

# BB chief expects lending rate to come down by July

PALLAB BHATTACHARYA, New Delhi  
Lending rates by banks are expected to come down by June-July once the import of capital goods and food grains cools down, said Bangladesh Bank Governor Atiur Rahman in New Delhi yesterday.  
Talking to a group of journalists, Dr Rahman made it clear that the banking regulator would not allow a hike in lending rates to affect economic growth adversely.  
Replying to a question, he said after a lull, the import of capital goods and food grains has gone up but they should cool down in another two months.

Rahman, who is in the Indian capital to attend an international seminar on fiscal deficit, was responding to questions on worries among Bangladesh industries and business about the rising lending rate.  
He said taming the inflation is a priority of the Bangladesh Bank and pointed out that while food inflation is 10 per cent, the non-food inflation is 3 and half per cent. The Bangladesh Bank is "morally asking the banks not to raise the lending rate beyond 14 per cent" because the rate in Bangladesh is market-driven, he added.  
"I have requested the banks to lower the interest rates to make it

comfortable for the industry," the governor said. Rahman ruled out considering removing the cap on lending rates for sectors other than the existing two introduced by his predecessor governor.  
Replying to a query on microfinance and the Grameen Bank headed by Dr Muhammad Yunus, Rahman said the Bangladesh Bank "does not have any bad feelings about the microfinance sector".  
"We want microfinance to be humane and not an exploitative machinery as it is in several other countries."  
Rahman said the microfinance sector in Bangladesh is being

regulated in a transparent and well-laid out manner and "the flat rate of interest is coming down, giving a lot of relief to the poorest of the poor people".  
Asked if the Bangladesh government is willing to reach a compromise with Grameen Bank founder Yunus, Rahman said the question should be directed to the Bangladesh government.  
Rahman said Bangladesh plans to float infrastructure bonds to rope in investment to develop the currently laggard infrastructure which, along with energy shortage, has been among the major challenges for the government to fuel the economic growth.

"If we can solve the infrastructure and energy problems, we can get a lot of foreign direct investments which are going to China and India because Bangladesh has cheaper labour and has more cost-competitive advantage compared to India and China," he said, adding, labour cost in Bangladesh, especially in apparel, ceramic and shipbuilding sectors, is one-third of that in China and half of that in India.  
"I don't think anybody can beat us in this in a decade," said Rahman. As he said, Bangladesh Bank wanted an "inclusive monetary policy as financial inclusion is our top priority".

## US trade representative due today

DIPLOMATIC CORRESPONDENT

Assistant US Trade Representative for South Asia Michael J Delaney arrives in Dhaka today for a two-day visit to meet government officials, business leaders, and labor organisations, a US embassy announcement said.



Michael J Delaney

Delaney was appointed Assistant US Trade Representative (AUSTR) for South Asia in September 2008. He is responsible for the development of trade with the countries comprising South Asia -- India, Afghanistan, Pakistan, Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka -- as well as Iraq.

Several trade initiatives fall under his purview, including the US proposal for the creation of Regional Opportunity Zones (ROZs) in Afghanistan and certain regions of Pakistan.  
Prior to his appointment as AUSTR, Delaney served as US political adviser to NATO Southern Regional Command in Kandahar, Afghanistan.

Delaney will depart on April 21.  
Bangladesh is currently the 58th largest goods trading partner of US, with \$4.1 billion worth of goods traded during 2009. Bangladesh exported \$3.7 billion worth of goods and imported goods worth \$435 million in 2009.

Bangladesh was the 47th largest supplier of goods to the US in 2009. The five largest export categories in 2009 were: woven apparel (\$2.5 billion), knit apparel (\$849 million), miscellaneous textile products (\$133 million), fish and seafood (\$94 million), and head-gear (\$65 million).

## New chairman for Premier Leasing

STAR BUSINESS DESK

ASM Feroz Alam has recently been elected chairman of Premier Leasing Securities Ltd.  
Alam was elected at the company's board meeting on April 12, the company said in a statement.



He is the director of National Television Ltd, sponsor of Premier Leasing



Bahrain Air has recently appointed JetAge Air Services Ltd as its preferred passenger sales agent for Bangladesh after signing a deal at Dhaka Regency Hotel in the capital. Captain Ahmed M Yaqubi, chief operating officer of Bahrain Air, and Shamshad Ahsan, chief executive officer, JetAge, were present on the occasion.



Firoz Ahmed, head of sales and distribution of Qubee, inaugurates a Qubee store at Bashundhara City shopping complex in Dhaka recently. Md Mueeedur Rahman, manager for distribution, and Faridul Amin, customer service centre manager, were also present.

## Migrant workers' rights come to limelight

STAR BUSINESS REPORT

A regional forum yesterday blamed the governments of migrant worker sending countries for their failure to respond quickly to ensuring safety of their citizens at times of crisis at host countries.

The meeting pointed fingers to a lack of preparedness of governments focusing on the vulnerability of migrant workers in the aftermath of the recent turmoil and war in the Middle East and the tsunami and earthquake in Japan.

"We have found that governments were not prepared to respond effectively and immediately to ensure safety and security of their citizens in the host countries after the outbreak of crisis," said Irene Fernandez, director of Coordination of Action Research on Aids and Mobility (CARAM), Asia.

CARAM is a network of 60 organisations of 15 Asian countries including Bangladesh, which has nearly 70 lakh people with jobs abroad.

"We saw delays in moving workers to safer location after the crisis. Foreign missions were not prepared. What we found that migrant workers did not know where to go," she said after the meeting at Sundarban Hotel in Dhaka.

CARAM and Migrant Forum in Asia

jointly organised the meet where participants of 11 countries urged the migrant worker sending countries to have rapid alert policies and intervention mechanism to protect their citizens during crisis.

"It is the constitutional responsibility of the governments to ensure security of their citizens beyond borders. We should not leave them with it to international organisations," she said.

Fernandez stressed the need for a system to quickly move the workers to safer locations during crisis.

The meeting also proposed establishing a special fund by the migrants' own countries to help them come back home and get livelihood support at times of crisis.

The forum asked the migrant worker sending countries to have multilateral agreements so that their workers get common standards of rights and a descent minimum wage at the employing countries.

"No more MoUs (memoranda of understanding). Because we find that MoUs are not enforceable."

"It only talks about the number of migrant workers to be employed in a specific industry without addressing the rights of the migrant workers," said Fernandez.

The meeting also suggested strengthening the foreign missions and ensuring accountability of their officials.

## Stocks continue losing streak

STAR BUSINESS REPORT

Stocks declined after a morning rise yesterday. The downslide continued for a second day as investors feared that the government might eventually fail to take action against market manipulators.

The benchmark general index of Dhaka Stock Exchange lost 28 points, or 0.45 percent, to close at 6,318 points. The DSE index lost 39 points on the previous day.

The selective categories index of Chittagong Stock Exchange declined 46 points, or 0.40 percent, to 11,418 points.

The market started off in a bullish mood gaining more than 50 points but the bearish trend took hold as the session progressed.

Investors took a conservative view as most outcomes of the probe report are still pending, said Lankabangla Securities in its daily market analysis.

The Securities and Exchange Commission yesterday approved the 'trust deed' and 'investment management' agreements of the Tk 5,000 crore Bangladesh Fund.

Most of the major sectors such as non-bank financial institutions lost 1.19 percent, pharmaceuticals lost 0.20 percent, while banks gained 1.19 percent, fuel and power gained 0.08 percent.

Of the total 258 issues traded on the

DSE floor, 154 declined, 100 advanced and four remained unchanged.

Turnover on the DSE stood at Tk 715 crore, down by Tk 28.48 crore from the previous day of trading.

Malek Spinning Mills topped the turnover leaders with 34.73 lakh shares worth Tk 25.18 crore traded.

The other turnover leaders were Aftab Automobiles, Beximco, Aims First Mutual Fund, Titas Gas, DESCO, RN Spinning Mills, BSRM Steels, Bextex and Meghna Life Insurance.

ICB Employees Provident Mutual Fund was the biggest gainer of the day, posting a 8.06 percent rise in its share prices, while the Reckitt Benckiser was the worst loser, slumping by 12.53 percent.

However, share trading of Anlima Yarn and Modern Dyeing and Screen Printing has been halted by the DSE for unusual price hike of shares, while that of the Legacy Footwear, Dulamia Cotton Spinning Mills, ALLTEX Industries, ALLTEX Industries has been suspended by the DSE pending investigation.

The DSE gave the green light to Salvo Chemical Industry to be listed on the bourses, while the DSE is yet to take any decision to list the MI Cement.

Ahasanul Islam, senior vice-president of DSE, said the share price of MI Cement is overpriced; as a result, the DSE is yet to give the green light to the company.



Banglalink has handed 20 internet data modems to the agriculture ministry and Agriculture Information Centre (AIS), at a programme in Dhaka recently. Md Nazrul Islam, director of AIS, and Md Mahbulul Alam Bhuiyan, infrastructure and strategic project manager of Banglalink, attended the programme.



Priti Chakraborty, chairman of Aysha Memorial Hospital, and MM Monirul Alam, assistant managing director of Pragati Life Insurance, sign a deal in Dhaka yesterday under which officials of 88 organisations along with 75,000 insurance holders will get 'corporate health services' from the hospital.

## Ericsson vows to bring changes in life

### The company releases CSR report

STAR BUSINESS DESK

Tech giant Ericsson aims to deliver solutions that can bring an incremental and transformative change to people's daily life, the company said in its annual CSR report released yesterday.

The change would be like this where video conferencing substitutes business air travel, intelligent utility grids reinvent how people access and use energy and cities are designed to be low carbon ones, added the report, titled "Technology for Good".

The report highlights the company's ongoing efforts to apply innovation to market-based solutions that empower people and society to help create a more sustainable world.

"As a catalyst for a more sustainable development, we have only begun to tap the possibilities of the 'Networked Society'," said Hans Vestberg, Ericsson president and chief executive officer.

Ericsson continues to be a global advocate for the transformational power of information and communication technology solutions to solve global energy, environmental and social challenges, the report added.

"The Networked Society brings many opportunities and challenges. Wherever and however we work, we want to ensure that we are a force for good and our technology contributes to make the world a better place," said Elaine Weidman-Grunewald, vice president for sustainability and corporate responsibility.

Some of Ericsson's focus areas and initiatives highlighted in the report are low-carbon economy, reducing networks' environmental impact and communication for all, including the four billion people living at the base of the pyramid.

The company will continue its efforts to use technology to help meet the Millennium Development Goals by 2015.

Ericsson said its research indicates that network energy consumption is not on the same growth path as the increase in volume of traffic.

"Our network energy optimisation service helps operators to maximise subscriber traffic and reduce energy consumption at the same time," Ericsson said in its report.

The report also emphasises the company's strong