

Stocks return from red

STAR BUSINESS REPORTER

Share prices on the twin bourses gained yesterday as the state-run Investment Corporation of Bangladesh (ICB) reiterated that there are no problems to create and float the Tk 5,000 crore fund. The benchmark general index of Dhaka Stock Exchange (DGEN) advanced by 287 points, or 4.5 percent, to close at 6,458 points. The general index of DSE plunged by 459 points on Sunday following a rumour that the Bangladesh Fund

plunged into uncertainty. As per the government prescription, eight state enterprises announced the fund in a bid to support the secondary stockmarket now facing a severe liquidity crisis. The selective price index of Chittagong Stock Exchange gained 518 points, or 4.6 percent, to close at 11,764 points. Insiders said the current market situation helped the investors regain confidence as the trading volume gained gradually. Institutional and retail investors

went for big buying on the day, said market analysts said. Market analysts observed that some low-profile companies turned into overpriced stocks while some big shares seem lucrative for investment. Akter H Sannamat, a market analyst, said the market behaved rationally and price corrections are also needed for the market. "I'd request the investors not to heed rumours while they sell or buy shares," he said. "Investors should check greedy impulses and make long-

term investment in the market," Sannamat said. Most of the major sectors such as banks gained 3.95 percent, non-bank financial institutions 4.21 percent, fuel and power 3.88 percent, pharmaceuticals 2.76 percent and telecoms 7.03 percent. The daily turnover on the DSE stood at Tk 1,059 crore yesterday, down by Tk 207.59 crore, compared to the previous day. Of the total 254 issues traded on the DSE, 239 advanced, 12 declined and three remained unchanged.

Peoples Leasing and Financial Service topped the turnover leaders with 18.83 lakh shares worth Tk 52.24 crore traded on the day. The other turnover leaders were Beximco, Bextex, Aftab Automobiles, United Airways, Maksons Spinning Mills, Union Capital, Uttara Bank and Shinepukur Ceramics. The Dacca Dyeing and Manufacturing was the biggest gainer of the day, posting a 10 percent rise in its share price, while One Bank was the worst loser, slumping by 35.12 percent.



SYNGENTA
Syngenta Bangladesh yesterday signed a memorandum of understanding with Shakti Foundation for Disadvantaged Women under which Syngenta will train the beneficiary farmers of Shakti associates on modern agricultural methods and provide agri-inputs. Nazmul Hsan, director of Shakti Agro Development Programme, designed by Shakti Foundation, and Sarwar Ahmed, managing director of Syngenta Bangladesh, inked the deal at a programme in Dhaka.

BRAC Bank wins best retail bank award

STAR BUSINESS DESK

BRAC Bank has been awarded as the best retail bank in Bangladesh at the 10th International Excellence in Retail Financial Services Awards programme, said a statement. The awards ceremony was administered by The Asian Banker, and was held in conjunction with the region's most prestigious retail banking event, the Excellence in Retail Financial Services Convention. Abdur Rahman, head of branch banking of BRAC Bank, received the award at a ceremony held at the Shangri La Hotel in Kuala Lumpur on Friday. BRAC was the sole winner in Asia for the award. About 150 senior bankers from award-winning banks of 29 countries across the Asia Pacific, the Middle East, Central Asia and Africa attended

the event that recognises their efforts in bringing superior products and services to their customers. Managing Director of BRAC Bank Syed Mahmudur Rahman said, "We consider this international recognition as impetus to reach a new height. Our diversified retail products with online facilities and superior customer services give us edge over competitors in retail banking." "While we continue to focus on SME Banking and maintain our leadership position, we will thrive for excellence in other areas too. This kind of international recognition will always encourage us to do so." BRAC was the first to launch the country's first e-commerce banking platform, and it was able to capture almost 40 percent of the total market share of the inward remittance segment, the statement said.



BRAC BANK
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Textile millers demand energy for production

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Textile millers yesterday urged the government to ensure adequate supply of gas and power to industrial units to help them utilise the full capacity to remain competitive in the global market. They complained that at least 30 percent of their production capacity remains idle because of the energy crunch, although they had to compete with some big countries in the field. The country's primary textile sector is facing challenges for the European Union's relaxation of rules of origin (RoO) from January 1 under which the garment makers are getting GSP facility even in import of fabrics, said Jahangir Alamin, president of Bangladesh Textile Mills Association (BTMA). If the millers cannot use the full production capacity they will fail to deliver the goods in time, which will encourage the garment manufacturers to import fabrics, he said. Currently, the knitwear manufacturers can buy nearly 80 percent of fabrics from local textile factories, who established a strong backward linkage industry. On the other hand, the woven garment exporters can purchase nearly 40 percent of fabrics, Alamin added. The comments came at a meeting between the newly elected BTMA leaders and Textile Minister Abdul Latif Siddiqui on the latest EU move on GSP facility at the association office in Dhaka. The neighbouring countries' frequent changes in decision on cotton and yarn exports are responsible for higher prices of yarn in the local market, Siddiqui said.

Jute will regain its lost glory: analysts

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Jute can revive its lost glory of 'golden fibre' in future if the government provides policy support to the development of the sector, said an economist yesterday. "The prospects of jute and jute goods in Bangladesh are huge because the global market has shown an upward trend in jute use," said Qazi Kholiqzaman Ahmad, chairman of Palli Karma-Sahayak Foundation. "As more countries are making efforts to mitigate the climate change fallout, they are opting for use of jute goods more because these are biodegradable and environment-friendly," he added. He spoke at a daylong workshop on jute and its future, co-organised by Tradecraft Exchange, a UK-based development charity, Tarango, a local development organisation and Katalyst at the IDB auditorium in Dhaka yesterday. Speaking as the chief guest, Ahmad said jute should not be treated as a minor sector because around four crore people are involved in it directly

or indirectly. He also called for diversifying the country's export basket by reviving the jute industry. Kazi Shahed Ferdous, country director of Tradecraft Exchange, said: "Our main focus is to promote small-scale sustainable agriculture and jute. Tradecraft has started a second project to work on the entire value chain of jute." Speaking as a special guest, Jean Claude Malongo, programme manager of economic cooperation for the Delegation of the European Commission to Bangladesh, said the project aims at helping the expansion of capacity of jute producers which ultimately will boost exports to the EU market. The jute sector had a glorious past in the 1960s-1970s, but began losing its glory due to the government's policy as advised by the World Bank and IMF during the period 1992-2008, said Ahmad. But, the good news is, the government has laid emphasis on the jute sector by establishing the Jute Commission and putting in place the Mandatory Jute Packaging Act 2010. According to the law, manufactur-

ers have to use packaging materials made of jute fibre for up to 75 percent of products such as rice, paddy, wheat, sugar, seeds, fertilisers and saplings. The discussants, however, pointed to some problems -- poor implementation of the mandatory packaging law, unavailability of quality raw material, and delivery of jute fabrics and cotton. Innovation Bangladesh Ltd, one of the leading consulting houses in Bangladesh, also disseminated the research finding on jute diversified products which are made of pulp, fibre and yarn. Extrapolation suggests that exports and domestic sales of jute diversified products accounted for over Tk 100 crore in 2009. They said the potential domestic market for jute-diversified products is more than 300 percent of the current domestic market because most corporate houses are giving more emphasis on environment friendly products. The study said only visiting card segment has a market of nearly Tk 55 crore.



GDICL
Abul Kalam Azad, information minister, hands the Rapport Award for Excellence in Corporate Women Leadership 2011 to Farzana Chowdhury, additional managing director of Green Delta Insurance Company, at a programme in Dhaka on Friday. M Mosharrar, chairman of Rapport Bangladesh, was also present.



PUBALI BANK
Hafiz Ahmed Mazumder MP, chairman of Pubali Bank, hands a cheque for Tk 6 crore to Badruddin Ahmed Kamran, Sylhet City Corporation mayor, as donation to National Heart Foundation Hospital, Sylhet recently. Helal Ahmed Chowdhury, managing director of the bank, was also present.

BB issues warning to banks

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Bangladesh Bank (BB) has warned the commercial banks not to impose any condition of keeping deposits with the bank while insuring loans. The central bank yesterday issued a circular to all banks directing them to list the companies on the basis of credit rating instead of selecting them on their own likings. In the circular the BB said, any borrower has right to insure his loans with any insurance company. Earlier, the central bank received a complaint that many banks have been listing insurance companies on condition that they keep deposits with

Khulna Shipyard starts building gun-ships

STAFF CORRESPONDENT, Khulna

Khulna Shipyard has started constructing five gun-ships at a cost of Tk 300 crore in cooperation with China and expected to complete the work by December 2013. Earlier on March 5, Prime Minister Sheikh Hasina inaugurated the construction works during her visit to the shipyard that is run by Bangladesh Navy since 1999. The shipyard's Managing Director Commodore Riazuddin Ahmed said they had so far paid Tk 24 crore to the National Board of Revenue in income taxes and value-added taxes. The company built 75 new medium- and small-sized commercial ships and repaired 221 old ships since 1999. "We have opened a academy to build up skilled manpower where SSC passed students will get admission to be trained in technical works," he said. He also hoped the shipyard will be able to build

Govt signs MoU for e-GP

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The government yesterday signed a Memorandum of Understanding (MoU) with five banks to facilitate payment for the electronic government procurement (e-GP) system. The signing ceremony was held in the conference room of the Planning Ministry with Implementation Monitoring and Evaluation Division (IMED) Secretary Md Habib Ullah Majumder in the chair, according to a press release. Agrani, Janata, UCBL, Bangladesh Krishi Bank and the National Bank Ltd signed the MoU. Director General of Central Procurement Technical Unit (CPTU) Amulya Kumar Debnath and representatives of the banks signed the MoU on behalf of their respective sides. Director (coordination) of CPTU Mohammad Yamin Chowdhury was also present. More banks are supposed to sign the MoU to operate the e-payment for the e-GP system later. The CPTU of IMED is prepared to launch the e-GP in public procurement in April, in 17 procuring entities, initially under the Public Procurement Reform Project (PPRP)-II supported by the World Bank. The CPTU has been implementing the PPRP-II since 2007. The MoU is required for the synchronisation between the electronic payment system of the banks and the e-GP system. Under the MoU, the banks will be given access to the e-GP portal dashboard so that the information on payment made by the bidders can be provided to the e-GP portal. This month CPTU will invite bidders for registration with the e-GP system developed by them. The banks will then be provided training on the use of the e-GP portal to synchronise with their electronic system of payment. The bidders will also be given orientation on the use of the e-GP portal. Meanwhile, the online monitoring system of procurement was inaugurated by the Minister for Planning on Sunday. The officials of the procuring entities of the four target agencies have been provided training on the use of the e-GP. Connectivity

OECD survey points to growth

AFP, Paris

The OECD said on Monday that a survey for January showed economic expansion in most of its member states. The Paris-based Organisation for Economic Development and Co-operation said that its January "composite leading indicators (CLIs)," designed to anticipate turning points in economic activity, point to continued expansion. It said the CLI readings for Germany, Japan and