

DHAKA SUNDAY NOVEMBER 22, 2009

Stocks
DGEN ▲ 22.52% 4,144.74
CSCX ▲ 3.44% 7,574.67

(Week-on-week)

Asian Markets
MUMBAI ▲ 1.41% 17,021.85
TOKYO ▼ 0.54% 9,497.68
SINGAPORE ▲ 0.10% 2,761.54
SHANGHAI ▼ 0.37% 3,308.35

(Friday closings)

Commodities
Gold ▲ \$1,140.00 (per ounce)
Oil ▼ \$76.71 (per barrel)

SOURCE: AFP

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GSP Finance to launch Tk 50cr mutual fund

STAR BUSINESS DESK

GSP Finance Company (Bangladesh) Limited, a non-bank financial institution, plans to launch a Tk 50 crore closed-end mutual fund.

As sponsor, GSP will subscribe up to 10 percent of the 10 yearly fund, "1st GSP Capital Growth Fund".

Of the rest 90 percent, 40 percent will be allotted through pre-IPO placement and 50 percent will be offered through initial public offering (IPO).

The objective of the fund is to minimise downside risks in this volatile market and generate capital appreciation by investing in the equity of fast growing companies and other instruments listed on the bourses," GSP said in a statement.

The launch of the fund is however subject to approval from the Securities and Exchange Commission.

The Tk 50 crore fund will be divided into 5 crore shares of Tk 10 each, while every market lot will comprise 500 units that will be offered to the investors at face value.

VIPB Asset Management Company Limited has already been appointed as fund manager. Investment Corporation of Bank is the trustee and custodian of the fund.

Netbook demand picks up

15,000 units of different brands have been sold since 2007

MD HASAN

It has a slim look. Tech-savvy customers are gradually convinced by mobility and affordable prices. So is the indication in the sales of netbooks, the latest entry in Bangladesh's portable computer market. Light and easy to browse, these sleek mini-notebooks are now gaining popularity, mainly among businessmen and students.

Around 15,000 netbooks of different brands have so far been sold in Bangladesh since 2007. The prices range from Tk 25,000 to Tk 40,000 each.

"I am looking for a design which I can carry always with me like a folder and get connected with the internet," Habibur Rahman, a businessman, told The Daily Star at the BCS ICT World Fair.

Netbooks -- also known as sub-notebooks -- are a rapidly evolving category of small, light and inexpensive laptop computers suited for general computing and accessing web-based applications.

After their inception in late 2000, smaller netbooks optimised for low weight and low cost. Having smaller screen and keyboard, they offer reduced specification and computing power. Netbooks range in size from below 5 inches to over 13 inches and weigh between 2-3 pounds.

Netbooks entered Bangladesh when Asus unveiled its first netbook, ASUS Eee PC, on the global market in late 2007.

Since 2007, around 5,000 Asus netbooks have been sold here, according to Global Brand Private Limited, the sole distributor of Asus.

"Businessmen and students are the



Stall attendants display a netbook at the BCS ICT fair in Dhaka yesterday. Netbooks are winning the hearts of business people and students.

main customers of netbooks," said Mohammad Mizanur Rahman, the distributor's manager (sales).

Bangladesh's PC (personal computer) penetration is one of the lowest in the world (4.5 per 1,000). However, the growth rate is quite impressive. A recent study indicates

that the PC growth rate in the country is around 40 percent per year, according to Bangladesh Computer Samity.

Industry insiders said netbooks' popularity depends on availability of the internet. Bangladesh's only 4 percent internet penetration rate is not a good sign for sellers.

However, SM Rashed-Uz-Zaman, business manager of Computer Source, a leading computer seller, said queries for netbooks have increased gradually.

At the BCS fair, his company has sold 100 laptops, 20 of which are netbooks.

Computer Source brought HP, Fujitsu, Dell and Portlink netbooks to Bangladesh eight months ago. The company sold more than 1,800 netbooks.

Around 3,000 Acer brand netbooks were sold in the last one and a half years in Bangladesh market. "Price is one of the major factors for which customers prefer netbooks," said Shaharul Haque, sales consultant of Executive Technologies, the sole distributor of Acer in Bangladesh.

It is estimated that almost thirty times more netbooks were sold in 2008. Global netbook makers sold 11.4 million netbooks in 2008, which was 70 percent more than in 2007. The year 2007 witnessed sales of only 4 million netbooks on the global market.

For 2009, sales are projected to jump to 35 million, while figure will reach 139 million in 2013, according to ABI Research, a market intelligence company specialising in global connectivity and emerging technology.

In Bangladesh, laptops have become the first choice in case of buying personal PC. However sellers are not ready to think netbooks will be a segment that may replace laptops soon.

"Multi-featured laptops are replacing desktop. But Bangladesh portable computer market trend does not show any sign of any replacement of laptops," said Haque. "Low penetration of internet is a hurdle."

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Appliances lead Eid sales

SOHEL PARVEZ

Electronics retailers expect to log better sales ahead of Eid-ul-Azha but clothing dealers say consumer sentiment still remains mixed.

"Market sentiments are positive. We are receiving good response," said Md Riazur Rahman, deputy manager (public relations) of Singer Bangladesh Ltd, an appliance seller.

Sector people said many consumers spend much of their Eid budget to buy electronics products, especially refrigerators, to preserve meat of sacrificial animals.

A portion of consumer spending also goes for buying television and other appliances, they added.

"Many consumers buy refrigerator, freezer and television during this period which in turn helps us register higher sales," said Jafir Alam Khan, national sales manager of Transcom Electronics Ltd.

"The demand recorded a rise in sales this month compared to a month ago. We hope to see a boost in sales in the remaining days prior to the festival," he added.

Hasan Iqbal, deputy general manager (sales) of Butterfly Marketing Ltd, expects that sales of electronics goods would go up this time because of a rise in pay scale for public servants. The return of a democratic government will also help boost consumer confidence, he said.

However the demand for clothing is yet to pick up, with some retailers still finding the sales low.

"Till date, sales remain very slow although there is a less than a week left

before Eid," said Md Anwar Hossain of a readymade garment retailer and wholesaler, Fashion Palace, which has six outlets in different shopping malls in Dhaka.

"Except for our outlet at Bashundhara City, sales in other showrooms are gloomy," he said.

However several local fashion houses said they have started to post a rise in sales.

One of the reasons for slack demand for clothing during Eid-ul-Azha, as fashion houses said, is the rise in other festivals such as Pahela Baishakh and different other days that have caused a shift in buying plans of many consumers.

The other factor, they said, is the shopping hour, 10am-8pm, that cuts the shopping time of a number of potential customers, mainly office-goers.

"Usually we do not record the same amount of sales during this period as of Eid-ul-Fitr. The pressure of buying for the season has declined over time," said Kakan Aditya, managing partner of Deshal, a local fashion house.

He however said sales increased in the last couple of days.

Sohail Chowdhury, senior executive of Aarong, also said they are receiving a good pull of costumers.

"We see a rise in shoppers' movement but not that much as we witnessed last year. The overall market appears to be depressed a bit," said Khalid Mahmood Khan, director of another fashion house, Kay Kraft.

"But we are hopeful that people will spend on buying new clothes in the days prior to the festival," he added.

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United makes London debut

STAR BUSINESS REPORT

United Airways launched its flight to London yesterday, the first by a private airline in Bangladesh.

"We started our operation on July 10, 2007. We have maintained schedules in 98 percent cases. We are proud of launching our direct flight to London," said United Airways' Chairman and Managing Director Tasbirul Ahmed Choudhury at the inaugural function.

The non-resident Bangladeshi venture, United Airways (BD) Ltd, organised the launch of its flights separately at Dhaka and Sylhet airports.

Former president HM Ershad was present at the first press briefing at Osmani International Airport in Sylhet, while Civil Aviation and Tourism Minister GM Quader and Commerce Minister Faruk Khan joined the second briefing at Zia International Airport in Dhaka.

"The operation is undoubtedly an achievement for Bangladeshi aviation industry, as United Airways is the first private carrier to fly on the European route," said the airline chief.

The airline has offered promotional fares at Tk 33,683 (including all taxes) for one-way travel.

However, the fare for Dhaka-London-Dhaka flight has been fixed at \$695 or Tk 47,868 and travellers will have to

pay an additional amount of around Tk 18,000 as taxes, the carrier said.

The normal one-way fare will be \$425 or Tk 29,271 (\$1=Tk 68.87) plus Tk 7,000 as taxes, while a Dhaka-London-Dhaka ticket will cost \$810 or Tk 55,788.75 excluding Tk 18,000 as taxes.

The carrier said it will run two flights a week on Tuesday and Saturday. The flight starting from Sylhet will take off from Zia International Airport at 12 noon.

GM Quader said: "Biman Bangladesh Airlines cannot carry all the passengers alone. If someone comes to share the pressure, it will be a great help for the national flag carrier as well as the country."

Faruk Khan lauded United's efforts and said the expatriates had proved again their 'love for the country'.

"They earn for themselves but now by investing in various sectors they let Bangladesh go forward at a double pace."

The airline owns one 155-seated MD 83 aircraft and two 37-seated Dash-8-100 plane. Another MD 83 will join the fleet soon, said United in a statement.

It also plans to procure a Boeing 767-300 ER aircraft by mid-2010.

The airline is scheduled to fly to Kuala Lumpur, Kathmandu and Bangkok by December and will start Dhaka-Jeddah flight by the first quarter next year, the statement added.



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This is another milestone of continuous success story of NCC Bank.

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