

PHILIPS Blu-ray Player

- Pure aluminum casing with touch-panel controls
- 7.1 Channel Audio Output with DTS Master Audio
- DVD Video up-scaling to Full HD 1080p
- High quality HDMI Cable - absolutely free

Now at BDT 35,500/-

TRANSCOM
DIGITAL
Your Trusted Electronics Retailer

Stocks	
DGEN	▲ 0.88% 5,582.33
CSCX	▲ 0.87% 10,600.93

Asian Markets	
MUMBAI	▼ 0.34% 17,527.77
TOKYO	▼ 0.06% 11,089.98
SINGAPORE	▼ 1.57% 2,887.46
SHANGHAI	▼ 0.62% 3,109.11

Currencies		
	Buy Tk	Sell Tk
USD	69.24	69.24
EUR	92.86	92.89
GBP	104.30	104.33
JPY	0.74	0.74

SOURCE: BANGLADESH BANK

Commodities	
Gold	▼ \$1,109.00 (per ounce)
Oil	▲ \$82.92 (per barrel) (Midday Trade)

SOURCE: AFP

News in Brief

Sick RMG units differ with govt decision on loan, interest payment

STAR BUSINESS REPORT
Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday differed with the government announcement about the payment of loan and interest by the sick apparel industries.

The finance ministry in a circular on Monday directed 270 owners of sick garment factories to pay the loan at one go within one year to get interest waiver facility.

"But, it's not possible to pay back the loan within the time set by the finance ministry as all the 270 factories have been shut since 2005," said a statement issued by the BGMEA.

The leading apparel trade body demanded payment of 100 percent interest from stimulus package, allowing payment of Tk 2 lakh for Tk 2 crore loan and Tk 3 lakh for Tk 3 crore-Tk 5 crore loan within a five-year period, the statement said.

The BGMEA also asked for rescheduling facility for 10 years in case of loans of Tk 5 crore and above with a down payment of Tk 5 lakh.

Negative US job report prompts recovery fears

AFP, Washington
An unexpected rise in private-sector job losses stoked concerns about the strength of the US economic recovery Wednesday, ahead of a key government labor report later this week.

US companies shed 23,000 jobs in March, payrolls firm ADP said Wednesday in a report that was dramatically worse than market expectations.

The private sector accounts for more than two-thirds of US jobs and its ability to create new posts is a widely watched barometer of the recovery.

Against the backdrop of slowly building confidence in the health of the world's largest economy, investors had expected around 40,000 private-sector jobs were created this month.



Dr Atiur Rahman, right, central bank governor, presents the Bangladesh Bank award for 2009 to Prof Nurul Islam, left, a renowned economist and researcher, at Sonargaon Hotel in Dhaka yesterday. AMA Muhith, finance minister, is also seen.

Canadian company buys Shahriyar Fabric

Gildan wraps up deal for \$15m

REFAYET ULLAH MIRDHA
Canadian T-shirt giant Gildan Activewear Inc yesterday wrapped up the acquisition of Shahriyar Fabric Industries Ltd, choosing Bangladesh as a base for manufacturing in Asia.

Gildan, based in Montreal, has bought the Bangladeshi company for \$15 million. The acquirer will also assume the debt of Shahriyar Fabric Industries, an export-oriented apparel maker, said Shahriyar Hossain, managing director of the company.

Hossain said he sold the composite factory as he had a heavy financial burden to bear. The factory in Ashulia produces high-quality ring-spun T-shirts and has a capacity to produce 2.2 million dozen T-shirts a year.

"I cannot exactly say the total amount of the liabilities of the company that was

established 13 years ago. All I can say is, the amount is huge," Hossain said.

Moreover, the issues of gas and power, coupled with some personal problems, forced him to sell the factory, he told The Daily Star by phone. Shahriyar Fabric has 3,000 workers.

In October 2009, the company received an interest waiver worth Tk 8.72 crore for its "transaction reputation" with state-owned Sonali Bank, he claimed.

Hossain said the new owning company will not sack workers, and rather, it will upgrade the factory with modern facilities.

The 42-year-old entrepreneur said business was going well, but for some personal and financial problems, it was difficult to continue.

Gildan plans to increase the facility's annual production capacity to 3.5 million

dozen T-shirts to support the company's international business growth strategy.

According to a montrealgazette.com report, Gildan CEO Glenn Chamandy told the annual shareholders' meeting in early February that Gildan planned to build a low-cost high-quality manufacturing base in Asia, but excluded China as a potential location.

According to CNNmoney.com, the acquisition is the result of substantial analysis carried out by Gildan to identify a strategic location to begin the development over time of a potential major vertically-integrated manufacturing hub in Asia with an infrastructure and geographical location to position Gildan as a low-cost, high-quality producer to serve its target markets.

reefat@thedailystar.net

Power backup items galore

BCS Digital Expo-2010 kicks off

STAR BUSINESS REPORT

Technologies that offer power backup for long hours are becoming lucrative for both traders and buyers in Bangladesh because of a persistent power crisis.

Laptops with two to three hours of power backup sometimes go off, as power may be out even longer.

And for travellers or tourists, power backup for two or three hours is not enough to keep them connected.

"So, we are focusing on bringing technologies that are portable and have strong power backup," said Salauddin Mohammad Addel, assistant product manager of Flora Ltd.

Flora Ltd, distributor of Dell and HP brand computer products, is displaying such a laptop, HP Pavilion DM-3, which can give more than 10 hours of power backup to customers.

At the BCS Digital Expo-2010 that started at Dhaka Sheraton Hotel yesterday, computer sellers were busy convincing visitors to purchase such strong power backup and low electricity consuming products.

About 45 tech-based service providers are showcasing their products at the four-day exposition, organised by Bangladesh Computer Samity (BCS) in association with the ICT Business Council of the commerce ministry.



Laptops are on display in a stall of BCS Digital Expo-2010 that started at Dhaka Sheraton Hotel yesterday. Bangladesh Computer Samity (BCS) in association with the ICT Business Council of the commerce ministry organised the four-day event.

technology becomes useless.

"Therefore, technologies with good power backup and low electricity consumption will gain popularity among customers at the fair.

"The prices of these laptops and notebooks range between Tk 37,000 and Tk 70,000. In the personal computer segment, Global Brand is showcasing the ultra portable 'EeeBoxPC', which consumes only 35-watts of electricity an hour, whereas traditional PCs consume 250 watts.

Samsung brought the Cobalt series monitors, which range between Tk 17,000 and Tk 18,000. These monitors are also low electricity consuming -- only 3 watts an hour, said Saiful Islam Khan, brand manager of the company.

Organisation (ASOCIO), a Tokyo-based firm that aims to develop the computing industry and industry in the region.

Like in other industries, power crisis is a much-discussed issue in Bangladesh's information and communication sector.

In her speech, the prime minister admitted to the situation and assured the industry people that they will have access to uninterrupted electricity as soon as possible.

She also stressed a proper use of electricity. "Citizens must be frugal in case of electricity consumption."

The prime minister appeal is encouraging for low power consuming technologies.

The Asus UL80VT-SU7300 model laptop can also give 12 hours of battery backup. "Our target customers are those who travel frequently," said Khondaker Khaled Bin Ahamed, executive (product management) of Global Brand Pvt Ltd. He said customers like portable technology, but without power backup, the

Economist digs deep into rich-poor gap

Bangladesh Bank awards Prof Nurul Islam

STAR BUSINESS REPORT

Renowned economist and researcher Prof Nurul Islam said yesterday an unusual hike in land prices, the culture of default loan with banks and massive tax evasion are widening the rich-poor gap in Bangladesh.

"These are good enough to aggravate inequality in Bangladesh," said Islam, deputy chairman of the first planning commission of the country, after receiving Bangladesh Bank Award-2009 at a function at Sonargaon Hotel in Dhaka.

He also criticised a recent government move on establishing a banking division to oversee the financial sector, saying that it has diluted the supervision power of the central bank over the financial industry.

Finance Minister AMA Muhith addressed the function as chief guest. BB Governor Dr Atiur Rahman chaired the programme, also attended by former ministers, advisers, economists and chief executive officers of banks and financial institutions.

Islam focused on financial markets, the recent financial crisis, autonomy of the central bank, necessity of research economy, export, safety net measures and inequality.

He said rising inequality is a global phenomenon and the recent economic crisis has worsened it further.

The economist said the US has the highest inequality rate in the world and it is increasing tremendously in China. In recent years, the disparity widened in Bangladesh, he said.

The recent price hike of land, what he said 'astronomical increase', has aggravated the inequality. The other two reasons he identified are: Systematic default of bank loans and massive tax evasion.

The economist said ensuring independence of the central bank is vital for a stable financial market. He said he was surprised to see the BB's supervision power getting diluted.

The finance ministry has recently formed a banking and finance division to oversee the activities in the sector.

Islam said international experience is rather exceptional.

In the banking industry's assets, advances and deposits, state-owned

banks have almost 40 percent stake. Many private banks' directors are also politically leaning towards the government, he said.

So, the BB's supervision is already diluted, he added.

"I don't see future without a research economy. But it needs highly qualified and motivated staffs and, of course, compensation."

He also advised the BB to be cautious about capital flow although it remained immune to the recent global crisis.

Bangladesh economy is export dependent and Prof Islam said it might cause instability, particularly during the time of the current global shocks.

He suggested going for specialisation and diversification of exports.

The Bangladesh Bank award was launched in 1999. Prof Rehman Sobhan was awarded in the first year. Since then no award was given. Prof Nurul Islam was given the second one for his outstanding contribution to economy, education, research and independence of Bangladesh.

Islam held many important positions both at home and abroad.

After doing his PhD in economics from Harvard University in 1955, he worked as a professor of economics at Dhaka University, director of the Pakistan Institute of Development Economics (later Bangladesh Institute of Development Studies).

He was a fellow at St. Antony's College at Oxford University, assistant director general of the United Nations Food and Agricultural Organisation, and adviser at the International Food Policy Research Institute (IFPRI). He held several visiting academic appointments at Yale and Cambridge universities and both the London and the Netherlands School of Economics.

He was a member and later the chairman of the UN Committee of Development Planning Policy.

Islam's latest book -- Bangladesh: An Economist's Tale -- is a recollection of his memories in the early days of Bangladesh when he had an opportunity to formulate policies for the country.

He is now based in Washington DC and is an emeritus research fellow of IFPRI.

Higher GDP, low inflation on target

REJAUL KARIM BYRON

As investment rebounds, higher GDP growth and a low inflation rate for the next fiscal year is the target to be set by the government.

According to the preliminary projection, 6.7 percent growth in gross domestic product and 6.1 percent inflation on an average are targeted for FY2010-11.

Meanwhile, development partners forecast the GDP growth for the current fiscal at not-over 5-5.5 percent, while the government expects such growth at 6 percent and inflation 6.5 percent.

The finance ministry officials said the resources committee meeting decided Sunday that the FY 2010-11 GDP and inflation growth rates would soon be set after a consultation with the central bank.

Pointing to a better investment scenario now, a high official hinted at a larger annual development programme for the fiscal to come. "Around Tk 40,000 crore is likely to be earmarked for ADP, while the size of the total budget will be around Tk 1,32,000 crore," he said.

A bigger public expenditure would help grow GDP, the finance ministry official pointed out. He however linked the inflation control to low prices of petroleum and food on international market.

A Bangladesh Bank official is also upbeat

on reaching the target of a higher GDP growth, pointing his finger at the rise in industrial credit and imports of capital machinery and raw materials.

Also, export orders of the main foreign exchange earner readymade garment are picking up.

BB statistics show that disbursement of industrial term loan increased by 41 percent to Tk 12,615 crore during the July-December period of this fiscal year.

Such loan disbursement marked a 7.5 percent negative growth in the same period a year earlier.

The higher inter-bank call money rate also points to the increasing investment demand. The average call money rate was 3.45 percent on March 16, up from around 1.0 percent in June last year.

Although investment rebounded, the inflation rate is on the rise. According to the Bangladesh Bureau of Statistics, inflation went up by 8.99 percent on point-to-point basis in January.

A BB official said if the local food production (including rice) is not hampered and the supply chain goes smooth, inflation could be contained at the targeted level.

He also listed some central bank measures, which include adoption of a cautious and accommodative monetary policy.

Obama to okay offshore oil drilling

AFP, Maryland

President Barack Obama said Wednesday he had no choice but to make the "tough" decision to open some offshore waters to oil drilling, despite his drive for a clean energy economy.

Obama said the move is meant to wean America off sources of foreign oil.

Proud to be one of the **LEAD ARRANGERS** of the **ROAD SHOW**

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us
www.mutualtrustbank.com