

Asian stocks up

AFP, Hong Kong
Asian stock markets pushed higher on Friday, lifted by a batch of upbeat US economic data, a strong performance on Wall Street and a brief dip in oil prices.

Tokyo's Nikkei index ended the session up 1.02 percent, or 107.64 points, at 10,693.66 and Sydney's S&P/ASX 200 rose 1.20 percent, or 57.90 points, to 4,864.30.

Hong Kong's Hang Seng rose 1.24 percent, or 286.44 points, to 23,408.86, while Shanghai's Composite Index climbed 1.35 percent, or 39.33 points, to 2,942.31, partly on hopes of favourable policies from the annual meeting of the National People's Congress, which opens Saturday.

Seoul surged 1.73 percent, or 34.02 points, to 2,004.68.

The rises were underpinned by renewed optimism about the US economy after the government reported that initial jobless claims had dropped to 368,000 in the week ending February 26, the lowest level since May 2008.

In addition a private-sector survey showed February sales in US chain stores were strong, while another gauge showed the country's vast service sector grew for a 15th consecutive month last month.

The Dow Jones Industrial Average rose 1.59 percent, the broader S&P 500 index climbed 1.72 percent and the tech-rich Nasdaq surged 1.84 percent.

Markets were also encouraged by a respite in the climb in world oil prices on Thursday.

However some caution set in

across Asian markets as the day advanced, with oil starting to rise again and traders turning more cautious about the United States ahead of unemployment figures for February due out later.

In Asian trade, New York's main contract, light sweet crude for April delivery, rose 12 cents to \$102.03 a barrel and Brent North Sea crude for April was up 12 cents at \$114.91 in the afternoon. However the levels were still below Thursday's Asian prices.

Japan's export giants enjoyed a lift from the yen weakening on Thursday, although it began to rise again on Friday.

The single European currency dipped to \$1.3954 in Tokyo, from \$1.3965 in New York late Thursday. It fell to 114.90 yen from 115.10 yen.

The dollar was slightly lower at 82.33 yen compared to 82.41 yen.

Gold ended at \$1,416.50-\$1,417.50 an ounce in Hong Kong, down from Thursday's finish of \$1,426.00-\$1,427.00.

In other markets:

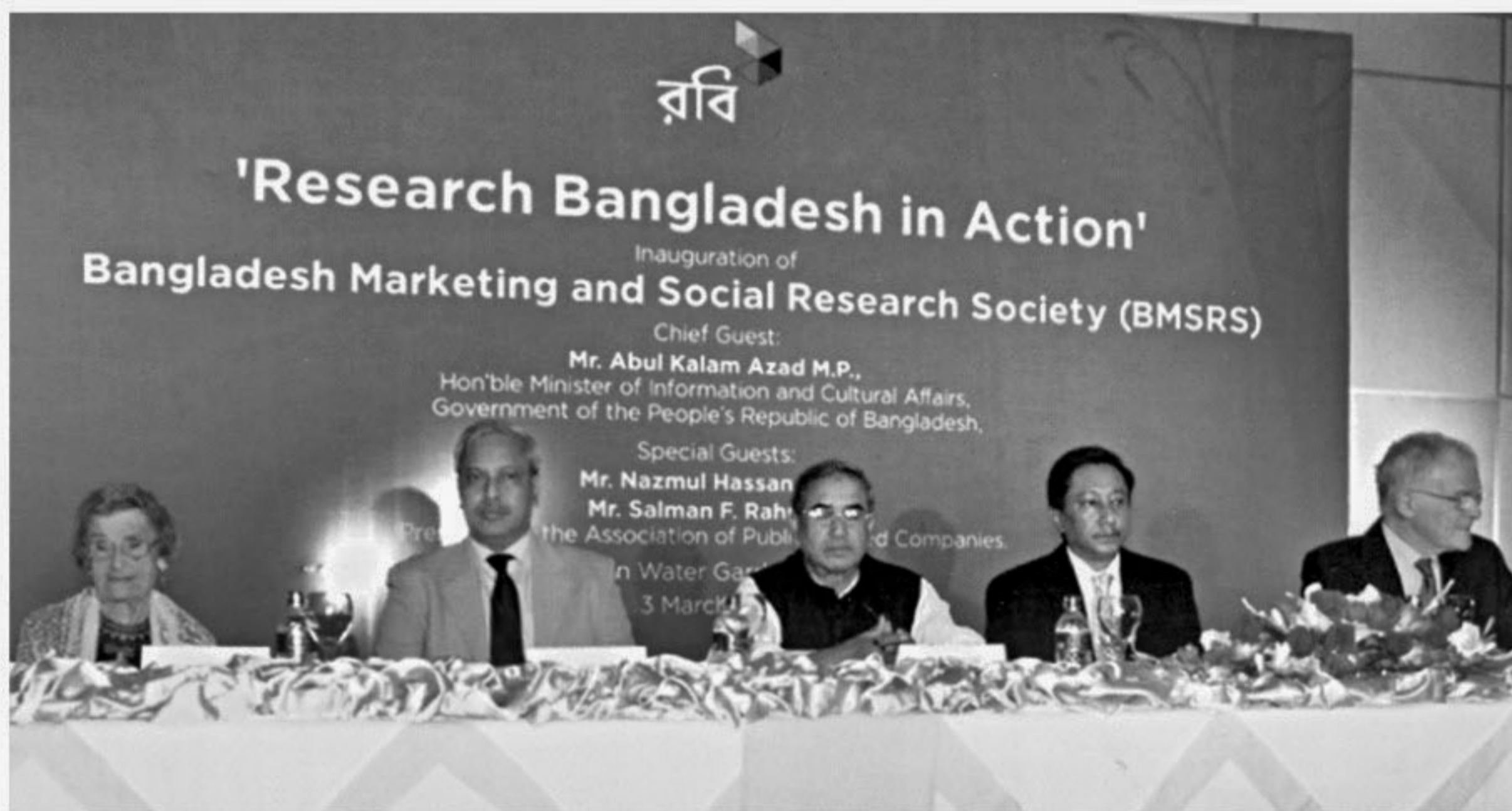
Singapore closed up 0.79 percent, or 23.96 points, to 3,061.31. DBS Bank rose 0.14 percent to Sg\$14.20 and Singapore Airlines gained 1.34 percent to Sg\$13.62.

Kuala Lumpur gained 1.04 percent, or 15.73 points, to 1,522.61. Bangkok rose 0.59 percent, or 5.83 points, to close at 995.91.

Mumbai closed flat, edging down 3.31 points to 18,486.45. Engineering giant Larsen and Toubro fell 3.08 percent to 1,610.8 rupees while car maker Maruti Suzuki India fell 1.98 percent to 1,302.



AL Gooneratne, managing director of Commercial Bank of Ceylon, inaugurates the bank's SME Centre at Old Dhaka recently. S Prabagar, country manager, was also present.



Bangladesh Marketing & Social Research Society (BMSRS), a body of professional marketing and social researchers/consultants, was launched at a programme at Radisson Water Garden Hotel in Dhaka on Thursday. Information and Cultural Affairs Minister Abul Kalam Azad was present at the programme, presided over by BMSRS President Jahangir Kabir.

Weekly Currency Roundup

Feb 27- March 3, 2011

International Markets:

The USD hovered near 4-month lows against a basket of currencies this week. The euro hovered near a four-month high and a key resistance area against the dollar on Thursday, supported by expectations a European Central Bank meeting will pave the way for rate rises later in the year. Investors have pushed the euro up about 3 percent from a low hit on Feb. 14 in anticipation that ECB chief Jean-Claude Trichet will sharpen the central bank's anti-inflation rhetoric as oil prices continue to soar. Some market players think the bank will switch three-month liquidity operations back to capped-limit, variable rate tenders a mainly symbolic step in the phasing out of crisis support that could also help clear the way for a rate hike. Some traders said there is a risk the euro could slip after the ECB meeting since many market players are already counting on the central bank to send strong signals that it will raise rates to counter inflation. Data showed last week that speculators' long positions in the euro have soared to their highest level since mid-October, pointing to the risk of profit-taking. But market players also said the currency's outlook in the longer term hinges on where oil prices are going, as the dollar comes under pressure from rising oil prices. Many investors believe that higher oil prices will push central banks to raise interest rates to combat inflation but that the Federal Reserve is likely to lag the ECB and others, maintaining broadly stimulative policy to support growth. The US currency also hit a one-month low of 81.57 yen on Wednesday, though thick bids around 81.50 yen, were likely to limit further losses in the near-term.

Local Money Market:

Call money rates stayed steady, and mostly traded in the 11-12% band.

Local Market FX:

Liquidity scenario improved from last week, however there continued to remain strong flow of payments.

- Standard Chartered Bank

Investors have one eye on Libya, other on Bank of England

AFP, London

Investors in the London FTSE 100 index will next week have one eye on the events in conflict-hit Libya, and its effect on oil prices, and the other on the monthly interest-fixing Bank of England meeting.

In the see-saw week just finished the London bourse lost 0.18 percent overall to end Friday at 5,990.39 points, after dropping 1.34 percent the previous week.

Trading sessions have been uncertain, with investors hesitant amid alarming images of unrest from oil-producing Libya and more upbeat news on the US economy and in company results.

"The British markets seem less

optimistic looking on the future of the economic recovery due to the growing global uncertainties, with the oil price and inflation on the way up," said experts at UK Markets.

Bank of England governor Mervyn King, whose every comment is closely followed and interpreted, was once again a focus for attention.

He will preside over next week's meeting of the Bank of England's rate-setting monetary policy committee (MPC), which will pronounce on Thursday on the possibility of monetary tightening, the principal weapon in the central bank's armoury in the fight against inflation which hit a two-year high of 3.7 percent in January.

This week King justified the maintenance of the status quo which sees

the prime lending rate at a mere 0.5 percent, repeating the official line that the inflationary pressures were only temporary.

However the BoE's monetary policy committee is very divided, with four of its nine members more or less favourable to a rate hike in order to dampen down the inflationary pressures.

Other macro-economic indicators will also be published next week, casting more light on the state of the British economy.

Trade figures will be out on Wednesday, industrial production Thursday and production prices on Friday.

The annual results season will also continue for major groups, including the Prudential insurer and asset management giant Schroders.

Standard & Poor's downgrades Toyota

AFP, Tokyo

Japanese auto giant Toyota suffered a fresh setback on Friday when ratings agency Standard & Poor's said it had downgraded the carmaker to "AA-" from "AA" citing "weak profitability".

The dropping of Toyota's long-term corporate credit and senior unsecured debt ratings comes as the world's biggest automaker attempts to rebuild a reputation damaged by millions of recalls worldwide over safety issues.

"Toyota's profitability has been recovering, but it is still weak and is improving at a slower pace than the profitability of its Japanese peers", Standard & Poor's said in a statement.

The agency said it had lowered its long-term ratings on Toyota to "AA-" from "AA" because the automaker's

profitability "in the next one to two years is unlikely to recover to a level appropriate for the rating."

It added that Toyota's "profitability might remain under pressure from higher raw material prices and gasoline prices as well as the strong yen."

In February the maker of the popular Prius hybrid reported a 39 percent fall in third quarter net profit year-on-year as sales slipped and operating profit tumbled at a time when the yen hit 15-year highs versus the dollar.

However, the car giant raised its annual net profit forecast to 490 billion yen from an earlier 350 billion yen.

Japan's automakers have returned to profitability since the financial crisis but a pick-up in demand has been overshadowed by the impact of the strong yen, making their products more expensive

overseas and eroding profits.

The expiry in September last year of Japanese government subsidies to encourage consumers to buy more environmentally friendly cars has also weighed on the nation's automakers, hitting domestic demand.

"The yen's appreciation and the termination of government subsidies for new car buyers led to a 48% year-on-year drop in operating income to 99 billion yen (\$1.19 billion) -- a relatively large drop compared with the performance of peers," S&P said of Toyota.

In 2008 Toyota ended General Motors' 77-year reign as the world's largest automaker but the crown has sat uneasily as the Japanese giant has battled the impact of the economic crisis, the recalls and the soaring currency.

STOCK

Weekly News from Trade Servers

BDWELING: As per regulation 30 of DSE Listing Regulations, the Company has informed that a meeting of Board of Directors of the Company will be held on March 05, 2011 at 11:00 a.m. to consider, among others, audited financial statements of the Company for the year ended on December 31, 2010.

PUBALIBANK: As per regulation 30 of DSE Listing Regulations, the Bank has informed that a meeting of Board of Directors of the Bank will be held on March 03, 2011 at 3:30 p.m. to consider, among others, audited financial statements of the Bank for the year ended on December 31, 2010.

NCCBANK: As per regulation 30 of DSE Listing Regulations, the Bank has informed that a meeting of Board of Directors of the Bank will be held on March 12, 2011 at 12:00 noon to consider, among others, audited financial statements of the Bank for the year ended on December 31, 2010.

EASTLAND: As per regulation 30 of DSE Listing Regulations, the Company has informed that a meeting of Board of Directors of the Company will be held on March 09, 2011 at 3:30 p.m. to consider, among others, audited financial statements of the Company for the year ended on December 31, 2010.

ISLAMIBANK: As per regulation 30 of DSE Listing Regulations, the Bank has informed that a meeting of Board of Directors of the Bank will be held on March 24, 2011 at 3:05 p.m. to consider, among others, audited financial statements of the Bank for the year ended on December 31, 2010.

SALAMCRST: The Board of Directors has recommended cash dividend 5% and stock dividend @ 25% for the year ended on September 30, 2010. Date of AGM: 30.03.11, Time: 11:30 a.m., Venue: The Ichhamati Hall, Hotel Agarabad, Chittagong. Record date: 08.03.11. The company has also reported net profit after tax of Tk. 143.45 million, EPS of Tk. 20.75 (based on weighted average outstanding number of shares), NAV per share of Tk. 226.50 and NOCFPS of Tk. 22.14 for the year ended on 30.09.10.

PRIMEFIN: The Board of Directors has recommended stock dividend @ 80% for the year 2010. The Board has also decided to increase the Authorized Share Capital of the company from Tk. 100.00 crore to Tk. 500.00 crore subject to approval of shareholders in the next AGM and the Regulatory Authority. Date of AGM: 29.03.2011, Time: 10:00 AM, Venue: The Celebrity, Bangabandhu International Conference Centre, Agargaon, Sher-E-Bangla Nagar, Dhaka-1207. Record date: 07.03.2011. The company has reported Consolidated net profit after tax of Tk. 1,729.56 million, consolidated EPS of Tk. 19.16, consolidated NAV per share of Tk. 43.14 and consolidated NOCFPS of Tk. 8.63 for the year ended on December 31, 2010. The company has also reported net profit after tax of Tk. 1,726.42 million, EPS of Tk. 19.13, NAV per share of Tk. 38.65 and NOCFPS of Tk. 8.53 for the year ended on December 31, 2010 as against Tk. 683.13 million, Tk. 7.57, Tk. 28.33 and Tk. 13.63 respectively as on 31.12.09.

IDLC: The Board of Directors has recommended cash dividend @ 35% and stock dividend @ 65% for the year 2010. Date of AGM: 31.03.11, Time: 11:00 a.m., Venue: Celebrity Hall, Bangabandhu International Conference Centre, Dhaka. Record date: 10.03.11. The company has reported consolidated net profit of Tk. 1,327.00 m., consolidated EPS of Tk. 221.18, consolidated NAV per share of Tk. 615.00 and consolidated NOCFPS of Tk. 393.72 for the year ended on 31.12.10. The company has also reported net profit of Tk. 805.57 m., EPS of Tk. 134.26, NAV per share of Tk. 438.00 and NOCFPS of Tk. 334.59 as on 31.12.10.

ASIAINS: The Board of Directors has recommended cash dividend @ 25% and stock dividend @ 25% for the year 2010. Date of AGM: 05.05.11, Time: 11:30 a.m., Venue: Bangabandhu International Conference Centre, Agargaon, Sher-E-Bangla Nagar, Dhaka. Record date: 08.03.11. The company has also reported EPS of Tk. 11.99, NAV per share of Tk. 27.38 and NOCFPS of Tk. 7.27 for the year ended on 31.12.10.

CONTININS: The Board of Directors has recommended cash dividend @ 5% and stock dividend @ 7% for the year 2010. Date of AGM: 28.03.2011, Time: 11:00 a.m., Venue: Multipurpose Hall, Institute of Diploma Engineers, Bangladesh, 160 Kakrail, Dhaka. Record date: 10.03.11. The company has also reported EPS of Tk. 20.21, NAV per share of Tk. 148.16 and NOCFPS of Tk. 42.56 for the year ended on 31.12.10.

DHAKABANK: The Bank has further informed that the 16th AGM of the Bank will be held at Radisson Water Garden Hotel, Airport Road, Dhaka Cantonment, Dhaka at 11:00 AM on the prefixed date as notified earlier (i.e. on 29.03.11). Other information of the AGM as announced earlier.

SALAMCRST: As per un-audited quarterly accounts for the 1st quarter ended on 31st December 2010 (Oct'10 to Dec'10), the company has reported profit after tax of Tk. 42.80 million with basic EPS of Tk. 5.47.

EHL (HY): As per un-audited half yearly accounts as on 31.01.11 (August '10 to Jan' 11), the company has reported net profit after tax of Tk. 50.56 million with EPS of Tk. 8.15. It is to be noted that 'Non-Operating Income' of the company was Tk. 37.62 million as on 31.01.11 (August '10 to Jan' 11). Whereas net profit after tax was Tk. 20.58 million with EPS of Tk. 3.32 for the period of 3 months (Nov' 10 to Jan' 11) ended on 31.01.11. It is also to be noted that 'Non-Operating Income' of the company was Tk. 4.33 million as on 31.01.11 (Nov' 10 to Jan' 11).

SONARGAON: SEC has approved the Rights Issue of Sonargaon Textiles Ltd. for 10,91,200 Ordinary Shares of Tk. 100.00 each at an issue price of Tk. 150.00 per share (including a premium of Tk. 50.00 each) totalling Tk. 16,36,80,000.00 only at a ratio of IR: 1, i.e., one rights share for one existing share. The approval has been accorded subject to the condition that the company shall comply with the requirements embodied in the Securities and Exchange Commission (Rights Issue) Rules, 2006 and other relevant laws and Regulatory Requirements, and shall also adhere to the conditions imposed by SEC under Section-2CC of the Securities and Exchange Ordinance, 1969. Rights Issue fund will be utilized to increase production capacity and turnover with assurance of quality as well as profitability by way of BMRE of this 100% export oriented spinning mill.

SIBL: SEC has approved the Rights Issue of Social Islami Bank Ltd. for 29,87,81,575 Ordinary Shares of Tk. 10.00 each at par totalling Tk. 298,78,15,750.00 only at a ratio of IR: 1, i.e., one rights share for one existing share. The approval has been accorded subject to the condition that the Bank shall comply with the requirements embodied in the Securities and Exchange Commission (Rights Issue) Rules, 2006 and other relevant laws and Regulatory Requirements, and shall also adhere to the conditions imposed by SEC under Section-2CC of the Securities and Exchange Ordinance, 1969.

PREMIERBAN: As per regulation 30 of DSE Listing Regulations, the Bank has informed that a meeting of Board of Directors of the Bank will be held on March

03, 2011 at 3:30 p.m. to consider, among others, audited financial statements of the Bank for the year ended on December 31, 2010.

AIMSISTMF: The Trustee of the Fund has informed that 128,900,000 Units of Tk. 1.00 each against allotment of Rights Entitlement Units have been credited in full in the respective BO Accounts of the applicants with the CDBL. Therefore, the Paid-up capital of the subject Fund has been raised from Tk. 285,600,000.00 to Tk. 414,500,000.00 divided into similar number of Units of Tk. 1.00 each.

JAMUNABANK: The Bank has informed that the Board of Directors of the Bank has approved the amendment of some features/clauses of the 20% Convertible Zero Coupon Bond that was announced & approved earlier including enhancement of Yield to Maturity (YTM) from 8.50% to 9.50% as advised by the Issue Manager subject to approval of the shareholders of the Bank in the forthcoming general meeting and consent from regulatory bodies. The date, time and venue of the general meeting to be notified later on.

FIDELASSET: The Company has informed that SEC has given consent to the company, under the provisions of the Securities and Exchange Commission (Issue of Capital) Rules, 2001, for raising the paid-up capital of the company by Tk. 10,00,00,000.00 (Tk. 10.00 crore) only through issuance of 10,00,000 fully convertible bond. The consent has been accorded subject to the condition that the company shall comply with the requirements embodied in the aforesaid Rules and other relevant laws and Regulatory Requirements, and shall also adhere to the conditions imposed by SEC under Section-2CC of the Securities and Exchange Ordinance, 1969.

BDCOM: The Company has informed that the 6 month maturity 100% Convertible Preference shares issued by the company has already been converted into Ordinary shares of the company (Conversion ratio: 2 preference shares = 1 Ordinary share) and the shares are lying with the respective BO Accounts of the concerned shareholders. It may be mentioned here that as per Securities & Exchange Commission consent, these shares will be under Lock-in for:- (i) 3 years in case of Sponsor/Directors and those who held 5% or more shares i.e., up to 12 August 2013 and (ii) 1 year in case of others i.e., up to 12 August 2011 from the date of issuance of the preference shares i.e., allotment date was 12 August 2010.

BSC: The Company will be placed in "A" category from existing "Z" category with effect from 28.02.2011 as the company reported disbursement of cash dividend @ 10% for the year ended on June 30, 2010. The Stock Brokers and Merchant Bankers are requested not to provide loan facilities to purchase securities of Bangladesh Shipping Corporation between 1st to 30th trading day after change of categorization of the said securities i.e. starting from 28.02.2011 as per SEC Directive.

ICB

Bank of India to buy 51pc in Bharti AXA Investment

REUTERS, Mumbai

State-run Bank of India is close to buying a 51 percent stake in Bharti AXA Investment Managers, a joint venture between India's Bharti Enterprises and AXA Asia Pacific Holdings Ltd, the Business Standard newspaper reported on Saturday.

"We are in an advanced stage of

negotiations with Bharti AXA for picking up a majority stake in their asset management company," the report quoted an unnamed bank official as saying.

"Things have more or less fallen in place. We are just awaiting the final contours of the deal. The deal is likely to be closed by the end of this month," the official said.

Bharti Enterprises is a group

company of India's top telecoms firm Bharti Airtel.

Bharti AXA officials and Bank of India officials were not immediately available to comment.

Given the 60 per cent debt component in Bharti AXA's portfolio, the value of the deal is likely to be two-three per cent of the assets under management, the report said citing industry sources.