

DSE leaders sit with brokers Sunday on falling turnover

STAR BUSINESS REPORT

Dhaka Stock Exchange leaders will sit with top 30 brokerage firms in terms of turnover on Sunday to discuss ways of rejuvenating the stockmarket.

"We want to find out why turnover declined. We are trying to take positive measures to increase the volume of turnover," said Ahasanul Islam, senior vice president of DSE.

A list of large institutional investors will be drawn at the meeting through discussion with the brokerage firms and positive measures will be taken to increase the big parties' participation, he added.

"We are concerned about the sliding turnover," said Islam, adding that 60 percent of institutional participation is very important in every share for the well-being of small investors.

He also said overheated shares will not be sold if corporate participation increases in every share.

Shakil Rizvi, president of DSE, and a number of directors will join the meeting, said Shafiqur Rahman, deputy general manager of DSE.

DGEN returned to the black, breaking a three-day losing streak, as investors used low prices of shares as a buying opportunity yesterday.

The benchmark General Index

of DSE closed on 6,095.54 points, after gaining 29.94 points or 0.49 percent.

Most sectors closed positively and the textile sector moved up as Bangladesh got duty-free access for its 46 textile items to the Indian market, said Green Delta Securities, one of the leading stockbrokers.

Turnover on the DSE slipped 15.9 percent to Tk 308 crore from the previous day.

Of the total 253 issues traded on the DSE floor, 164 advanced and 76 declined. Thirteen securities remained unchanged. Among the DSE-20 blue chips, only nine closed positive.

The banking sector gained 0.63

percent, making 30 percent of the total market capitalisation. Out of 30 bank issues only four closed negative, while the non-bank financial institutions lost 0.5 percent and out of 21 issues 14 closed positive.

Grameenphone, which represents the telecoms sector, gained 1.14 percent, fuel and power 0.60 percent and textile 1.14 percent.

Jamuna Oil topped the turnover value with 6.12 lakh shares worth Tk 16.88 crore changing hands.

BD Autocars was the biggest gainer of the day, posting a 5.46 percent rise. Anwar Galvanizing slumped 5.02 percent to end up as the worst loser.



A delegation led by Assam Chief Minister Tarun Gogoi, fifth from right, visits Beximco Industrial Park in Gazipur recently. Beximco Group Chairman ASF Rahman and Group Director Syed Naved Husain welcomed the delegates.



Chairman of Rupali Bank Ahmed Al-Kabir, middle, attends a foundation course for the state-owned bank's probationary officers as the chief guest in Motijheel, Dhaka, recently.



Mohammad Abdul Mannan, managing director of Islami Bank Bangladesh Ltd, is choosing mobile phone winners who receive remittance from the Middle East through Xpress Money at its head office in Dhaka recently.



A team of delegates of Global Bata visited Viyellatex Group yesterday. David Hasanat, chairman of Viyellatex Group, welcomed the team, comprising Bata managers from India, Pakistan, Malaysia, Indonesia, South Africa, South America, Malaysia, Indonesia, Africa and Bangladesh.

VIYELLATEX

Yahoo CEO Bartz fired, rocky run ends

REUTERS, San Francisco

Yahoo Inc Chairman Roy Bostock fired CEO Carol Bartz over the phone on Tuesday, ending a tumultuous tenure marked by stagnation and a rift with Chinese partner Alibaba.

Chief Financial Officer Tim Morse will step in as interim CEO, and the company will search for a permanent leader to spearhead a battle in online advertising and content with rivals Google Inc and Facebook.

Shares in Yahoo jumped 6 percent in after-hours trading to \$13.7 after closing at \$12.90 on the Nasdaq. They are scarcely higher than where they were when Bartz first took the reins in January 2009 with hopes of reviving stalled growth and competing with up-and-coming rivals.

On Tuesday, her efforts were abruptly halted after Bostock called with the bad news.

"I am very sad to tell you that I've just been fired over the phone by Yahoo's Chairman of the Board. It has been my pleasure to work with all of you and I wish you only the best going forward," the outspoken CEO said in a two-sentence email to employees obtained by Reuters.

The turn of events surprised few Wall Street observers who had tracked a rising torrent of criticism and watched revenue growth falter and sputter out.

Some analysts said Bartz's departure signaled the company had run out of options after failing to dominate the advertising and content markets and handing over its search operations to Microsoft Corp.

That partnership, under which Microsoft handles search for Yahoo's websites and keeps a portion of ad revenue, appears to favor the software company at Yahoo's expense.

Yahoo is still one of the most popular destinations on the Internet but faces increasing competition from social networking service Facebook and from Google, which has a market value of \$170 billion, 10 times more than Yahoo.

Yahoo said a new executive leadership council would help

Morse in managing day-to-day operations as well as supporting "a comprehensive strategic review" to position the company for growth.

The decision to oust Bartz was reached by an unanimous vote of Yahoo's eight independent directors late last week, according to a person close to the company. Bartz, and co-founder Jerry Yang, who are also on the board, did not participate in the vote, the person said.

Yahoo has not hired investment banking advisors, but was likely to meet with various firms in the coming weeks, according to the person close to the company.

"It's hard to say what direction they are going to head. What is the next step for Yahoo? They went down the road of search, they went down the road of media, becoming a content company, they went down the road of advertising," said YCMNet Advisors CEO Michael Yoshikami.

"I'm not sure where they go right now. One wonders if this means that they might be ripe for a takeover."

At least three private equity firms had reached out to at least one media firm to gauge acquisition interest

two weeks ago, said a second source with direct knowledge of the approaches who declined to be identified because the talks were preliminary.

CROWN JEWELS
Yahoo is worth about \$16 billion, with much of that ascribed to its roughly 40 percent stake in China's Alibaba, the parent company of websites including Alibaba.com and Taobao. Yahoo also owns a stake in Yahoo Japan, along with Japanese mobile company Softbank.

Analysts estimate Yahoo's Asian assets are worth about \$7-\$9 of Yahoo's roughly \$13 share price, based on a sum-of-the-parts valuation.

Relations between Yahoo and Alibaba have soured since Bartz took over, with Alibaba founder Jack Ma failing in an attempt to buy out its U.S. partner's stake.

A senior official at Alibaba Group said Bartz's departure was unlikely to solve the ownership issues.

"There won't be much of an impact in the relationship to be honest," the official said on the condition of anonymity. "We have to wait and see till we are working together with the new CEO."

HSBC to axe up to 3,000 jobs in Hong Kong by 2014

AFP, hong kong

Banking giant HSBC said Wednesday it will slash up to 3,000 jobs in Hong Kong over the next three years, as part of its global cost-cutting drive as it shifts focus to fast-growing markets.

The British-based lender last month announced plans to save up to \$3.5 billion by 2013 and to axe 30,000 jobs globally by 2013.

The Asia-focused bank has also said it will hire up to 15,000 people in emerging markets by 2014 as it looks to Asia's booming financial sector to power future growth, yet is still pushing ahead with the Hong Kong jobs cull.

"We don't know exactly how many roles will be reduced but our best estimate is approximately 3,000 roles in Hong Kong within three years," a spokeswoman at HSBC Hong Kong office told AFP.

"(This is part of the) reshaping business so that HSBC is less complex, more efficient, more effective and less bureaucratic," she said, adding that the job cuts did not affect its earlier plan to hire 15,000 people in emerging markets.

The spokeswoman said the actual number of job cuts in Hong Kong could be "significantly less".

"Hong Kong is the core market for HSBC. We will continue to attract businesses and retain talents in the market," she added.

More than a third of HSBC's current workforce of 300,000 are already in Asia, which contributed 59 percent of the group's pre-tax profits in the first six months of 2011 -- up 16 percent from the same

Smartphones to boost technology adoption in Asia Pacific

STAR BUSINESS DESK

The Asia Pacific region will see a boost in the use of Long-Term Evolution (LTE) telecommunications technology due to the proliferation of smartphones and devices in the area, said Ericsson in a statement.

More than 200 million LTE subscriptions will come from the Asia Pacific in 2016, and it will be the largest region in terms of LTE subscriptions, according to the statement.

"A key advantage of LTE is that it offers the capacity and the speed to handle a rapid increase in data traffic," said Arun Bansal, president for Ericsson Southeast Asia and Oceania region.

In Asia, the use of smartphones, tablets, and other devices continues to increase, and this will continue until 2016, when there will be close to 5 billion mobile broadband subscriptions worldwide, he added.

"Asia Pacific has made a strong start with LTE because seven networks has

already commercially launched the technology in Japan, South Korea, Hong Kong, Singapore, the Philippines and Australia," said the Ericsson boss in Singapore recently.

He said, "LTE will be a main driver for innovation in the years to come and will open up a number of new areas for telecommunications operators to engage in, such as utilities, transport, health, and broadcasting."

At the same time, improvements in healthcare, education and delivery of business productivity applications, along with the expansion of broadband connectivity, can underpin economic growth and stimulate social innovations in both urban and rural areas.

The new technology is particularly suited to rural areas because of its cost effectiveness, convenience and growing functionality, said Bansal.

Ericsson, a leading mobile technology vendor in the world, supplies commercial LTE networks used by 130 million of the total 200 million subscribers.

Obama to propose \$300 billion jobs package

REUTERS, Washington

President Barack Obama, facing waning confidence among Americans in his economic stewardship, plans some \$300 billion in tax cuts and government spending as part of a job-creating package, US media reported on Tuesday.

The price tag of the proposed package, to be announced by Obama in a nationally televised speech to Congress on Thursday, would be offset by other cuts that the president would outline, CNN reported, citing Democratic sources.

Bloomberg News said the plan would inject more than \$300 billion into the economy next year through tax cuts, spending on infrastructure, and aid to state and local governments.

Obama would offset those short-term costs by calling on Congress to raise tax revenues in a deficit-cutting proposal he will lay out next week, the news agency

reported, without citing sources.

The White House declined to comment on the reports.

Obama's aides have refused to go public with the estimated cost of Obama's package or provide many specifics in advance, except to say that the proposals will have a "quick and positive" impact on boosting jobs at a time of stubbornly high US unemployment.

"We need to do things that will have a direct impact in the short-term to grow the economy and create jobs, and the president will put forward proposals that will do just that," White House spokesman Jay Carney said.

Republicans criticised Obama for not including them in discussions on the package before his big speech and indicated any jobs bills could face tough passage through Congress, where they control the House of Representatives.



Carol Bartz