

CHT farmers count deep losses

OUR CORRESPONDENT, *Khagrachhari*

Farmers count losses every year in Chittagong Hill Tracts, as they often are compelled to sell off their produces crops and fruits at prices lower than production costs due to preservation constraints and poor infrastructure in the region.

Many growers, who have been denied fair prices of their produces for long, say they now take least interest in producing seasonal crops and fruits, which leads to the rise in joblessness in the three hill districts.

"Sometimes we sell our produces in lower prices fearing that those might get rotten, and also because of lack of transportation facilities," said Md Afzal, a fruit grower in Khagrachhari, pointing to the fact that a huge quantity of

fruits perishes because there is no cold storage or fruit processing centre in the area.

Officials of the Department of Agricultural Extension admitted that some farmers, who are directly or indirectly involved with personal or government-owned forests or orchards became self-reliant, while many suffered losses, as their farm products perish because of preservation constraints.

The production of crops and fruits such as ginger, turmeric, sugarcane, pineapple, mango, and papaya was plenty last year in 25 hilly upazilas in the CHT districts of Khagrachhari, Rangamati and Bandarban.

According to the DAE, around 48,187 tonnes of turmeric were produced from 6,251 hectares of land, 81,996 tonnes of ginger from 6,828 hectares, 2.25 lakh tonnes of jackfruit from 9,871 hectares, 2.7

lakh tonnes of banana from 11,000 hectares, 92,008 tonnes of mango from 6,739 hectares and 2.3 lakh tonnes of pineapple from 6,842 hectares of land.

A turmeric grower pointed out that a huge amount of his produces got rotten. "Setting up of cold storages and processing plants could save a considerable amount of their produces, which might be exported after meeting the local demand," said Manik Mohon Tripura of Beltali Para area under Sadar upazila in Khagrachhari.

When asked, Anis-ul Haque Bhuyan, deputy commissioner of Khagrachhari, said he is aware of such preservation problems.

"To protect their produces, setting up cold storage or fruits processing plant are necessary here," he said, pointing out that such industry would create employment opportunities.

Green Delta turns 25, relaunches website

STAR BUSINESS REPORT

Green Delta Insurance Company Ltd, one of the leading private non-life insurers, yesterday celebrated its 25th founding anniversary and relaunched its newly designed website.

The company has also designed a couple of events this month for its stakeholders to celebrate the occasion, said Nasir A Choudhury, managing director of the company.

The company, starting operations in 1986 with a paid-up capital of Tk 3 crore, has already invested in different sectors, including housing, life insurance, healthcare and telecom, with equity participation in Delta Brac Housing, Progressive Life Insurance Company, United Hospital, FinExcel and Jalalabad Telecom.

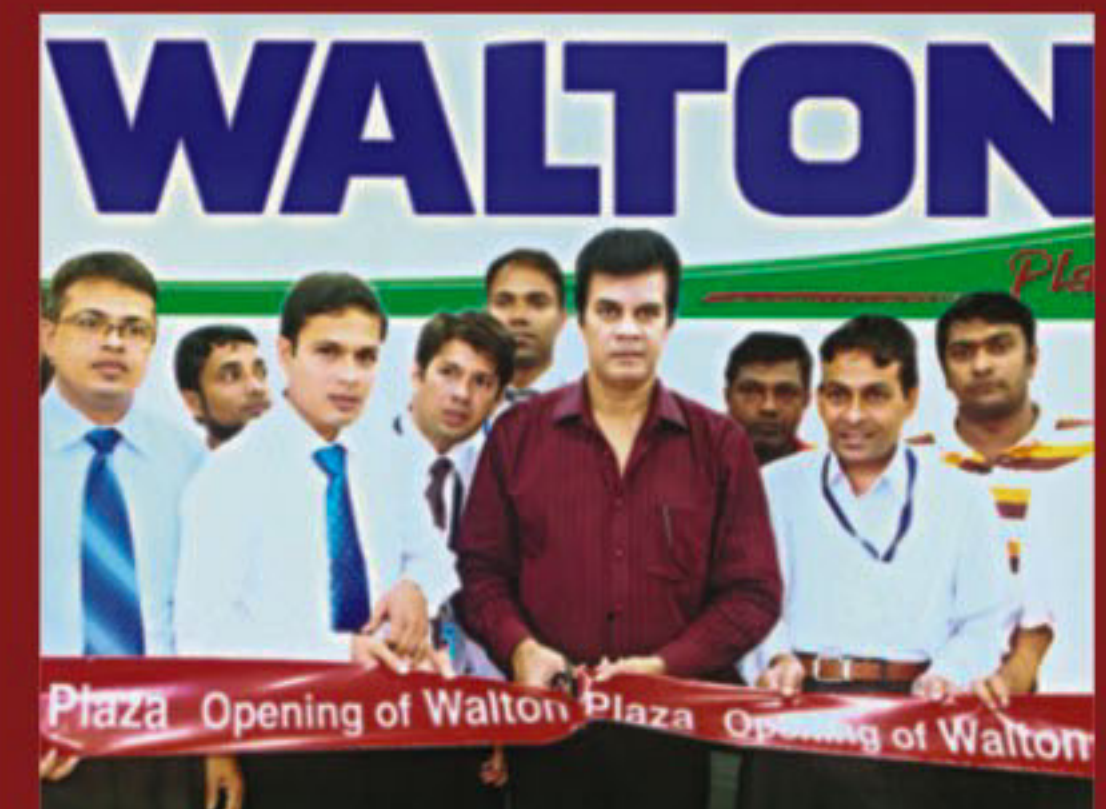
The company collected over Tk 160 crore as premium in 2009, the largest in the sector, comprising close to 15 percent of the market share, said Choudhury at a ceremony at Sonargaon Hotel in Dhaka. "We hope the premium will be over Tk 200 crore in 2010."

He also pointed out that Green Delta has always prioritised in claim settlement as it has strong capital base worth amounting to over Tk 40 crore.

Green Delta has recently engaged in the capital market with the opening of its subsidiary Green Delta Securities, a share brokerage firm.

The company also floated Green Delta Mutual Fund of Tk 150 crore in 2010.

"We have to initiate mass awareness building campaign as many people have negative concept on insurance business," said Choudhury.



WALTON
Ilias Kanchan, director of Walton, inaugurates the company's showroom, Walton Plaza, at Hemayetpur in Savar recently.

StanChart gets new MD

STAR BUSINESS DESK

Abrar A Anwar recently joined Standard Chartered Bank as managing director of wholesale banking. Prior to this appointment, Anwar was the managing director and head of global corporate and commercial banking of Citibank NA, said a statement.



Abrar A Anwar

He started his 19-year corporate and investment banking career with ANZ Grindlays Bank in 1991 as a management trainee, after completion of MBA from Institute of Business Administration (IBA).

During his career he worked in India, UK and Bangladesh and originated some groundbreaking transactions, such as, IPO for GrameenPhone and merger and acquisition of NTT DoCoMo's entry

Orion Laboratories renames itself

STAR BUSINESS DESK

From now on, Orion Laboratories will manufacture and market its products under the name of Orion Pharma Ltd, said a statement.

Orion Group Chairman Mohammad Obaidul Karim chaired the new logo launch ceremony of the pharmaceutical company at its corporate head office at Tejgaon in Dhaka.

Karim urged the officials of Orion Pharma to uphold the spirit of the change. He mentioned the new voyage of the company has started with a vision to convert that into a world-class one maintaining the norms of USFDA, UK MHRA and TGA Australia. "For this, necessary steps have already been taken to set up a world class pharmaceutical company at Bhaluka near Gazipur."

The chairman said the company will be the biggest pharmaceutical manufacturing facilities in South East Asia in terms of covered area and types of dosage forms to be produced.

Managing Director Salman Obaidul Karim was also present with the company's many high officials



BANK ASIA

A Rouf Chowdhury, chairman of Bank Asia, presides over the bank's sixth extraordinary general meeting in Dhaka yesterday. Erfanuddin Ahmed, managing director, was also present. The company approved to raise Tk 250 crore through zero coupon bond.



NATIONAL BANK

Neaz Ahmed, managing director of National Bank, inaugurates the bank's 143rd branch at Niamatpur in Naogaon recently. ASM Bulbul, deputy managing director, was also present.

Citi points to 'healthy' growth

STAR BUSINESS DESK

Bangladesh showed commendable resilience to grow at a healthy rate last year although the lagged effects of the global economic crisis hindered the country's two main growth drivers -- exports and remittance inflows, said a leading global financial services company.

Growth came mainly from the services and industrial sectors driven by growth in consumption and a rebound in construction activities, Citi said in its Annual Market Update 2010.

Stable remittance inflows and expansion in rural non-farm activities supported the growth in consumption, while construction benefited from a good implementation of annual development programme (ADP).

Industrial growth was supported by term credit disbursements despite severe gas and power shortages. The services

sector also remained vibrant, said Citi.

It also said, after a respite of about twelve months, inflation began to rise from October 2009. Point-to-point inflation rose every month and hit 9.06 percent in February last year.

While the rate reduced slightly in March and April, it started rising again in May and reached 8.7 percent by the middle of 2010, which was mainly due to a double-digit food inflation during the period.

With the moderation of food inflation to single-digit levels from July, along with declining non-food inflation, point-to-point inflation settled below 7 percent level in October 2010, while average inflation stood slightly above 8 percent.

Citi said, after a decline in 2009 (by 1.9 percent), exports posted double-digit gains during 2010. Export earnings stood at \$15.6 billion in October last year,

marking a rise of 12.7 percent over the same period a year back.

"Although a recovery to above 20 percent growth level could not be achieved, this was a strong come-back despite a moderation in apparel exports (which accounts for three-fourths of the total export) to US and Germany, the two largest export markets of the country."

Subdued external demand evidenced by weak retail sales and continued price cuts in the US and Europe combined with severe power outages and frequent labor unrest accounted for the decline in exports in these markets, Citi said.

With the increase in commodity prices, import payments grew significantly in 2010, against a drop in the previous year.

Import letters of credit (LC) data shows significant upturn in economic activities during the year. The total value of LC opening rose by 41.6 percent in eleven

months of the current fiscal year while that of LC settlement marked a rise of 25.6 percent.

Although the off take of industrial term loans and import LC opening for capital machinery grew significantly, growth in actual import of capital goods remained slow because of scarcities in power and gas supply, said the update.

Remittance inflows remained stagnant during the year. Total remittance inflows to the country stood at \$9.93 billion as of November 2010, surpassing the 2009 figure by only 0.85 percent.

At the end of November, gross foreign exchange reserve of Bangladesh Bank (BB) stood at \$10.7 billion, up by 3.5 percent from a year earlier.

Despite slower growth in exports and remittances, the higher foreign exchange reserves were made possible because of modest import payments and higher inflow

of foreign assistance.

On the international commodity prices, Citi said crude oil prices remained mostly above \$70 per barrel on prospects of increased demand from economic recovery, as well as support from occasional supply shocks.

Gold has benefited from concerns over the state of the Eurozone, with Ireland being forced to take a rescue package, following in the footsteps of Greece. Swings in the euro/dollar have seen investors trading gold as a currency hedge. Gold broke USD 1,300 level during late September and rose to all time highs above \$1,420 an ounce on November 9 as Eurozone sovereign debt woes continued to lure investors to precious metals.

The silver price hit fresh multi-decade highs in December as investors turned to the metal as hedge to inflation.

TO BE CONTINUED



TRUST BANK

Trust Bank Managing Director Shah A Sarwar and Bangladesh Bank Executive Director SK Sur Chowdhury exchange documents after signing a 'master-facility' agreement on investment promotion and financing in Dhaka on Wednesday.



ESQUIRE ELECTRONICS

Esquire Electronics employees pose during a training programme organised by the company on the latest technology of SHARP LED 3D television and water oven in Dhaka recently. Esquire is the sole distributor of Japan's SHARP Corporation.

Colombia to sell oil shares for rainy season response

AFP, Bogota

Colombia will sell 10 percent of its shares in Ecuador's state oil firm Ecopetrol, worth some eight billion dollars, to fund its response to a rainy season that killed 303 people and left 2.2 million homeless, an official said Thursday.

Coupled with new taxes and the sale of seized property, Energy and Mining Minister Carlos Rodado said the proceeds from the Ecopetrol shares sale would be put into a reconstruction fund for infrastructure projects such as highways and bridges.

An extraordinarily heavy rainy season, which forecasters blame on the La Nina weather phenomenon, has left widespread devastation in Colombia and major damage in neighbouring Venezuela.

The share sale is one of several major measures being taken by the government of President Juan Manuel Santos to respond to the crisis. The tax hikes are expected to generate another two billion dollars for the response.

Damage has been considerable over 85 percent of Colombian territory, officials said, and the government

Ford, Chrysler recall almost 160,000 vehicles

AFP, Washington

US automakers Ford and Chrysler are recalling tens of thousands of vehicles due to safety problems, the government said Friday.

Chrysler Group was recalling about 143,000 vehicles over the 2008-2011 model years in three separate filings, according to a report on the National Highway Traffic Safety Administration's website.

The number-three US automaker, managed by Italy's Fiat, recalled more than 22,000 2008-2011 Dodge Ram trucks to address a potential steering problem.

Chrysler also recalled about 65,000 2009 Dodge Journey sport utility vehicles that could fail to deploy air bags, and 56,000 2011 Ram trucks to fix a bearing that could cause them to stall.

Ford Motor, the nation's second-largest automaker, recalled almost 15,000 2011 model years of pickup trucks, Ford Edge and Lincoln MKX SUVs to address an electrical problem that could