also present.

A total of 19 organisations from home and abroad, including airlines, tour operators, hotels, resorts, amusement parks and other organisations related to tourism are participating in the fair.

Participants will offer special discounts on air tickets, hotel rooms, tour packages and other products and services during the fair, organisers said.

The fair will remain open for all from 10am to 8pm everyday.

Galileo Bangladesh Limited is the title sponsor of the fair while Eastern Bank is the premium partner, while Concord Entertainment Company Ltd and The Peninsula Chittagong are the hospital-ity partners and Channel i, 'Radio Foorti and Daily Azadi are the media partners.

Jessore auto workshops seek govt help

STAR BUSINESS DESK

Automobile workshop owners in Jessore have said the sector could be a major foreign currency earner, if the government provides them with necessary funds and technical support in making world-class automobile bodies for both local and foreign clients.

At a discussion in Jessore yesterday, they urged the media to help draw attention of policymakers to the problems of the sector, Management and Resources Development Initiative (MRDI) said in a statement yesterday.

Business Reporters' Network (BRN), Bangladesh Automobile Workshop Malik Samity, and MRDI co-organised the discussion titled 'Jessore Automobile Workshop: its growth, opportunities and obstacles' with support from Katalyst.

Kawser Ali, president of Bangladesh Automobile Workshop Malik Samity, presented a keynote paper at the discussion, moderated by Mobinul Islam Mobin, editor of Daily Gramer Kagor.

The government should provide plots to the automobile workshop owners in the Jessore Industrial Estate to promote the promising sector, Ali said. Besides, the entrepreneurs need low-interest loans that would help expand their activities beyond the borders, he added.

Jamir Hossain, general secretary of Bangladesh Automobile Workshop Owners' Association, said automobile owners around the country prefer Jessore workshops due to their quality assurance and lower rates. They are contributing to the smooth transportation in the southwest region, he said.

Roknul Islam Kafi, Jessore

correspondent of Naya Diganta, and Jamir Ahmed Tun, correspondent of Bangladesh Betar and The Bangladesh Observer, in another paper highlighted the potentials and problems of this sector and the role of media.

In Jessore, over 35,000 livelihoods are attached to this business consisting of over 1,500 workshops.

Hasibur Rahman, executive director of MRDI, described the background of the formation of BRN and MRDI's activities to bridge the gap between the media and SMEs such as automobile workshops, fisheries, flower cultivation, foundry and others.

As part of business-media cooperation, business issue-based interaction programme could be organised for journalists with support from the business community, he said.

US assistance for SME bank sought

STAR BUSINESS REPORT

The government has sought assistance from the US to set up a 'SME bank', to provide financial support to small and medium enterprises.

"We've been prioritising the SME sector as many entrepreneurs in this sector have no access to credit. An SME bank will help them get loans," Industries Minister Dilip Barua told journalists after a meeting with US Ambassador James F Moriarty at his ministry yesterday.

Quoting the US envoy, Barua said, "It's a good idea and proposal. Bangladesh will benefit from it."

The minister also urged US entrepreneurs to invest in the country's prospective sectors, such as pharmaceuticals, light engineering, plastic, toys, software and shipbuilding.

Moriarty earlier said in addition to the ready-made garment sector, Bangladesh needs to focus on new areas to accelerate industrialisation and economic growth.

He said the US market is open for diversified products from Bangladesh, which will also prove to be competitive.

Emphasising an investment-friendly environment, Moriarty said despite global recession, many foreign entrepreneurs consider Bangladesh as an investment destination. "Better investment climate is not only essential to attract foreign investment, but also domestic investment."

Barua said they discussed the proposed industrial policy and other bilateral issues at the meeting with the US envoy.

He said the government will prioritise private sector growth in the new industrial policy and consider public-private partnership (PPP) programmes for larger infrastructure projects, a prerequisite to attracting investment.

The government is now preparing the terms and conditions for PPP projects, the minister said.

"We are also thinking about setting up special economic zones (SEZ) to facilitate local entrepreneurs," he said, adding that entrepreneurs in the SEZs will get facilities similar to the ones enjoyed by entrepreneurs in the export processing zones.

"The government always looks to maintain an investment-friendly environment so that both local and foreign entrepreneurs are encouraged to invest," he added.



Banglalink names new CCO

STAR BUSINESS DESK

Banglalink, the country's second largest mobile operator, has appointed Asher Yaquub Khan as its chief commercial officer (CCO), effective from September 1.

Prior to joining Banglalink, Khan was the vice president and chief marketing officer of Ufone Pakistan, the mobile operator said in a statement yesterday.

Khan, an MBA from Lahore University of Management Sciences of Pakistan, has 14 years of expertise in the strategic and commercial fields, including 13 years in the telecom industry, according to the statement.

He will replace Omer Rashid, who has been the chief commercial officer for the company from 2007. Rashid will leave for Canada to pursue other career interests.

Migrants hurt by global recession: Unctad

STAR BUSINESS REPORT

Surging global unemployment triggered by the economic crisis is significantly affecting migrant workers, many of whom have lost their jobs and returning home, said experts at a United Nations trade arm meeting on Wednesday.

With 60 million people expected to be out of work by year-end, the total number of people who will lose their jobs because of recession will be 240 million.

"The crisis is significantly affecting the flow of migrants," said Supachai Panitchpakdi, secretary-general of the UN Conference on Trade and Development (UNCTAD), in Geneva.

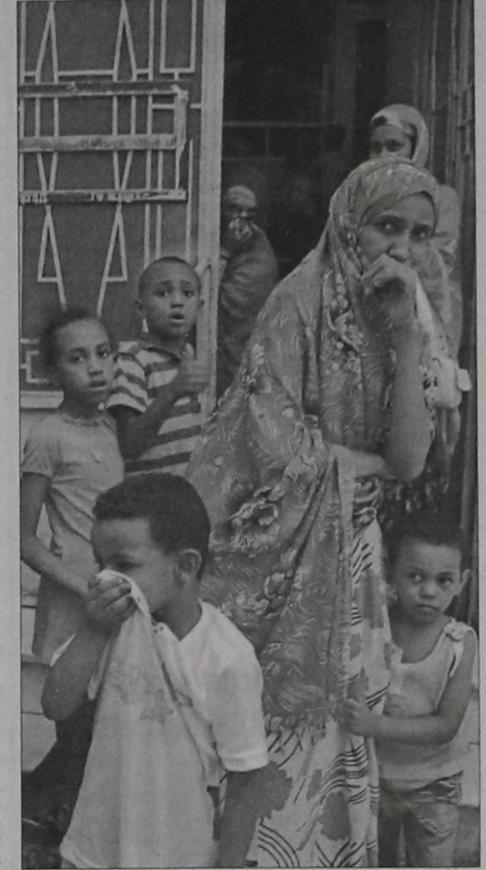
The economic downturn has hit construction, manufacturing and other sectors that employ many migrants and women will feel the impact as jobs in health care, education and domestic services shrink, according to a UN News Centre report.

Supachai underscored the "great need" for multilateral agreements to regulate migration and harness its potential for development.

Global pacts can also ensure that knowledge and technology benefits the dispatching countries, as well as avoid the negative effects of 'brain drain' on such nations, he noted.

Experts at the meeting said actions taken at both national and global levels could stem economic and personal losses of migrants. Migration could also help jump-start economic recovery, they added.

Sha Zukang, head of the UN Department of Economic and Social Affairs (DESA), pointed that the number of migrants could reach 214 million by 2010, but recession has halted the trend of rising female



The economic crisis is hurting migrant workers. Unctad says many have lost their jobs and returned home.

migrant workers.

Linking migration and development as having "win-win potential", Marielza Oliveira of the UN Institute for Training and Research (UNITAR) cautioned that "enhanced dialogue and sharing of ideas and practices" is vital, especially in times of turmoil.

Earlier this year, a UN-backed gathering found that the global financial crisis may have a dramatic impact

on the lives of migrant workers in Southeast Asia, noting the negative repercussions for migrants' health and their risks of contracting HIV/AIDS.

"As some countries may increasingly take protectionist stances, the option for formal migration will narrow rapidly," according to a press release on the meeting, published by the UN Development Programme.

SEC asks merchant banks to work for market growth

STAR BUSINESS REPORT

The stock market regulator yesterday asked merchant banks to persuade companies with strong fundamentals to float shares on the market.

"You have good relations with many companies that are not listed. Go and encourage them to come to the stock market. It's also part of your responsibility," said Ziaul Haque Khondker, chairman of the Securities and Exchange Commission.

"Merchant banks act as the catalyst between the issuer and investors. So, they have an important role to play in the market," said Khondker at the inauguration of Standard Bank's merchant banking wing in Dhaka.

The merchant bankers should play their due role in making the stock market transparent and vibrant, he emphasised.

The SEC boss suggested retail investors invest in "fundamentally-sound" shares to get good returns in

the long run. "It is universally proven that investors never lose money from sound investment."

Addressing the inaugural function, Dr Moshir Rahman, the prime minister's finance and planning adviser, said offloading shares by the state-owned enterprises would partly fulfil the expectations of investors as the country's stock market lacks quality shares.

The adviser however did not disclose details about the share offloading by the state-owned entities. He also said the government is working on the newly introduced public-private partnership (PPP) to turn it into a comprehensive concept, as the existing PPP mechanism is not clear to all.

In the fiscal 2009-10 budget, the government promised to implement a number of projects under PPP to achieve higher GDP growth. The PPP investment has been envisaged for infrastructure development, power and energy, ports, communication, supply of

drinking water and waste management, education and health.

"Financial assessment in utility and infrastructure projects will be determined accurately if private investment comes through PPP," said Rahman.

Dhaka Stock Exchange President Rakibur Rahman said "internal conflicts" in some financial institutions such as United Commercial Bank, Delta Life Insurance and IFIC Bank have been depriving the investors of financial benefit from their investment in the companies' shares.

"It's undesirable," he said.

He urged the government and the market regulator to address the problems "as soon as possible so that retail investors can be relieved of sufferings".

Chittagong Stock Exchange President Nasiruddin Ahmed Chowdhury, and Standard Bank Chairman Kazi Akramuddin Ahmed and Managing Director SA Farooqui also spoke.



Biplon Das, managing partner of Centre Point, and Fazle Rahim Khan, director of Navana Furniture, exchange documents after signing an agreement recently. Under the deal, Centre Point is now the sole distributor of Navana Furniture's products at Silchar, Assam in India.