

# Nokia launches X2 Qwerty

STAR BUSINESS DESK

Nokia yesterday launched its new X2 QWERTY, an social networking device offering full blown music and networking experience, at The Westin in Dhaka.

The new X2 device enables access to social networks directly on home screen. It allows people to chat, send emails, comment, and update pictures via their preferred network sites such as Twitter and Facebook, the company said in a statement.

Sajid Matin, head of marketing for Nokia Emerging Asia, said: "Nokia is happy to introduce X2 QWERTY as people can now access social networking sites at an available price."

He also added that it satisfies Nokia's motto of 'connecting people'.

The new X2 includes some other features such as Ovi mail and chat, VGA camera and built-in hands-free speaker, and is available at Tk 7,400.

This new device was launched by performance from one of the leading rock bands of the country LRB.



Models pose with new Nokia X2 QWERTY at its launch at The Westin in Dhaka yesterday. The set is priced at Tk 7,400.

NOKIA

## Vodafone okays Essar IPO of Indian stake

REUTERS, Mumbai

British telecoms firm Vodafone yesterday said it had not blocked Essar from conducting an initial public offer (IPO) of the latter's stake in Vodafone Essar, India's third-largest telecoms company by subscribers.

"We have no objection if Essar wishes to go for an IPO of its stake in Vodafone Essar," the British company said in a statement.

Vodafone and Essar have locked horns in recent days over the Indian group's move to merge a firm that owns an indirect 11 percent in their mobile joint venture with another Essar group firm, India Securities Ltd.

Essar has said that last year it wanted to list Vodafone Essar by offering its shares through



SQUARE

Anjan Chowdhury, second from left, managing director of Square Consumer Products, speaks at the annual sales conference of the company at Hotel Sea Palace in Cox's Bazar on Friday. Sales target and achievement of 2010 and sales and marketing plan for 2011 were discussed in the meeting.

## Chinese bank ICBC to pay \$140m for BEA division

AFP, Beijing

Chinese bank ICBC confirmed on Sunday it would pay \$140 million to buy a majority stake in the US subsidiary of Bank of East Asia, allowing it to enter the US retail banking market.

The bank, the world's largest by market value, will own 80 percent of the division, according to a statement emailed to the news agency.

Jiang Jianqing, ICBC chairman, said in the statement that the deal, which still requires the approval of Chinese, Hong Kong and US regulators, would enable the state-owned giant to get a US commercial banking licence.

The agreement comes as Beijing and Washington seek to increase trade and investment, signing \$45 billion in trade deals during President Hu Jintao's visit to the United States earlier this week.

ICBC has been the most aggressive of China's "big four" banks in expanding overseas, as the country's lenders restart plans that were put on hold by the global financial crisis and seize new opportunities left in its wake.

The Hong Kong-based Bank of East Asia has 13 branches in the United States. ICBC in January last year bought a 70 percent stake in the bank's Canadian subsidiary.

## Better-than-expected profit for General Electric

REUTERS, Boston

General Electric Co posted a better-than-expected profit, helped by strong emerging-market demand for heavy equipment and setting the stage for what could be a wave of strong manufacturing earnings reports.

U.S. President Barack Obama tapped GE Chief Executive Jeffrey Immelt on Friday to head a new economic advisory panel in a strong sign of how investor and public opinion has changed about a company that became one of the dogs of Wall Street during the recession.

Shares of the world's largest maker of jet engines and electric turbines rose 7 percent on Friday, hitting their highest level since the thick of the financial crisis in November 2008, and making GE the biggest lift to the blue-chip Dow Jones industrial average.

Investors called the results a sign that the economy was strengthening.

"It's the economy at large," said Perry Adams, vice president and senior portfolio manager at Huntington Private Financial Group in Traverse City, Michigan, which owns GE shares. "That reflects a growing economy and GE is well positioned for that."

## Yukos spectre lurks as Russia fetes BP mega deal

AFP, Moscow

Russia has celebrated the alliance of Rosneft with BP as a historic breakthrough in its economic relations with the West but the deal remains shadowed by the break-up of its former top oil firm Yukos.

Rosneft gained its status as Russia's largest oil firm by acquiring prize Yukos assets when the firm was broken up by the Russian state after the arrest of its chief executive and founder Mikhail Khodorkovsky in 2003.

As Rosneft feted taking a major step towards realising its dream of becoming a global oil giant, Khodorkovsky is languishing in prison and faces staying there until 2017 after receiving a new jail term less than a month ago.

Markets and analysts hailed the deal for Rosneft to form a joint venture with BP for Arctic oil exploration and take a cross-shareholding as a huge boost for the Russian company.

"We expect this joint venture to assist Rosneft in its plans to expand its international presence," said analyst Ildar Davletshin of Renaissance Capital.

## Dubai's Drydocks World gets \$200m in financing

AP, Dubai

The shipbuilding and repair arm of indebted state conglomerate Dubai World says it has secured \$200 million in immediate financing and plans to begin talks with creditors to restructure its debt.

Drydocks World said in a statement Saturday seven of its existing lenders provided the \$200 million working capital loan. That financing is good through the end of April.

The company says it hopes to have the broader debt restructuring completed in the coming months.

Its parent Dubai World last year worked out new terms to nearly \$25 billion in debt. Drydocks World



PUBALI BANK

Mohammad Ali, Pubali Bank general manager, and Maruf Alam, director of Cynergon IntelliSys, exchange documents after signing a deal in Dhaka recently. The bank purchased a card management software and an electronic funds transfer switch from Cynergon.



RUPALI INSURANCE

Mostafa Golam Quddus, chairman of Rupali Insurance, and PK Roy, managing director of the company, attend the insurer's annual conference at Sonargaon Hotel in Dhaka on Thursday.

# Prada latest label to target China market

AFP, Beijing

Miuccia Prada has already won plaudits for her spring/summer 2011 collection -- simply-cut dresses and suits in a quirky mix of stripes and solids, with bold splashes of orange, violet and electric blue.

But by displaying the clothes on a runway in Beijing on Saturday evening, her first catwalk show outside Europe, and adding a few looks from her spring menswear line, the Italian designer signalled her focus on China's huge market.

Actresses Gong Li and Maggie Cheung added a bit of high-wattage star power to the show at the Central Academy of Fine Arts museum -- a surefire way to maximise local media coverage and get the Prada message to the masses.

China is the world's fastest-growing market for luxury goods and is forecast to be the world's top buyer of such products -- cosmetics, handbags, watches, shoes and clothes -- by 2015, according to consultancy PriceWaterhouse Coopers.

Sales of luxury goods in mainland China totalled \$10.3 billion in 2009, up 14 percent from the year before,

according to Bain and Company. When purchases by Chinese citizens abroad are factored in, the market was worth \$23.7 billion.

Like many Western fashion brands, Prada is already established in China, with at least 15 stores in operation and plans for nearly 30 more by the end of 2012. It has also announced it will open a design studio in Hong Kong in 2011.

But luxury goods analysts say foreign firms have only scratched the surface of the market's vast potential, which is based on the country's population of 1.3 billion and the mounting wealth of an ever-growing middle class.

"In China, we consider that luxury is still in a pure recruitment phase," HSBC analyst Erwan Rambourg told AFP, explaining that 90 percent of Chinese buyers are newcomers to a brand, while the rest are repeat customers.

"It is still a very underpenetrated market."

The Milan-based family-owned Prada, which is rumoured to be considering a market listing in Hong Kong, is of course not the first fashion powerhouse to stage a major event in China to lure more customers to the cash register.

# Investment banks face pressure to diversify

REUTERS, New York

Trading activity is weak, regulators are cracking down and investment banks worldwide are confronting a stark reality for 2011: the only way to survive and make money is to diversify.

A week of anaemic results in bond and stock trading from US investment banks reflects a fundamental problem for the global sector: soft markets and regulatory pressure mean firms need other lines of business -- besides trading for clients and for their own accounts -- to sustain themselves.

"These companies are looking at markets that have lost, in some cases, two-thirds of their activity since the crisis, and it looks like it's not coming back any time soon," said Richard Bove, a veteran bank analyst now with Rochdale Securities LLC. "It will take a few years for these banks to adjust."

In the meantime, they risk disappointing shareholders and generating fresh questions about their strategies. Analysts say their shares are generally cheap, even undervalued, amid the uncertainty.

With results from the US majors out

of the way, attention now shifts to those large European players, the likes of Barclays PLC and Deutsche Bank AG that are expected to post 2010 figures in February. They face some of the same challenges with trading and regulation too.

Those who can point to plans for a fresh course -- as Morgan Stanley has done of late with wealth and asset management -- stand to benefit if those bets pay off. The sharp rise in Morgan Stanley's shares despite missing profit estimates points to that potential.

"Morgan, if they can execute, has some real opportunities here," said Roger Freeman, banking analyst at Barclays in New York. Freeman is of the view that 2009 and the early part of 2010 were "extraordinarily good periods" for fixed income and that things are now settling back to a more normal level.

### 'EXPOSURE TO EVERYTHING'

Trading revenue, particularly in bonds, was increasingly a profit centre for investment banks in the years before the financial crisis and even in 2009. Goldman Sachs and Morgan Stanley got a quarter of their revenue or more from fixed income in the recent past.



PRIME BANK

Prime Bank Vice President Md Afzal Hossain distributes blankets among winter-stricken people of Domar and Afzila upazila of Nilphamari and Boda upazila of Panchagarh district recently.



GENERAL PHARMA

Sarah Momen, director of General Pharmaceuticals, and Momenul Haq, managing director, attend the company's 24th annual sales conference at Army Golf Club in Dhaka on Saturday.