

International Business News

BP says not selling German unit Aral

AFP, London
British oil giant BP has no plans to sell its German fuel station unit Aral, a company spokeswoman said on Monday, flatly denying a weekend press report.

BP, which suffered a record second-quarter loss due to the devastating Gulf of Mexico oil spill, revealed last week that it will seek to raise 30 billion dollars (23 billion euros) over the next 18 months.

German magazine Wirtschaftswoche reported on Saturday that cash-strapped BP was looking to offload Aral for at least two billion euros.

Wirtschaftswoche cited unnamed investment bankers as saying that potential buyers of Germany's leading petrol station network with 2,500 outlets included France's Total, European rival Avia and Russia's Rosneft.

A BP spokeswoman said on Monday that Aral remains a core operation within the group.

BP chief executive Tony Hayward resigned last week, following a string of gaffes as the public face of the firm, in its three-month fight to stop oil leaking into the Gulf of Mexico.

The group also said it was putting aside more than 32 billion dollars to cover the cost of the spill, and reported a second-quarter loss of 16.9 billion dollars -- a quarterly record for a British company.

Maruti Suzuki vehicle sales rise 29pc in July

REUTERS, New Delhi
Maruti Suzuki, India's top carmaker, quickened its pace of sales in July and posted its highest monthly local sales, after a slowdown in the previous month.

Total sales at Maruti, 54.2 percent owned by Japan's Suzuki Motor Corp, rose 29 percent last month to 100,857 units from a year ago, the New Delhi-based firm said on Monday.

Maruti spooked investors last month with a surprise rise in royalty payments to its parent, forcing analysts to slash growth estimates for the company.

Maruti said domestic sales grew 33 percent in July to 90,114 units, while exports rose 2 percent to 10,743 units.

In June, the company reported a 17.3 percent rise in sales, partly hit by a six-day shutdown of its plants for maintenance work, while sales grew 28 percent in May.

Car sales in India have been boosted by a rapidly expanding economy and as income levels rise, making the country one of the few bright spots for the automobile sector, along with China.

"Volumes will pick up as the festival season in India is coming up. Also, the annual monsoon is expected to be good, so that should also help," said Vaishali Jajoo, autos analyst at Angel Broking in Mumbai on the auto sector's outlook.



Chinese house shoppers gather at a property fair in Beijing yesterday. China's banking regulators will step up spot checks on banks in the second half of 2010 to ensure lenders are obeying property loan policies introduced this year, state media said.

INTERVIEW

The pioneer in PC market

Flora owner shares his journey with The Daily Star

MD HASAN

He quit his banking career and opted for doing business, in late 1960s, at the age of around 40. He was already late thinking about what to do. Doing something with the next generation technology was a choice, but it was a bit different and risky too, at that time in Bangladesh.

MN Islam had no idea about technology, and he was grappling to find an answer to uncertainty waiting ahead. He found the answer, as he could clearly see -- the world is becoming tech-fond.

In a family gathering, one of his friends from the US showed him a calculator, the technology that was not much familiar to the Bangladeshis that time. "I never saw calculator in the way he showed me," says Islam.

Meanwhile the Liberation War began. He started afresh after the independence in 1971 when Bangla typewriter was getting popularity.

Islam rented a tiny room of 150 square feet in the Motijheel area for Tk 90 a month. He along with his younger brother started to import typewriters from Japan under a company name, Flora Limited.

His business got a momentum when Flora introduced Canon calculator to the Bangladesh market in early 1970s.

"I had a plan to do business with the future technology," says Islam. "And the calculator business gave a boost to my confidence."

However, Islam is not famous for such a startup. He is famous because of his pioneer role in introducing personal computer (PC) on a commercial basis to Bangladesh for the first time.

Bangladesh Association of Software and Information Services (BASIS) recently awarded him for his role in introducing PC in Bangladesh.

In an exclusive interview with The Daily Star, Islam says he actually started business for survival as he became unemployed suddenly. "I had already four children when I quit my banking career."

He says some multinational insurance companies and donors in Bangladesh had access to computer technology in 1970s. But it was too much ambitious for a businessman to introduce computer on a commercial basis in a market like Bangladesh where the customers were not ready.



MN Islam

"But I felt that the technology is spreading around the globe. Why shouldn't I go for it?" he says.

Islam found Radio Shack, a US-based company that was making computers with CP/M (Control Program for Microcomputers) operating system.

Flora Limited imported five CP/M computers in 1982 on a commercial basis. The price ranged from Tk 3 lakh to Tk 3.5 lakh.

But Flora could not advance much with CP/M computer, as it was not user friendly. However, some individual customers bought the computers. "As I can remember, one of the five customers was an architect," he says.

Since Flora started computer business, Islam shifted his office to another tiny room at Red Cross Building in Motijheel in 1975. But the PC introducer still knew a little about the technology.

Only his desperate bid to go ahead with the new technology sent him Tokyo in 1984 for com-

municating with Epson, another PC maker. But Islam failed to have any fruitful talks with Epson. The company suggested he communicate with its Singapore office.

On his way back, Islam met Epson officials in Singapore. He was offered to open an L/C (letter of credit) worth \$13,000 for importing computers.

"Yes, I can open the L/C. No problem -- I just replied to the Epson officials. I got the permission for importing computers from Epson," says Islam.

In the late 1980s some big PC brands, including IBM, HP and Compaq, were getting popularity. Islam could understand the trend of the upcoming technology.

Once he overlooked a letter which one of his office bearers dropped on his table.

"It's all my luck," Islam says. His son noticed the letter. "It was actually an offer letter from Compaq to become their agent in Bangladesh."

Islam replied to them without

any delay and went to Bombay, India to meet the Compaq officials in 1991. "The high officials did not give me much time. They just said I got the deal."

It was a breakthrough for Flora in computer business. What happened then? Islam names the companies which one after another joined Flora for selling their products in Bangladesh market -- HP, Epson, Canon, Microsoft, Cisco Systems, 3M, Systemax, APC, Olympus, Nikon, Roland, Creative, Centralion, Verbatim, Linksys, Dell and Intel.

Islam says, till 1991 Flora's business was very small, as the nation had no idea about computer technology. A very few individuals had interest in computer or working with PC. Donors and multinational companies were the major customers.

The revolution in computer use started when some tech-savvy young graduates initiated the process of assembling computers locally in 1993. The assemblers

helped cut down PC prices that time.

However, Islam says he is grateful to some tech magazines, especially Computer Jagat, that create enthusiasm for computer technology.

At present, there are more than 10,000 computer vendors in Bangladesh. The industry sells around 300,000 computers a year on an average. Flora has 10 percent market share in the computer segment.

With 23 branches across the country, the company has already employed 600 people. The tiny office has the headquarters at Adamjee Court in Motijheel.

In the last 39 years Islam experienced so many things. Now smartphones are there. Can such a technology become a threat for computer business?

"Technology complements each other," he says.

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HSBC, BNP profits top forecasts as bad debts tumble

REUTERS, London/Paris
HSBC and BNP Paribas, strengthened by the financial crisis in their roles as top European banks, both trumped earnings forecasts as bad debts fell sharply to make up for slowing investment banking growth.

Both showed a dip in investment banking income in the latest quarter, echoing the trend shown by U.S. and European rivals after the euro-zone debt crisis, but they more than made up for that with lower losses on personal and corporate loans.

Half-year profits for HSBC, Europe's biggest bank, hit \$11.1 billion, more than double the \$5 billion of a year ago and above the average forecast of \$9.1 billion from eight analysts polled by Thomson Reuters.

Its loan impairment charges and other credit risk provisions fell to \$7.5 billion for the half-year, down \$6.4 billion from the year ago level.

"The headline numbers look good, with a doubling of profits, but that's because last year was just a terrible year for everyone," said Francis Lun, general manager at Fulbright Securities in Hong Kong. "Looking more closely, pre-tax profit on its global banking and markets segment was down 13 percent, and that is really key to the recovery."

France's BNP Paribas, the euro-zone's second biggest bank after Santander, said net profit rose 31 percent to 2.1 billion euros (\$2.7 billion) in the second quarter.

Its rise was thanks to lower loan provisions and strong retail banking, offsetting volatile financial market conditions that hit investment banking.

HSBC said the positive trends should remain, citing improving corporate health as companies refinanced and raised capital

and better conditions in retail banking. "The drivers of the lower bad debt performance continue to be in place," said Douglas Flint, finance director. "Obviously if we have a double dip then things will be different, but at the moment the drivers of the first half continue to be in place."

By 0900 GMT HSBC's London-listed shares were up 3.5 percent and BNP's shares were up 4 percent, helping lift the European bank sector 2.5 percent.

INVESTMENT BANKING SLIPS

The results set the foundation for decent results from British and French banks later this week, following strong recent earnings from Swiss rivals and mixed results from Spain's banks.

BNP's second quarter provisions halved to 1.1 billion euros (\$1.4 billion), the lowest level in two years.

Its investment bank arm suffered a 30 percent fall in second-quarter revenue from a year ago, and down 28 percent from the previous quarter, because of a slump in capital markets activity that has also hurt rivals including Goldman Sachs and Deutsche Bank.

BNP's equity advisory revenue -- a key area of analyst concern and an important business line for domestic rival Societe Generale, which reports on Wednesday -- fell 60 percent.

HSBC's investment bank made a profit of \$5.6 billion, its second best half ever but down 11 percent from the record level of a year ago.

Income slowed in the second quarter, in line with rivals, and Flint said he expected a slower second half of the year as appetite has reduced, coupled with seasonal factors.

Pleasure of Team Building!

Project Manager (Civil)

Position : Project Manager (Civil)
Grade Level : Vice President or Senior Vice President depending on qualifications, background and experience

Job Summary
 Project Management, Project Evaluation and internal coordination with the branches/divisions of the bank, external liaison with consultants, vendors, suppliers, contractors, for successful, efficient, high quality and on-time project delivery.

Job Description / Responsibility

- Making drawings, designs, estimates, schedules and preparing tenders for construction work (new, relocation, refurbishment, renovation, etc.) of MTB premises across the country
- Feasibility studies of proposed locations
- Negotiations with external parties for successful project implementation
- Implement new projects or carry out renovations in a cost effective way
- Ensure connection of utility services that comply with the regulations and the Bank's procurement policy
- Supervising the total "Process Flow" of the department
- Ensure Architectural, Engineering and Design excellence and high aesthetic standards in all MTB premises
- Review layouts, plans, interior designs, landscaping designs and submit for necessary approvals
- Ensure alignment of plans with building systems, equipment, finishing standards and due compliance with fire, health and work-place safety codes, etc.

Additional Job Requirements

- Appraisal and analysis of the premises of peer banks
- Quality control checks before processing project bills
- Site supervision of ongoing construction work
- Continuous monitoring of interior decoration works of MTB premises and their maintenance, repairs and renovation
- Assessing technical skills, appropriateness and viability of different projects as part of bank customer loan approvals and sanctioning process

- Maintain cordial relationships with regulatory bodies, law enforcement authorities and government
- Excellent project presentation skills
- Very good computing skills and familiarization with Information Technology systems

Job Qualifications:
 B.Sc. and Masters in Civil Engineering from a highly reputed Engineering University/Institute. An MBA degree will be an added advantage.

Minimum 10 years experience in related fields in any reputed organization, preferably (but not necessarily) in a bank, out of which minimum three (3) years should be in a senior management/responsible position. Should ideally have exposure of supervising construction work of high-rise buildings.

Age: Below or equal to 50 years (as on August 1, 2010)

Application Procedure:
 Interested candidates are requested to apply with their résumés and a recent colour photograph only via email to mtb-hrd@mutualtrustbank.com

Last Date of Application: August 25, 2010

Mutual Trust Bank offers an excellent work environment with a competitive salary and benefits package. MTB is an equal opportunities employer and does not discriminate as regards gender, religion, background or differently abled persons.

Any canvassing or trying to influence the selection process will result in automatic disqualification of the application.

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