

# Asia stocks mixed

AFP, Hong Kong

Asia's New Year stocks rally showed signs of fading on Friday amid caution ahead of US jobs data, although Tokyo's Nikkei hit an eight-month high on a firmer dollar, which gave a boost to auto stocks.

Tokyo's Nikkei index edged up 0.11 percent, or 11.28 points, to 10,541.04, its highest close since May 13, buoyed by carmakers such as Toyota and Nissan, as a stronger dollar boosted US sales prospects.

However Hong Kong's Hang Seng fell 0.42 percent, or 99.67 points, to 23,686.63, breaking a seven-day rally.

Both exchanges were up about three percent over the week.

Shanghai perked up during the day, with the Composite index gaining 0.52 percent, or 14.60 points, to reach 2,838.80, helped by a three percent jump in SAIC Motor, which reported its vehicle sales jumped nearly a third last year.

However Sydney's S&P/ASX 200 ended down 0.42 percent, or 20.00 points, at 4,705.00, at the end of a week in which coal miners have been hit by disastrous floods and commodity prices slipped. BHP Billiton slumped 1.15 percent on Friday and Rio Tinto was down 1.81 percent.

Buoyancy around the region in the past week has been helped by hopes of recovery in the United States.

However US stocks had a mixed day on Thursday ahead of December unemployment estimates from the Labor Department that will be keenly watched for any sign that a so-far jobless recovery might start creating work.

Shanghai dealers have been caught between expectations of further measures by Beijing to cool the economy, and reports in state media Thursday that Chinese banks may issue more than one trillion yuan (\$151 billion) in new loans this month.

On Wall Street, the Dow Jones Industrial Average declined 0.22 percent and the broader S&P 500 index

was down 0.21 percent, but the tech-rich Nasdaq gained 0.28 percent.

On Asian oil markets, New York's main contract, light sweet crude for February delivery, fell three cents to \$88.34 per barrel, giving up earlier gains, while Brent North Sea crude for February eased 76 cents to \$93.76.

The euro dropped against the greenback, approaching a four-month low when it hit 1.2967 dollars, but recovered to stand at 1.2989 in Tokyo afternoon trade, against 1.3006 dollars in New York late Thursday.

The euro fetched 108.44 yen versus 108.30 yen the previous day. The dollar firmed to 83.48 yen from 83.34 yen. Gold closed at \$1,365.50-\$1,366.50 an ounce in Hong Kong, down from Thursday's finish of \$1,376.80-\$1,377.80.

**In other markets:** Seoul rose 0.41 percent, or 8.59 points, to 2,086.20. Singapore fell 0.56 percent, or 18.35 points, to 3,261.35.

Singapore Telecom tumbled 0.65 percent to Sg\$3.06, while United Overseas Bank rose 1.04 percent to Sg\$19.44.

Kuala Lumpur rose 0.24 percent, or 3.84 points, to 1,572.21.

Telekom Malaysia rose 4.80 percent to 3.73 ringgit, infrastructure and energy group MMC Corp rose 6.20 percent to 3.10 and palm oil firm KL Kepongshed 1.10 percent to 22.38.

Bangkok fell 1.38 percent, or 14.53 points, to 1,036.45.

Banpu lost 14.00 baht to 830.00, while PTT dropped 10.00 baht to 322.00.

Mumbai ended 2.44 percent, or 492.93 points, lower at 19,691.81.

The market was hammered by concerns the central bank will raise interest rates sooner than expected as food price inflation hit a five-month high 18.32 percent in the week ended December 25.

Aluminium producer Hindalco fell 7.02 percent to 233.15 rupees while Tata Motors fell 5.5 percent to 1,189.5.

HDFC Bank fell 2.51 percent or 58.5 rupees to 2,268.55.



**ISLAMI BANK**  
Abu Nasser Muhammad Abdus Zaher, chairman of Islami Bank, addresses the business development conference of the bank at Sonargaon Hotel in Dhaka yesterday. Mohammad Abdul Mannan, managing director, was also present.

## Nippon Steel, Tata sign \$480m India steel joint venture

REUTERS, Tokyo

Nippon Steel Corp, the world's No.4 steelmaker, and Tata Steel Ltd said on Friday their \$480 million cold-rolled sheet steel joint venture will begin production in India by late 2013.

The 600,000-tonnes-a-year plant, which targets India's surging automotive sheet steel market, will be the first production base for a Japanese steel maker in India.

"India's huge growth potential is very attractive," Junji Uchida, Nippon Steel managing director, told a news conference.

"We also see a big advantage in linking up with Tata, which has high self-sufficiency rates in iron ore and coal, and a big cost advantage."

India's growing manufacturing sector is expected to become a base for exports to the Middle East, Africa and Europe, he said. India's car market of around 2.4 million units a year is growing 15-20 percent annually.

Tata has a self-sufficiency rate of 100 percent

for iron ore and 50 percent for coking coal, Anand Sen, vice-president of Tata Steel Ltd, said.

Other leading Japanese steelmakers -- JFE Holdings Inc, Sumitomo Metal Industries Ltd and Kobe Steel Ltd -- have forged technology tie-ups with players in India. JFE owns a near-15 percent stake in JSW Steel.

Nippon Steel and Tata agreed to continue talks aimed at expanding co-operation, including construction of the upstream process, the two companies said.

While India's steel demand is growing rapidly, capacity additions lag due to difficulty in acquiring land and opposition from farmers.

Tata Steel plans to boost production capacity from 7 million tonnes a year to 10 million in 2011 and 30 million by 2020, Sen said.

The joint venture, to be built on the site of Tata's plant in the eastern Indian town of Jamshedpur, will be 51 percent owned by Tata and 49 percent by Nippon Steel. The firms signed a memorandum of understanding on the project in April 2010.

### Weekly Currency Roundup

Jan 2- 6, 2011

#### International Markets:

The first week of trading in the new year saw the dollar surging ahead on robust data from the US. On Thursday the dollar steadied after surging the previous day on strong US private sector jobs data, but investors were reluctant to chase the greenback higher ahead of Friday's payrolls numbers. A string of robust US data have driven the dollar higher on expectations that the world's largest economy would recover faster than other major economies. The ADP jobs report on Wednesday showed a record 297,000 private-sector jobs were created in December, boosting expectations for Friday's official jobs report. US factory and services sectors' data this week has also buoyed the greenback. The ADP report drove the dollar's 1.5-percent gain versus the yen on Wednesday, its biggest one-day rise in three months, although dollar-selling by Japanese exporters tempered gains. By 1011 GMT, it was down 0.2 pct on the day at 83.09 yen. The single currency got a slight boost after Spanish newspaper El Pais reported that China was willing to buy about 6 billion euros of Spanish government debt. The market gave little reaction to data showing that euro zone economic sentiment jumped in December while retail sales fell in November. The dollar index, which measures the greenback's value against a basket of major currencies, as steady at 80.341, a sharp turnaround from last week's 78.775 trough. Even then, the dollar's gains could be limited unless the data changes expectations for the US Federal Reserve to keep its quantitative easing in place through June.

#### Local Money Market:

Call money rates stayed in a 15-20 % band for most of the week, coming off much higher rates in the previous weeks.

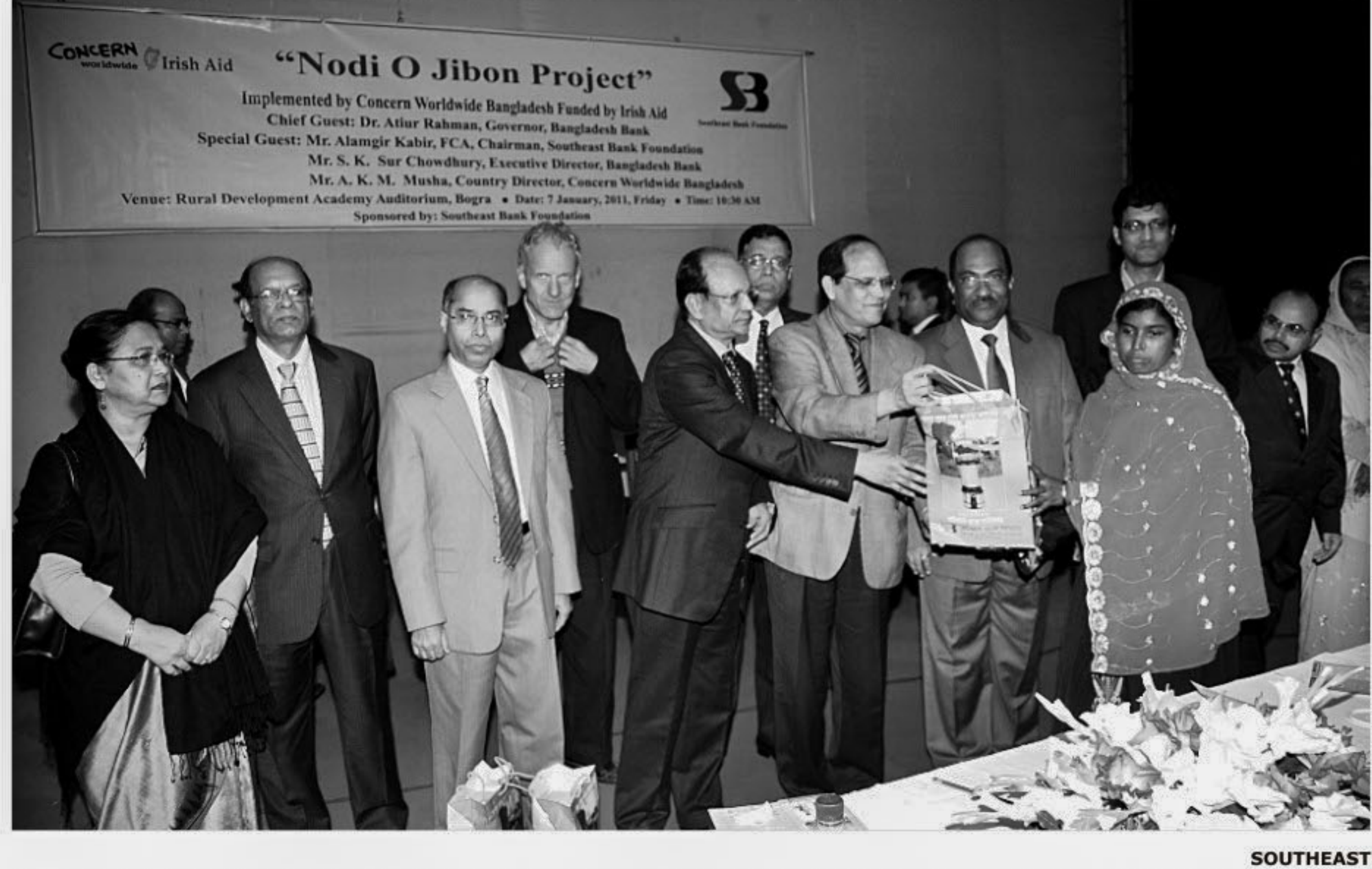
#### Local Market FX:

There was significant liquidity pressure in the market for the USD, and the USD/BDT exchange rate moved significantly higher.

-- Standard Chartered Bank



Abdus Sabur Khan, chairman of Opsonin Pharma, and Abdur Rouf Khan, managing director, attend the annual sales conference at Bangabandhu International Conference Centre in Dhaka on Thursday.



Atiur Rahman, governor of Bangladesh Bank, and Alamgir Kabir, chairman of Southeast Bank, give solar lamps and education materials to a student in Bogra yesterday. Southeast Bank Foundation, in association with Concern Worldwide Bangladesh, arranged the distribution programme for 2,000 students on char lands.

## STOCK

### Weekly News from Trade Servers

**BEACONPHAR:** The Company will be placed in "Z" category from existing "N" category with effect from 02.01.2011 as the company did not recommend any dividend for the year ended on June 30, 2010. The Stock Brokers and Merchant Bankers are requested not to provide loan facilities to purchase shares of Beacon Pharmaceuticals Ltd. between 1st to 30th trading day after change of categorization of the said securities i.e. starting from 02.01.2011.

**CITYGENINS:** The Company has further informed that the Board of Directors of the company has fixed the record date on 13.01.2011 for giving effect the change in the denomination of share value from Tk. 100.00 to Tk. 10.00 each as well as Market lot from 50 to 100 shares.

**UNITEDAIR:** The Company has further informed that the Board of Directors of the company has fixed the record date on 13.01.2011 for giving effect the change in the denomination of share value from Tk. 100.00 to Tk. 10.00 each as well as Market lot from 50 to 100 shares.

**IMAMBUTTON:** As per un-audited quarterly accounts for the 1st quarter ended on 30th September 2010 (July'10 to Sep'10), the company has reported profit/ (loss) after tax of Tk. (5.93) million with basic EPS of Tk. (8.47), considering bonus share @ 10% for the year 2009-10, restated EPS is Tk. (7.70) as on 30.09.10. Accumulated profit/ (loss) of the company was Tk. (13.84) million as on 30.09.10.

**AIMSISTMF:** The Fund has informed that the @ 70% stock dividend has been credited to the respective BO accounts of the Unit holders of the fund. Consequently the paid-up capital of the Fund has been raised from Tk. 168,000,000.00 to Tk. 285,600,000.00. Therefore, the diluted NAV per unit has been readjusted to Tk. 1.65 (at cost) from Tk. 2.80 (at cost) and Tk. 4.00 (at market value) from Tk. 6.80 (at market value), while the net asset of the Fund stood at Tk. 1,142,801,030.00 as at close of business on December 30, 2010.

**UNITEDAIR:** The Company has informed that it has credited the bonus shares to the respective shareholders' BO Accounts.

**FINEFOODS:** The Company has informed that it has credited the Stock Dividend for the year ended 2009-2010 to the respective shareholders' BO Accounts.

**DAFODILCOM:** The Company has informed that it has credited the Rights shares to the respective shareholders' BO Accounts.

**BEACHHATCH:** Referring to their earlier letter dated 28.12.2010 regarding purchase of 1.27 acres of land at Cox's Bazar Pourasova area at a total cost of Tk. 112.00 million (approx.), the Company has further informed that they have already purchased the land at a total cost of Tk. 116.30 million only including registration and other expenses.

**KEYACOSMET, KEYADERG:** The company has informed that the Share Liaison Office of the company has been shifted to new address at Navana Tower, 14th Floor, Suit-A, 45, Gulshan Avenue, Gulshan-1, Dhaka-1212 with effect from January 01, 2011.

**DACCADYDE:** The Board of Directors of the company has recommended for enhancement of present Authorized Capital from Tk. 100.00 crore to Tk. 300.00 crore. The Board has also recommended for raising paid up capital by issuing Rights Share @ 1R:1 of Tk. 10.00 each to be issued at Tk. 30.00 each (including a premium of Tk. 20.00 per share) on paid up capital subject to the approval at EGM and also by the regulatory authorities. The purpose of the Rights issue is procurement of a spinning mill for uninterrupted supply of yarn as the backward linkage, expansion of weaving dept. and procurement of machinery for dyeing, printing and finishing dept. for ensuring the production quality as well as profitability of the company and repayment of high cost bank loan, working capital etc. Date of EGM: 16.02.2011, Time: 10:00 AM. Record date for EGM: 12.01.2011. Another record date for the purpose of determination of entitlement of the proposed right issue of shares to be notified after obtaining approval from SEC in this regard. The Venue of the EGM will be notified later.

**FIDELASSET:** The company has informed that the Board of Directors of the company has accepted the revaluation report of the immovable properties of the company from Tk. 6,13,21,294.00 to Tk. 37,52,09,538.00 resulting into a valuation surplus of Tk. 31,38,88,244.00. The revaluation is conducted by surveyor G. K. Adjusters Limited.

**PHENIXINS:** The Rating Committee of CRISL has announced the CPA (Claim Paying Ability) Rating of Phoenix Insurance Company Ltd. as "A+" based on financial statements of the company up to December 2009 and other relevant quantitative as well as qualitative information up

to date of rating declaration.

**ABBANK:** The Bank has informed that the Bangladesh Bank has accorded its approval to AB Bank Limited's taking over of a further 10% shares in "Cashlink Bangladesh Limited", thereby raising its shareholding in the company to 90%. Cashlink Bangladesh Limited (CBL) was formed as a company to carry on the business of providing integrated electronic financial payment and transaction processing solutions in Bangladesh, including co-ordination and deployment of independent branded automated teller machines (ATM) and electronic fund transfer through point of sales and to provide pre-paid card, debit card and credit card processing services. CBL also would facilitate e-commerce facility to its Member Banks.

**PRIMEBANK:** Following the change of the denomination of shares and market lot with effect from 05.01.11 (record date), the new face value of the shares of the Bank will be Tk. 10.00 instead of Tk. 100.00 per share, market lot will be 250 shares instead of 50 shares and the new adjusted open price of shares will be Tk. 88.20 per share.

**UTTARABANK:** Following the change of the denomination of shares and market lot with effect from 05.01.11 (record date), the new face value of the shares of the Bank will be Tk. 10.00 instead of Tk. 100.00 per share, market lot will be 25 shares instead of 5 shares and the new adjusted open price of shares will be Tk. 153.30 per share.

**FUWANGFOOD:** The Company has further informed that the Board of Directors of the company has fixed the record date on 19.01.2011 for giving effect the change in the market lot from 500 ordinary shares to 100 ordinary shares.

**PRIMEINSUR:** SEC has accorded its consent to the proposed change in the denomination of share value (face value) of Prime Insurance Company Ltd. from Tk. 100.00 to Tk. 10.00 each as well as market lot from 50 to 250 shares.

**CTGVEG:** The Company has informed that the Board of Directors of the company has taken the following decisions subject to approval of shareholders in the EGM and the Regulatory Authorities: (1) to increase Authorized Capital of the company from Tk. 30.00 crore to Tk. 150.00 crore and (2) to change denomination of shares from Tk. 100.00 to Tk. 10.00 each and market lot from 10 to 50 shares. In this respect the company also shall amend its clauses/articles of Memorandum and Articles of Association. Date of EGM: 13.02.11, Time: 3:00 PM, Venue: Corporate Office, 37, Katalgonj, Panchlaish, Chittagong. Record Date of EGM: 23.01.11.

**QSMRDYCELL:** The Company has informed that the Board of Directors of the company has approved the revaluation of Fixed Assets of the company certified by the valuer company G. K. Adjusters Ltd. from Tk. 26,21,66,337.00 to Tk. 146,87,73,264.00 resulting a revaluation gain of Tk. 120,66,06,927.00. The Board has also decided to appoint a recognized Credit Rating Company to assess the credit rating of Quasem Drycells Ltd. The Company has also informed that it has credited the Stock Dividend for the year ended 2009-2010 to the respective shareholders' BO Accounts on 04.01.11.

**GP:** The Company has informed that Grameenphone Ltd. (GP) and Drik Alokchitra Granthagar Limited (DRIK) have signed an agreement on January 05, 2011 to share GP's transmission capacity to expand DRIK's network across the country. This initiative will ensure sustainable utilization of national resources.

**RAK CERAMIC:** SEC has issued show cause cum hearing notice to the Company, its Directors, Managing Director and Company Secretary for non-compliance of condition no. 7 under part-B of SEC's letter no. SEC/CI/IPO-113/09-414 dated March 28, 2010 in connection with usage of the proceeds of the Public Offering for any purpose other than those specified in the prospectus.

**PHENIXINS:** SEC has issued show cause cum hearing notice to the Company, its Directors, Managing Director and Company Secretary for non-compliance with securities related laws in connection with the audited financial statements for the year ended on December 31, 2008 & 2009.