

## Stocks

DGEN	▲ 0.56%	6,657.97
CSCX	▲ 0.37%	12,742.36

## IDLC Index

IDLC 50	▲ 0.34%	6,735.79
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## Currencies

	Buy Tk	Sell Tk
USD	68.90	69.90
EUR	85.68	89.88
GBP	105.01	109.51
JPY	0.80	0.86

SOURCE: STANDARD CHARTERED BANK

## Commodities

Gold	▼	\$1,235.80	(per ounce)
Oil	▼	\$73.62	(per barrel)

SOURCE: AFP (Midday Trade)

## RMG makers get \$57.5m export orders from US show

UNB, Dhaka

Bangladeshi readymade garment makers got export orders worth \$57.5 million from a Las Vegas show in the US held recently.

Under the auspices of Export Promotion Bureau, eight garment manufacturers participated in the four-day 'Men's Apparel Guild in California' (MAGIC) Show from August 16, said a statement.

MAGIC is the largest trade show in the North America that organises two shows annually -- one in February and the other in August.

The consulate general of Bangladesh in Los Angeles provided help in coordination with the EPB, MAGIC authorities and exhibitors.

Participants said Bangladeshi exhibitors got export orders of around \$57.5 million.

A delegation from Bangladesh, led by Lutful Hai, chairman of the parliamentary standing committee on the commerce ministry, attended the show, inspected the Bangladesh stalls and exchanged views with the MAGIC authorities.

## Joint venture project in Adamjee EPZ soon

BSS, Dhaka

Suad Garments Industries Ltd, a Bangladesh-Kuwait joint venture company, will set up a garment industry with an investment of \$9.412 million in the Adamjee Export Processing Zone (EPZ).

In this regard, Jnan Ranjan Sil, member (engineering) of Bangladesh Export Processing Zones Authority (Bepza), and Tarik Al Nakib, chairman of Suad Garment Industries Ltd, inked a deal in Dhaka.



A woman tries a frock on a toddler at a shop at Bashundhara City shopping mall in Dhaka yesterday. People flock to malls and stores every day in the build-up to Eid-ul-Fitr, the country's biggest shopping season. Related story on B4

## Investment shows strong rebound

REJAUL KARIM BYRON

Investment in the country is on the rebound, according to various bank credit information. Bankers said the rise was mainly because of an expansion of the existing factories, increased SME loans and rental power.

Bankers said existing industries are taking out loans to expand operations and install generators to tackle the power crunch because the government suspended giving new gas and power connections.

According to Bangladesh Bank, capital machinery imports increased by only four percent in the last fiscal year, while the letters of credit (L/C) opened to import machinery went up by about 54 percent.

Even though the import of industrial raw materials decreased but the number of L/C opened increased by 18 percent.

This is a sign that investment and industrial production will rise this fiscal year.

Looking at an industry-wise breakdown, the L/C opened for capital machinery in jute increased by 222 percent, leather by 902 percent, textiles by 42 percent, garments by 31 percent, pharmaceuticals by 129 percent and plastic by 131 percent.

Last fiscal year, industrial term loan disbursement rose by 30 percent, which fell in the previous fiscal year.

Total industrial term loan disbursement was Tk 25,875 crore in the last fiscal year, which was Tk 19,972 crore the year

before. A stagnant situation prevailed in the market for the last two to three years because of global recession on one hand, and political uncertainty on the other.

Recent indicators show that the situation is picking up in the industrial sector, but bankers say if the government cannot quickly improve the gas and power scenario, it will be difficult to hold on to the rising trend.

Krishni Bank Chairman Khondker Ibrahim Khaled told The Daily Star that the economy is taking off but if the electricity and gas problems cannot be solved, sustaining development will be difficult.

He said the finance minister has allowed duty-free import of captive power generators, resulting in an increase in its imports, which the banks are financing.

Khaled also said the banks' investment in rental power is also increasing.

Janata Bank Managing Director (MD) SM Aminur Rahman said the bank alone invested about Tk 170 crore in four rental power stations. He said the increase in loans was mainly to fund modernisation and expansion of the existing industries.

According to Bangladesh Bank statistics, 80 percent of the total outstanding loans till March are SME loans. In March, SME loans increased by about 17 percent compared to the same period in the last fiscal year.

The Janata MD also said investment would have gone up by four to five times if there was no gas and power crisis.

## SEC alters issue rules of convertible security

SARWAR A CHOWDHURY

The issuance of any kind of convertible security by listed companies will be considered "repeat public offering", and the process will be complete under public issue rules, according to a directive by the regulator.

It means, the listed companies will no longer be allowed to issue convertible securities (into ordinary shares), such as preference shares, bonds and debentures, on their own choices.

The conversion features can also not be converted into ordinary shares within two years.

The Securities and Exchange Commission yesterday announced the move that will bring all convertible securities under specific guidelines.

The regulator said although listed companies were issuing convertible securities under public issue rules, there was no due diligence especially in price fixation including premium, distribution mechanism and information dissemination.

"Proper issuance was not possible," said ATM Tariquzzaman, executive director of the SEC.

"Now, the listed companies that will intend to issue convertible securities will have to follow Public Issue Rules 2006," he said, adding: "It will bring transparency in the process."

As per repeat public offering clause of the Public Issue Rules 2006, 40 percent of an issue is reserved for existing shareholders, while another 40 percent is for public offering, and a maximum 20 percent can be kept for private placement.

The stockmarket regulator recently sought and received public opinion on formulating specific guidelines for issuance of convertible securities.

Allegedly some irregularities especially in issuance of preference shares by some listed companies prompted the SEC to take the initiative.

Market experts said the SEC move will stop the ill practices by the issuer companies in issuing convertible securities.

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## Five-day feast for all in TV

SAJJADUR RAHMAN

It's not just clothes sellers that are cashing in on Eid. For TV channels, it's time to tempt viewers with new programmes -- and to feast on the highest ad revenues of the year.

Most major television stations triple advertisement rates over the normal period, and run a lot more ads every hour they broadcast.

"Advertisement rates go three to five times higher at Eid time than during the normal period," says Fahima Choudhury, managing partner of Ogilvy and Mather, an international ad firm.

The rate increase varies station to station. State-owned Bangladesh Television, known as BTV, charges up to Tk 3 lakh per ad minute on Eid day, but some stations (Tier II) take as low as Tk 15,000 per minute.

"BTV increases its ad rates by five times, to Tk 3 lakh for a single minute on the Eid day," says Shahadat Shamim, chief operating officer of Sathirtha Media, a production house.

Shamim says BTV earns around Tk 15 lakh for each drama broadcast during the Eid vacation. The station buys a drama by around Tk 3 lakh, while Tier I private channels do it for between Tk 2.25 lakh and Tk 3.5 lakh.

Stations offer ad packages for Eid and consider it all prime time, so they offer no "off-pick" time rates. Normally, a station uses 170 minutes for ads out of 24 hours (1,440 minutes).

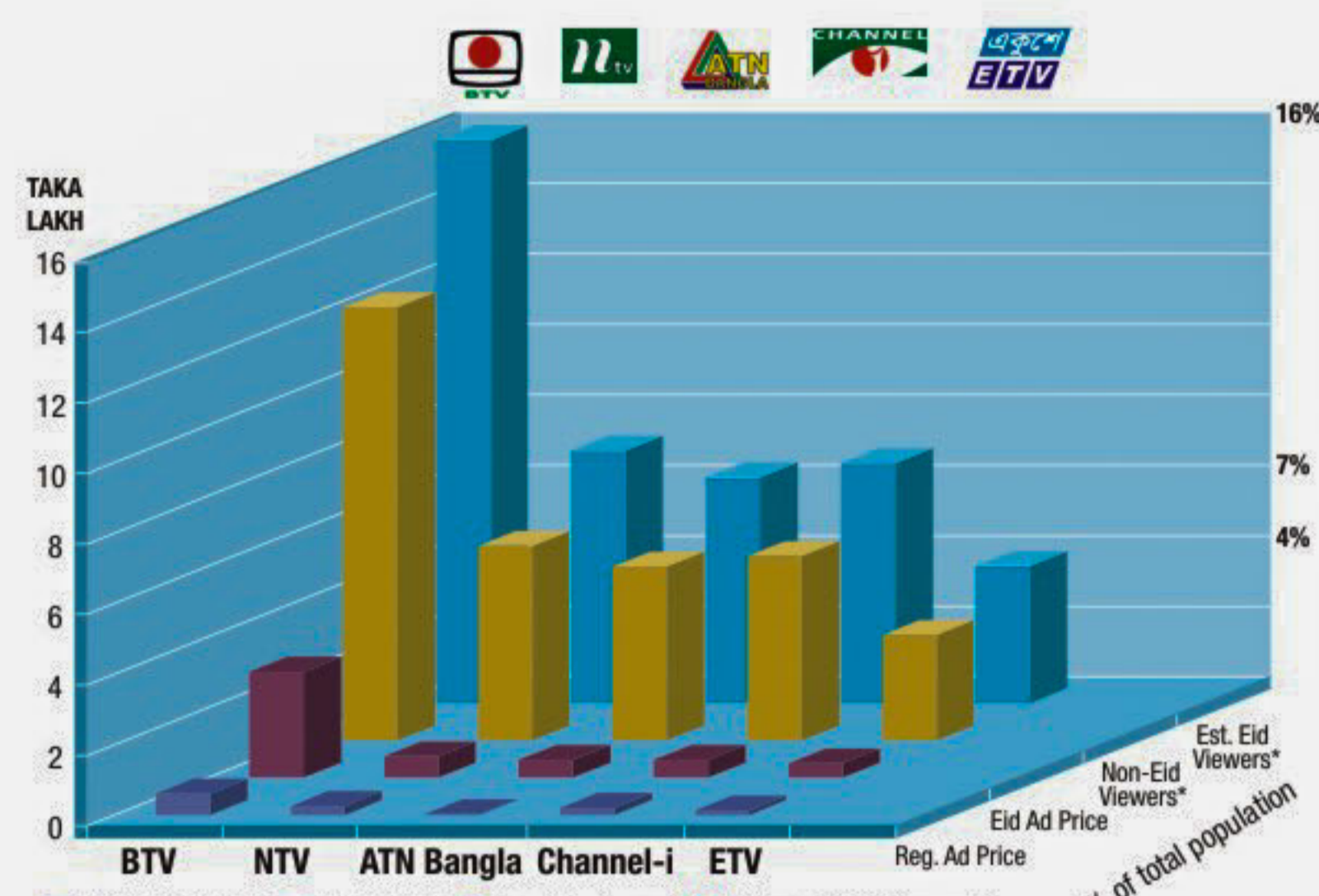
Of that, 120 minutes are normally categorised as "pick time" and the rest off-pick. But during Eid, it is up to 300 minutes with no off-pick time.

Tier I private channels, such as NTV, offer packages of Tk 7 lakh for 12 minutes, while ATN Bangla Tk 9 lakh for 13 minutes. The rates are almost triple that of the usual time.

Normally, a Tier I channel charges Tk 25,000 per ad minute when broadcasting a single drama. That reaches Tk 100,000 during Eid.

Why the price hike? "It's because of demand," says Nazim Farhan Choudhury, deputy managing director of AdCom, a leading ad agency.

"All companies want to advertise its



products during this time," he says, adding that special programmes can have even higher prices.

Advertisers can be a cold, calculating bunch when buying ads most of the year. The price is normally proportionate to the number of viewers.

But Eid is different. A TV show in the background of a busy life can suddenly capture the full attention of the entire family.

Eid viewers rush to watch special programmes during their holidays. Although there is no data on the rise in viewers during Eid, those canvassed says it increases between 10 percent and 30 percent far less than the jump in ad rates.

Ogilvy and Mather's Choudhury thinks viewership only increases 10 percent.

"We predict our viewership will grow by 30 percent during this period," says Munni Saha, head of news of ATN News. "This is the time when people of all classes watch televisions."

Saha who has served at the top levels in ETV and ATN Bangla, says "every time is pick time during Eid."

Bangladesh has a total of 14 channels: BTV, NTV, ETV, ATN Bangla, Channel i, Bangla Vision, ATN News, Desh TV, RTV, Boishakhi, Diganta, BTV World, Islamic Television and MYTV.

Of these, ATN News is a 24-hour news channel. The others try to catch

more eyeballs with new shows and programmes that include dramas, celebrity shows and movies. But dramas dominate the TV during the period.

According to actors, directors and producers, each channel broadcasts five to six dramas a day during five days of special programmes. So, the 13 channels need 65 dramas every day; and 325 dramas for all five days.

Actors, actresses, directors, producers and ad firms share in the good times. Producers normally have to wait days, or even months, to get paid for a drama. During Eid they are paid half in advance.

Demand for top actors and actresses rises, and they are busy shooting even 2-3 months before Eid.

Some actors and actresses, such as Mosharaf Karim, Apurbo, Sajal, Api Karim and Sumaiya Shimu act over 20 dramas -- charging Tk 25,000 to Tk 30,000 for each.

The elite, including Humayun Faridi, Subarna Mustafa and Tariq Anam Khan, command even more -- Tk 40,000 to Tk 50,000 for each drama.

Yet, acting in so many dramas in a short span of time doesn't deteriorate quality, says popular actress Bonna Mirza: "Everybody involved concentrates more during this period than normal."

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