

G7 yen pledge boosts Asian stock markets

AFP, Hong Kong

Asian stocks gained Friday after the G7 rich nations vowed to intervene in forex markets to stem the yen's rise and support Japan's economy amid a nuclear crisis after a record earthquake.

Traders immediately welcomed the decision after the morning talks between authorities in Japan, the United States, the eurozone, Canada and Britain, with the yen sliding almost immediately against the dollar and European single unit.

In early European trade the US dollar was at 81.37 yen, compared with 78.95 in late US trade Thursday and the euro bought 114.35 yen from 110.67.

The weakening yen boosted Japan's exporters Friday, sending the Nikkei stock index closing 2.72 percent, or 244.08 points, higher at 9,206.75.

News of the intervention had a knock-on effect for the rest of the region, with Sydney ending 1.56 percent, or 71.1 points, higher at 4,626.4 and Shanghai adding 0.33 percent, or 9.59 points, to end at 2,906.89.

Hong Kong edged up 15.80 points to 22,300.23 and Seoul ended 1.13 percent, or 22.10 points, higher at 1,981.13.

The Bank of Japan on Friday injected another four trillion yen (\$49 billion) of emergency funds into the short-term money markets -- the latest in a

series of injections to prevent financial institutions running out of cash.

The central bank has now pumped a total of 38 trillion yen into the markets.

Global stocks have dived this week as the atomic crisis unfolds northeast of Tokyo, where authorities at the Fukushima No. 1 plant were trying to regain control after a series of blasts caused by the 9.0-magnitude quake and tsunami.

On oil markets crude jumped after the UN Security Council agreement to repel Kadhafi's forces in Libya.

The decision, which opens the way for imminent bombing raids, stoked worries about supplies from the oil-rich country.

New York's main contract, light sweet crude for delivery in April, gained \$1.65 to \$103.07 per barrel while Brent North Sea crude for May was up \$1.56 to \$116.46.

Gold closed at \$1,413.00-\$1,414.00 an ounce in Hong Kong, up from Thursday's close of \$1,396.20-\$1,397.20.

In other markets:

Singapore fell 0.24 percent, or 7.10 points, to close at 2,935.78. Kuala Lumpur ended 0.79 percent, or 9.85 points, higher at 1,503.89. Bangkok edged up 0.94 points to 1,003.29.

Mumbai closed 1.49 percent, or 271.06 points, lower at 17,878.81.



Mosharraf Khoka, managing director of ASCOTT, attends the first anniversary of ASCOTT Hotel in Dhaka recently.



Mustafa Anwar, acting chairman of Islami Bank Bangladesh, and Mohammad Abdul Mannan, managing director, attend a get-together of the bank's employees and their families of Chittagong south zone in Cox's Bazar on Thursday.

Weekly Currency Roundup

March 13th-March 16th, 2011

International Markets

This week the international FX markets were deeply affected by the earthquake in Japan. The yen strengthened significantly on the back of strong anticipated repatriation by Japanese investors and a spike in risk aversion. The yen steadied around a four-month high versus the dollar on Wednesday, but Japan's nuclear crisis could trigger more yen demand versus higher risk currencies, raising the prospect of intervention to stem gains. The dollar traded at 80.70 yen, just above a four-month low of 80.60 yen hit on Monday. Higher risk aversion could push up the yen, on speculation Japanese financial institutions will repatriate funds to Japan and on renewed selling of higher risk currencies, although the dollar's record low of 79.75 yen looms. Since a massive earthquake and tsunami hit Japan on Friday, the yen has risen, partly on market speculation that Japanese insurers and companies may repatriate funds to help pay claims and reconstruction costs. Concerns the Japanese authorities will intervene to weaken the yen have limited its upside so far. Other "safe-haven" currencies including the dollar and the Swiss franc were supported by ongoing uncertainty about the aftermath of Japan's earthquake and political turmoil in the Middle East and North Africa. The dollar index rose 0.3 percent, while the Swiss franc traded at 0.9166 francs per dollar, hovering in range of an all-time high hit on Tuesday. The euro slipped 0.5 percent to having failed to break above a four-month high of \$1.4036 hit earlier this month. Market participants said offers to sell the euro lay above \$1.40, keeping downward pressure on the single currency.

Local Money Market

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

Local Market FX

USD/BDT rates remained steady, while liquidity situation was improved.

-- Standard Chartered Bank

Kyrgyzstan 'ready to sell gas company to Russia's Gazprom'

AFP, Moscow

Kyrgyzstan is ready to sell a 75 percent stake in its national gas company to Russia's Gazprom, Kyrgyz Prime Minister Almazbek Atambayev was quoted as saying Friday.

"We have agreed with Gazprom that we are ready to sell it 75 percent of Kyrgyzgaz" Atambayev said during a meeting with his Russian counterpart Vladimir Putin outside Moscow, according to the RIA Novosti news agency.

He said Kyrgyz authorities were also willing to cooperate with Gazprom in exploration for gas deposits in the country.

The Russian daily Kommersant reported Friday that Kyrgyz authorities are urgently seeking economic help to avert social tensions ahead of this year's elections.

Ahead of its sowing season, Kyrgyzstan is seeking duty-free fuel from Russia to avoid new social tensions but whether Bishkek receives any discounts

will depend on what Kyrgyz premier Almazbek Atambayev has to offer in return, the report said, citing sources.

Russia has been unhappy with Kyrgyzstan over a number of issues including the Central Asian nation's plans to host a US military training centre and apparent reluctance by Bishkek to sell stakes in key enterprises to Moscow, Kommersant said.

Kyrgyzstan is preparing for presidential elections in October, part of a transition after an uprising last year that toppled previous president Kurmanbek Bakiyev.

A mountainous republic with few natural resources, Kyrgyzstan suffers from seasonal energy shortages.

Kyrgyzstan warned at the beginning of the month that it was facing a critical natural gas shortage due to production and supply disruption in the neighbouring Central Asian republic of Uzbekistan, and was forced to halt supplies to some factories.

SEAsia's biggest IPO hit by Japan crisis

AFP, Singapore

Shares in the China port unit of Hong Kong giant Hutchison Whampoa fell almost six percent on their debut in Singapore on Friday, hurt by the ongoing nuclear crisis in Japan.

The initial public offering for Hutchison Port Holdings Trust, which controls deepwater ports in China and Hong Kong, has raised \$5.5 billion, making it Southeast Asia's biggest and the world's largest so far this year.

But analysts had warned that its first trading session could be hurt by the ongoing nuclear crisis in Japan -- triggered by a magnitude 9.0 earthquake and a tsunami -- which has dented investor sentiment globally.

The company closed at \$0.950 a share on the Singapore Exchange (SGX), down 5.94 percent from its initial public offering (IPO) price of \$1.01. It opened at \$0.975.

The broader market also fell, shedding 0.24 percent, on a day when most of the region's markets rose on the back of strong sentiment caused by a G7 pledge to intervene jointly in financial markets to rein in the yen.

The trust's parent Hutchison Whampoa is controlled by Hong Kong's richest man Li Ka-shing.

AIG unit forecasts Japan quake loss of \$700m in Q1

AFP, Washington

Insurer AIG said Friday that Japan's massive earthquake and tsunami disaster would cost its Chartis subsidiary \$700 million in the first quarter of 2011.

AIG said the property casualty insurance unit would be hit with another \$200 million in pre-tax insurance losses from other disasters, including the January New Zealand earthquake, and huge floods in Australia and Brazil.

The preliminary Chartis loss estimates from the Japan disaster excluded AIG's general insurance operations in Japan, it said.

It said the maximum loss it could incur from those operations would be \$575 million, mainly from its participation in the Japanese government's earthquake insurance pool for private

homes, which holds about \$500 million in AIG reserves.

On home losses, it said, "the industry loss remains unquantified at this time."

"The catastrophe in Japan has affected people, their homes, infrastructure, and businesses both in and outside of Japan, and our industry is working hard to quantify the complex impact of the devastation, a process that will take some time," said AIG chief executive Robert H. Benmosche in a statement.

"As a result, our preliminary loss estimate will change as the industry losses from (the government insurance pool) for earthquake damage to personal dwellings become known and other information becomes available as the situation in the quarter evolves."

STOCK

Weekly News from Trade Servers

BOC: The Board of Directors has recommended final dividend @ 100% (i.e. Tk. 10.00 per share of Tk. 10.00 each) for the year ended on 31 December, 2010. Date of AGM: 12.05.11. Record Date: 23.03.11. Time and Venue of the AGM to be notified later. The company has also reported Net Asset Value (NAV) of Tk. 1,995.49 million, EPS of Tk. 43.90 and NOCFPS of Tk. 45.45 for the year ended on 31.12.10.

JAMUNABANK: The Board of Directors has recommended stock dividend @ 22% for the year 2010. Date of AGM: 19.05.2011, Time: 10:00 AM, Venue: Bangabandhu International Conference Centre, Sher-E-Bangla Nagar, Dhaka. Record date: 06.04.2011. The Bank has also reported net profit after tax of Tk. 1,066.01 million, EPS of Tk. 4.78, NAV per share of Tk. 28.74 and NOCFPS of Tk. 4.79 for the year ended on December 31, 2010 as against Tk. 923.12 million, Tk. 4.14, Tk. 17.85 and Tk. 22.04 respectively as on 31.12.09.

NCCBANK: The Board of Directors has recommended stock dividend @ 32% for the year 2010. Date of AGM: 28.04.2011, Time: 11:00 AM, Venue: Auditorium (Ground Floor) of Officers' Club, Baily Road, Dhaka. Record date: 24.03.2011. The Bank has also reported EPS of Tk. 5.33, NAV per share of Tk. 20.79 and NOCFPS of Tk. 3.27 for the year ended on December 31, 2010.

UTTARABANK: The Board of Directors has recommended cash dividend @ 20% and stock dividend @ 20% for the year 2010. Date of AGM: 15.05.2011, Time: 10:00 AM, Venue: Bangabandhu International Conference Centre, Sher-E-Bangla Nagar, Dhaka. Record date: 24.03.2011. The Bank has also reported profit after provision & tax of Tk. 1,551.88 million, EPS of Tk. 6.48, NAV per share of Tk. 35.94 and NOCFPS of Tk. 8.57 for the year ended on December 31, 2010. It is to be noted that the financial figures are based on the Bank's present face value of Tk. 10.00 each.

MPETROLEUM: The Board of Directors has recommended Cash Dividend @ 45% (i.e. Tk. 4.50 per share of Tk. 10.00 each) and Stock Dividend @ 5% for the year ended on June 30, 2010. Date of AGM: 07.05.2011, Time: 10:30 AM, Venue: Hotel Agrabad, Chittagong. Record date: 28.03.2011. The company has also reported profit after tax of Tk. 464.23 million, EPS of Tk. 10.05, NAV per share of Tk. 32.08 and NOCFPS of Tk. 52.81 for the year ended on June 30, 2010.

SINGERBD: The Board of Directors has recommended final cash dividend @ 600% and stock dividend @ 75% for the year ended on December 31, 2010. Date of AGM: 27.04.2011, Time: 10:00 a.m., Venue: Trust Milonayaton, 545, Old Airport Road, Dhaka. Record date: 28.03.2011. The company has also reported EPS of Tk. 879.63, NAV per share of Tk. 1,399.60 and NOCFPS of Tk. 13.77 for the year ended on December 31, 2010.

RNSPIN: 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 20, 2011 at 4:00 p.m. to consider, among others, audited financial statements of the Company for the year ended on December 31, 2010.

SIBL: 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 16, 2011 at 3:01 p.m. to consider, among others, audited financial statements of the Bank for the year ended on December 31, 2010.

PLFSL: 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 20, 2011 at 4:00 p.m. to consider, among others, audited financial statements of the Company for the year ended on December 31, 2010.

RELIANCINS: 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 22, 2011 at 3:30 p.m. to consider, among others, audited financial statements of the Company for the year ended on December 31, 2010.

PADMAOIL: As per regulation 30 of DSE Listing Regulations, the Company has informed that a meeting of Board of Directors of the Company has been scheduled to be held on March 20, 2011 at 5:30 p.m. to reconsider, among others, audited financial statements for the year ended on June 30, 2010, declaration of dividends, record date and date of Annual General Meeting etc. afresh.

RELEASEINT: 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 19, 2011 at 3:30 p.m. to consider, among others, audited financial statements of the Company for the year ended on December 31, 2010.

SINOBANGLA: As per un-audited quarterly accounts for the 1st quarter ended on 31st January 2011 (Nov'10 to Jan'11), the company has reported profit after tax of Tk. 7.04 million with EPS of Tk. 0.70 as against Tk. 1.67 million and Tk. 0.17 respectively for the same period of the previous year.

AGNISYSL: The Company has informed that it has credited the Rights shares to the respective shareholders' BO Accounts on 10.03.2011.

NLTUBES: The Company has informed that the Board of Directors of the company has decided to revalue the assets and liabilities of the company and to appoint a firm in this regard.

SONALIANS: 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 audited financial statements for the year ended on June 30, 2009.

SONARBAINS: The Company has informed that SEC has given their consent in principle to issue registration certificate to Sonar Bangla Capital Management Ltd., a subsidiary of Sonar Bangla Insurance Ltd., on fulfillment of required regulatory conditions.

PHOENIXFIN: The company has informed that the Board of Directors of the company has adopted the resolution to increase Authorized Capital of the company from Tk. 100.00 crore to Tk. 500.00 crore subject to approval of the shareholders in the General Meeting of the company and the Regulatory Authorities. Necessary amendments will be made in the Memorandum and Articles of Association of the company in this regard. Record date and the date of the General Meeting to be notified later.

SINGERBD: The company has further informed that the Board of Directors of the company were informed vide a letter from Singer Bhold B.V., the majority shareholders of Singer Bangladesh Limited, that the Share Purchase Agreement dated November 4, 2010 to sell 1,234,124 shares out of its total shareholding of 1,682,731 shares in the company has been terminated and that the Shareholder will therefore not sell its shares in accordance with the terminated Share Purchase Agreement.

Sponsor's Buy/Sell: MERCANBANK Mrs. Bilkis Begum has intention to sell 10,000 shares. QSMRDYCELL Ms. Seleena Begum has intention to sell 50,000 shares. ONEBANKLTD Mr. Asaduz Zaman has intention to sell 50,000 shares. PHARMAID Mr. M. A. Masud has intention to sell 1,000 shares. QSMRDYCELL Ms. Seleena Begum has intention to sell 50,000 shares. FUWANGFOOD Mr. Md. Sahadat Hossain has intention to sell 1,00,000 shares. MTBL Mr. M. A. Rouf has intention to buy 20,000 shares of the Bank. BANKASIA Mostafa Steel Galvanising Plant Ltd. has intention to sell 1,00,000 shares. BANKASIA Amiran Generations Ltd. has intention to buy 14,000 shares.