# Stocks end up in the red

STAR BUSINESS REPORT

Dhaka stocks slipped yesterday without reacting positively to an increased margin loan ratio.

The benchmark index of Dhaka Stock Exchange, DSE General Index, dropped by 52.08 points, or 0.95 percent, to 5,408.66. The broader DSE All Share Price Index declined by 39.43 points, or 0.88 percent, to 4,437.16.

The market declined despite the implementation of 1:1.5 margin loan ratio, said BRAC-EPL, an investment firm, in an analysis.

The Securities and Exchange Commission on March 15 announced margin loans at 1:1.5 ratio instead of 1:1 for equity securities to increase a liquidity flow.

The market nosedived on the opening call before gaining within the first 35 minutes of trade. From then on, it started falling and continued for the rest of the session.

A decline in the telecom sector led the market down yesterday, said Argus Research, an independent research division of Race Asset Management.

Each share of Grameenphone, the sole company in the telecom sector, fell by 4.14 percent to Tk 314.30.

Bank stocks also contributed to the downtrend, as most banking shares traded in the red.

However, the day's highlighted positive performers were non-banking financial institutions led by IDLC Finance.

IDLC was up 8.54 percent, as it declared a 100 percent stock dividend and 10 percent cash dividend for 2009.

The impressive dividend declaration by the company led its share prices to jump, Argus Research said.

Advancers beat losers 126 to 111 with three remaining unchanged. A total of 3,74,34,129 shares worth Tk 897.82 crore changed hands on the premier bourse.

Chittagong stocks also fell yesterday. The CSE Selective Categories Index declined 89.77 points, or 0.86 percent, to 10,275.19. The CSE All Share Price Index slid 132.87 points, or 0.83 percent, to 15,710.27.

A total of 50,40,512 shares worth Tk 73.61 crore traded on the Chittagong Stock Exchange. Of the traded issues, 83 advanced, 77 declined and six remained unchanged on the port city bourse.


MACOMMBD

Nicholas Chua, general manager of Panasonic Singapore, Jeff Ser, senior executive (sales) of Panasonic Malaysia, Anisur Rahman Khokon, managing director of MK Electronics, and Vijay Sharma, export manager of Shankars Emporium Singapore, hand over the outstanding business performance award to a Panasonic airconditioner dealer in Dhaka recently.

## China Mobile says 2009 profit up 2.3pc

AP, Beijing

China Mobile Ltd, the world's biggest phone carrier by subscribers, said Thursday its 2009 profit rose 2.3 percent over a year earlier and warned it faces growing competition.

Profit for the year ending Dec. 31 was 115.2 billion yuan ($16.9 million) as customer numbers rose 14.2 percent to 522 million, the Beijing-based company announced. Revenues rose 9.8 percent to 452.1 billion yuan ($66.2 billion).

Profit growth was down sharply from double digit rises in previous years as China Mobile faced stronger competition following a government-led industry restructuring last year.

China Mobile faces "fresh challenges" to its development from the global slowdown, the growing saturation of its market and the expected emergence of systems that combine phone, Internet and television services, said chairman and CEO Wang Jianzhou in a statement.

## Porsche takes top spot in dependability study

AP, New York

Porsche shot to the top of a closely watched study of long-term vehicle dependability, overtaking US and Japanese rivals, JD Power and Associates said Thursday.

The German sports car brand took the No. 1 spot in the annual study, which gave it ninth place last year. Lincoln came in second, while Buick and Lexus tied for third. Mercury and Toyota rounded out the top five.

The annual study measures problems experienced by the original owners of vehicles after three years. In last year's study, Buick and Jaguar tied for fewest problems, but both brands lost ground to rivals this year.

Toyota, whose reputation has come under scrutiny in the face of massive recalls, fell two spots from its third-place standing last year. While average vehicle quality across the industry improved from last year's survey, Toyota's quality score fell slightly.

## GE Healthcare launches smart ultrasound imager in Bangladesh

STAR BUSINESS DESK

GE Healthcare, the healthcare division of General Electric Company, has recently launched Vscan, a new pocket-sized visualisation tool, in Bangladesh.

The device has been developed to provide physicians with real-time imaging at the point-of-care, the company said in a statement.

Vscan, a battery-run device roughly in the size of a smartphone, houses smart ultrasound technology that provides clinicians with an immediate, non-invasive method to help secure visual information about what is happening inside the body.

"There is no other capability for imaging that exists today that has the potential to be as ubiquitous as Vscan. In the long term, we see that referrals to specialists will be of higher quality and that's where the real savings will be," said Omar Ishrak, president and chief executive officer for Healthcare Systems of GE Healthcare.

"The information in the hands of the primary-care physician will be much better and the cost of health care will be lower because patients will be diagnosed earlier and more accurately and more efficiently."

The device leverages high-quality black and white image technology for anatomy and colour-coded blood flow in a device that fits into a pocket.

Vscan weighs less than one pound and is 3-inch wide and 5.3-inch long. It is capable of scanning up to 30 patients with its one hour battery power backup while physicians can store patient images with its 4GB memory card expandable up to 32GB.

In accident and trauma cases, quick visualisation plays a critical and important part in saving lives. Ultrasound, being the only visualisation technology that provides real-time imaging and can be used at the point of care has emerged as a crucial tool for quick diagnosis in accident cases, according to the statement.

The high image quality combined with simple, familiar, intuitive user interface that can be controlled using the thumb helps facilitate disease detection. Using a familiar dial key interface, physicians can zoom images in and out, pan left and right for analysis.

Clinicians can store images, add voice annotations and the docking station plus cable link helps the transfer of data to a PC for organising or sharing with experts by e-mail.

## Panasonic unveils energy-saving airconditioners

STAR BUSINESS DESK

Japan's electronics maker Panasonic has launched its latest energy-saving, eco-friendly airconditioners in Bangladesh, the company said in a statement yesterday.

The airconditioners are based on "intelligent inverter and eco-patrol" technology.

The energy saving benefit of eco-patrol, activated via remote control, is maximised when the unit is left switched on in a room that is used intermittently. The eco-patrol sensor intuits the level of human presence and activity in the room and if the room is empty for two hours, the air conditioner self-adjusts to raise the temperature by two degrees Celsius.

The new products were launched at the 'Air Conditioner Dealer Convention 2010' in Dhaka recently.

The company introduced different models at the programme, where the eco patrol-based airconditioners save electricity by up to 60 percent, compared to traditional peers.

Anisur Rahman, managing director of MK Electronics, Nicholas Chua, general manager of Panasonic Singapore, and Jeff Ser, senior executive (sales) of Panasonic Malaysia, were also present.

# Businesses lack management professionals

## Says a former adviser

STAR BUSINESS REPORT

A dearth of management professionals is one of the major problems for expanding businesses and corporate governance practices in Bangladesh, former adviser to the caretaker government Syed Manzur Elahi said yesterday.

Elahi, also a leading businessman, said the second generation educated businessmen will be able to absorb new concepts and introduce corporate governance in their offices.

He was speaking at a workshop on corporate governance, coorganised by Brummer and Partners Bangladesh and Institute of Governance Studies of Brac University, at Westin Dhaka.

"Many local companies want to expand their businesses, but they are facing an acute shortage of management professionals," said Elahi.

He said multinational companies pick the available professionals in the market.

In his keynote speech, Elahi also highlighted the background of business and corporate governance concepts in the country.

He said businesses in the country had to face a number of social hurdles in the past. "People wanted to be engineers, doctors and lawyers, but not businessmen."

The businessman cited the example of Adamjee Jute Mills, once the world's largest, which, he said was damaged by bad governance.

Adamjee had 11,000 employees, but the number rose to 32,000 soon after the government took over the mill after 1971.

Meera Narayanaswamy and Martin Steindl of International Finance Corporation also spoke at the workshop attended by officials from top corporate houses in Bangladesh.

According to the speakers, corporate governance is the set of processes, customs, policies, laws, and institutions affecting the way a corporation is directed, administered or controlled. Corporate governance also includes the relationships among the stakeholders involved and the goals for which the corporation is governed.

The main stakeholders are the shareholders, management, and the board of directors. Other stakeholders include employees, customers, creditors, suppliers, regulators, and the community at large.

FBCCI

Salman F Rahman, former president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), hands over office equipment to Mohammad Jalal Uddin, president of Bangladesh Bread, Biscuit and Confectionery Manufacturers Association, at a programme at the apex trade body's office in Dhaka yesterday. The programme is part of an FBCCI project, funded by the government, for business development through adopting the latest technology. Annisul Huq, president of FBCCI, is also seen.

## Japanese land prices fall at fastest pace in five years

AFP, Tokyo

Japanese land prices fell at the fastest pace for five years in 2009, as the nation's weak economy struggles with another bout of deflation, official data said Thursday.

Costs across the country fell 4.6 percent on average, the land ministry said in its annual land price survey, the biggest drop since 2004, when they fell by 5.0 percent.

The country's core consumer prices also logged the 11th straight month of decline in January, as the country continues to be dogged by deflation.

The survey, which provides a benchmark for land transactions and property taxes, showed prices in commercial areas lost 6.1 percent while residential real estate slipped 4.2 percent.

Faced with dwindling profits in the throes of the recession, many companies have moved to cheaper offices while postponing building new factories and making other land-related investments, the government said.

"Rates of the office vacancy have been rising, especially in the expensive Tokyo metropolitan area because firms can't afford the rent," a land ministry official told Dow Jones Newswires.

# Further cut in BTCL internet services charge from April

BSS, Dhaka

Bangladesh Telecommunication Company Limited (BTCL) has decided to reduce further broadband internet service charges with effect from April 1.

SM Khabiruzzaman, managing director of BTCL, announced the decision to reporters at the company's conference room in Dhaka yesterday.

As per the changed rates, the registration charge for any type of ADSL (Asymmetric Digital Subscriber Line) broadband package would be Tk 100 in place of Tk 500, while the set up or configuration charge will be Tk 300 instead of Tk 600.

Internet usage charges of different data transfer speeds have also been reduced. The monthly charge for 128 kbps (kilobyte per second) data transfer speed will be Tk 500 instead of Tk 800.

The connection fee will be Tk 400 in place of Tk 1,100, said Khabiruzzaman.

On illegal VoIP business, Khabiruzzaman said the present government has reduced incoming call rates from abroad to three cents from four cents.

"The easy way to stop illegal VoIP business is to lower the incoming call rate. The number of overseas call increased after the government reduced the incoming call rate," he added.

Currently, the total duration of legal incoming calls from abroad is 3 crore minutes.

BRAC BANK

Muhammad A (Rumee) Ali, chairman, and AEA Muhaimen, managing director and chief executive officer of BRAC Bank, are seen with the bank's ELDORADO team at a meeting for Dhaka region recently. The team won the bank's "chairman award" for its initiative to reach remittance quickly across the country.

# FedEx sees economic recovery spreading

AP, New York

FedEx says the global economic recovery is broadening, as Asia continues to see strong growth and the US economy gains steam.

Fred Smith, CEO of the world's second-largest package delivery company, predicted a "relatively strong" first half as major economies emerge out of the recession followed by steady economic growth in the last six months of the year.

FedEx expects US gross domestic product growth of about 3 percent this year, with growth led by the manufacturing sector, in line with the economists' expectations.

Still, Smith warned in a conference call Thursday that the housing market "could remain a problem."

The largely positive comments came after FedEx said that fiscal third-quarter profit more than doubled from a year earlier. It was the first year-over-year profit increase for the Memphis, Tenn, shipping company in five quarters.

FedEx also raised the forecast for full-year earnings - bringing it in line with Wall Street's projections -- on expectations of "a continued modest recovery in the global economy". FedEx believes the strongest growth will continue in Asia, but the US and Europe are following.

The company, considered an economic bellwether because of the variety of products it ships, said Thursday it earned $239 million, or 76 cents per share, compared with $97 million, or 31 cents per share a year earlier.

Revenue rose 7 percent to $8.70 billion. The results exceeded Wall Street expectations for earnings of 72 cents per share and revenue of $8.37 billion.

The company said results were boosted by higher shipping volume, particularly at its international express and Ground units.

Average daily volume in International Priority packages grew 18 percent, led by exports from Asia.

Average daily package volume at FedEx Ground, concentrated in the US, grew 5 percent. Better volume is a good sign for FedEx -- and in turn, the economy -- because it means consumers and businesses are shipping more goods. FedEx said most of the growth in its ground segment was due to businesses shipping more packages to other businesses. The company said consumers "remain cautious."

Cost cuts also boosted results.

But the results also show that large transportation companies like FedEx continue to battle higher fuel costs. Fuel costs in the quarter rose 27 percent to $810 million. In addition, a loss at the company's freight unit and partial reinstatement of some employee benefits the company had taken away during the recession dampened results.