Rise of money through the ages

STAR BUSINESS REPORT

From ancient times to the 19th century, the people of Bengal have used the cowri (kori) as a medium of exchange.

Its use first began to decline after British rule acquired monopoly in issuing and controlling the medium of exchange in the second half of the 19th century. Paper currency was first introduced then, writes Siddique Mahmudur Rahman in his book 'Cowri to Taka, Evolution of Coins and Currencies of Bangladesh'.

The book was launched yesterday at Sonargaon Hotel. Bangladesh Bank (BB) Governor Atiur Rahman, Asiatic Society of Bangladesh President Professor Sirajul Islam and Lawyer Barrister Rafiqul Haque spoke at the event.

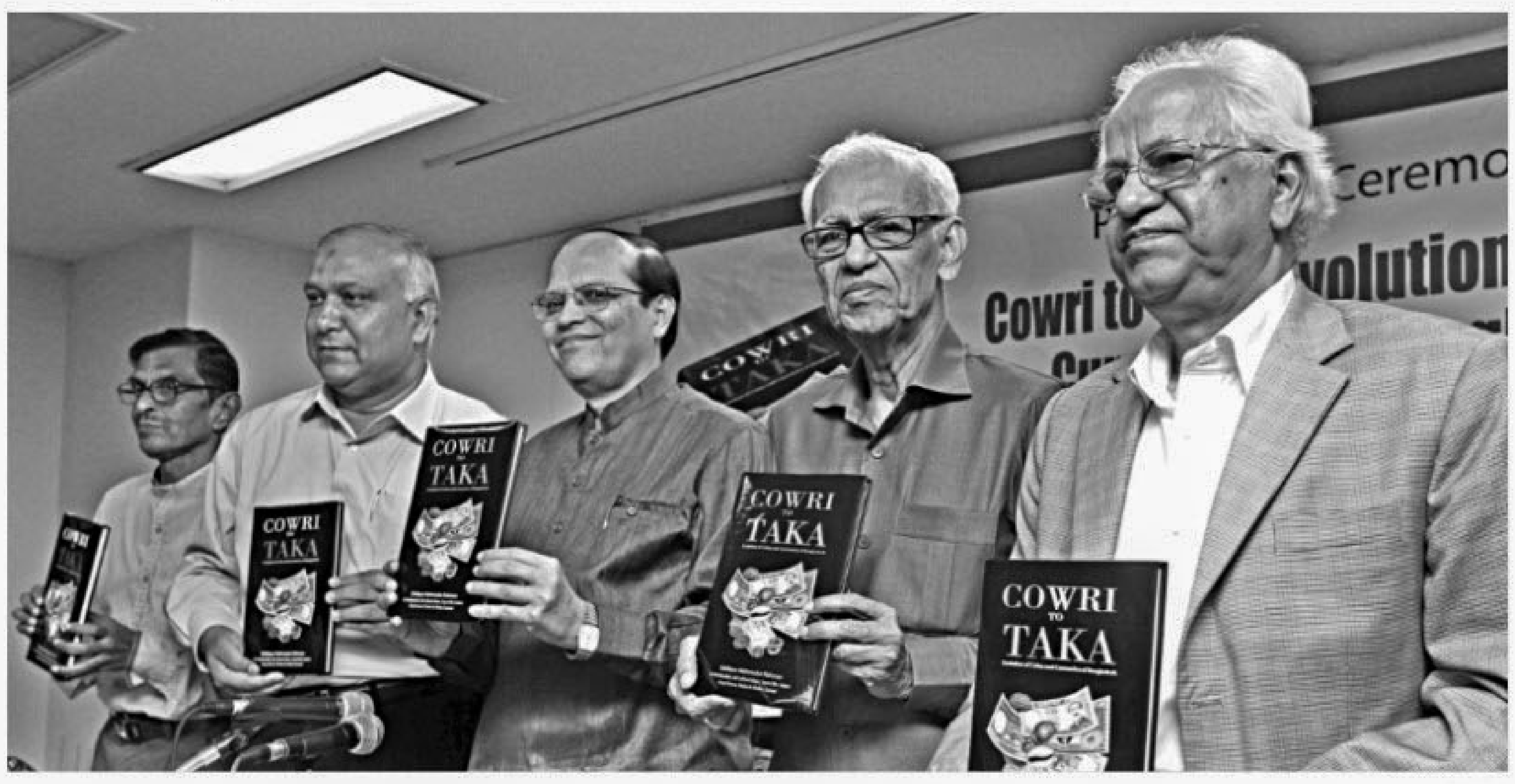
"Cowri is the oldest form of money in the Indian subcontinent. It is widely used by the people of Bengal and the regions adjacent to it," writes Rahman, who has also authored books on postal history and postage stamps.

Published by Kazi Wahidul Alam of Triune-Monitor Publication, the writer of the 129-page book familiarises readers with the coins of Bangladesh through the ages. It includes 200 colour pictures of currencies of different periods.

The cowri was an acceptable medium of currency across the world, like the dollar of today, said Prof Sirajul Islam. "It's a wonderful effort. It is difficult to work on such a subject because of a lack of available data."

According to the author, 111 types of metallic currencies were released during Pakistan rule. At the time, 21 types of paper currencies were also introduced.

Since liberation, 20 types of metallic coins and 43 types of paper currencies were introduced, said Rahman.



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From left, **Siddique Mahmudur Rahman, writer of Cowri to Taka; Kazi Wahidul Alam, publisher of the book; Atiur Rahman, Bangladesh Bank governor; Barrister Rafiqul Haque, a lawyer; and Prof Sirajul Islam, president of Asiatic Society of Bangladesh, pose with copies of the book launched at Sonargaon Hotel in Dhaka yesterday.**

It is an important form of documentation of the history of currencies, said Barrister Rafiqul Haque.

The governor of the central bank said the book would help research and be helpful to coin collectors.

"Currency is not a medium of exchange only. It reflects the culture and heritage of a nation. If we can educate our children about the history of currency, they will get to know a lot about our past," said the governor.

He said the currencies introduced after liberation reflect Bangladesh's culture and legacy.

BB recently released different types of notes and coins with various exchange values of up to Tk 1,000 with the portrait of the nation's founding father, Sheikh Mujibur Rahman, along with historical mosques, Shaheed Minar and Sangsad Bhaban.

Three more types of notes -- Tk 10, Tk 20, and Tk 50 -- will be released this year.

BB will also issue commemorative coins, marking 40 years of Bangladesh's independence, the 150-year birth anniversary of literary genius Rabindranath Tagore, 90 years of the publication of poetry -- Bidrohee of national poet Kazi Nazrul Islam, he added.

StanChart top official arrives today

STAR BUSINESS REPORT

Sumeet Singla, regional head of corporate affairs for Standard Chartered Bank, is scheduled to arrive in Dhaka today, the bank said in a statement.

During his brief stay in town, he is expected to meet the clients, stakeholders and staff of the bank, according to the statement.

Singla is responsible for India, Bangladesh, Nepal and Sri Lanka.

Ctg to showcase tourism prospects

STAR BUSINESS REPORT

Bangladesh Foundation for Tourism Development (BFTD) will celebrate World Tourism Day on September 27 in Chittagong.

Rezaul Ekram, executive director of BFTD, said, "We are honored to be organising such a beautiful event on World Tourism Day 2011 as tourism is one of the most important sectors of our society."

World Tourism Day is an excellent opportunity to raise awareness about this vital economic sector and its contribution to social economic and environmental well-being worldwide and in Bangladesh, said Ekram.

"We have the longest unbroken sea beach, Cox's Bazar, and the largest mangrove forest, the Sundarbans, in the whole world," he added.

HM Hakim Ali, president of Bangladesh International Hotel Association and chairman of BFTD, will be the chief guest of the ceremony.

"If the government and private sectors come forward like in other tourism rich countries, Bangladesh will also be able to enrich its tourism sector," said Ali.

BFTD will celebrate the day in collaboration with Hotel Agrabad.

"This event will have a positive impact on sustainable eco-tourism in Bangladesh," said Fariaz Morshed Chowdhury, head of sales and marketing of Hotel Agrabad.

The event will include a high-level think tank on the year's tourism theme, said Chowdhury.

DSE sits with top brokers today

STAR BUSINESS REPORT

Directors of Dhaka Stock Exchange (DSE) will sit with 30 top brokerage firms today to discuss the current situation in the stockmarket that is now facing volatility.

The top agenda of the meeting will be to find out why turnover is declining, even though there are no major reasons for low turnover, said a DSE official.

The single-day turnover on the premier bourse hit the lowest in seven and a half months on Thursday at Tk 241 crore.

Low turnover becomes a great concern for the market, the DSE official said.

If any problem is identified, the DSE board will sit with Securities and Exchange Commission to find a solution, the official added.

Investors are losing their appetite for stocks due to poor turnover and low business volume.

The General Index of the DSE -- DGEN -- plunged 2.17 percent to 6,077 points last week amid lower participation of both institutional and retail investors.

RMG delegation to visit India

REFAYET ULLAH MIRDHA

A group of businessmen is going to India within one month to meet clothing retail chains in efforts to increase the export of apparel items to India, said a top official of India-Bangladesh Chamber of Commerce and India (IBCCI).

Abdul Matlub Ahmed, president of IBCCI, said he will lead the team that will include Industries Minister Dilip Barua; leaders of Bangladesh Garment Manufacturers and Exporters Association and Bangladesh Knitwear Manufacturers and Exporters Association; garment owners; and jute and jute goods exporters.

During the visit, they will meet with management of 10 clothing retail chains, like TATA Retail Chain, Reliance and Pantaloon with a view to boost the export of Bangladeshi garment items to India, he said.

Different India media reports that Indian garments entrepreneurs and retail chain owners are unhappy with Delhi's decision to waive duties on 46-garment items from Bangladesh, as India is also a major player in the garments business worldwide.

"I hope the visit will not only help increase the export of garment items to India, but also remove the anger from the minds of the Indian entrepreneurs," Ahmed said on the sidelines of the a press meet of IBCCI at Ruposhi Bangla Hotel.

During his visit to Bangladesh last week, Indian Prime Minister Manmohan Singh announced the duty-waiver on the export of 46-garment and textile related items to India.

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G7 vows robust action to fix global economy

AFP, *Marseille, France*

G7 rich nations vowed tough measures Friday to get the global economy back on track but were short on detail and admitted the problems were so complex that a unified response was impossible.

The meeting in Marseille came as stock market turmoil returned to both the United States and Europe after the shock resignation of the European Central Bank's top economist fuelled fears over the continent's debt crisis.

"We are committed to a strong and coordinated international response," the finance minsters and central bank governors of the group of industrialised nations said in a statement issued in the southern French city.

Such action is needed to combat the slowing economic growth and the sovereign debt crisis afflicting both the United States and Europe that continue to rattle the financial markets, they said.

They hailed the $447 billion (322-billion-euro) jobs plan unveiled Thursday by US President Barack Obama to energise the world's largest economy and praised European states' moves to rein in massive government debt.

They also vowed to "take all the necessary actions to ensure the resilience of banking systems and financial markets."

But there was little detail on how they would deliver on their promises and a senior US official said that a unified response was not possible given the widely differing circumstances in individual countries.

Ministers and bankers from Canada, the United States, Japan, Germany, Britain, France and Italy went into the talks with the aim of preventing a repeat of the 2008-2009 recession. But they differed sharply on what approach to take.

While the Americans were clearly plumping for stimulus, the Europeans were determined to railroad reform and austerity measures through parliaments.

An Organisation for Economic Cooperation and Development (OECD) report issued on the eve of the meeting said a new recession in some rich countries could not be ruled out and warned that the eurozone crisis could deepen.

International Monetary Fund chief Christine Lagarde warned there could be no foot-dragging about finding ways to boost growth.

"The key message I wish to convey today is that countries must act now -- and act boldly -- to steer their economies through this dangerous new phase of the recovery," she said in London before travelling to Marseille.

The world was suffering from "a crisis of confidence" amid heightened fears over the health of banks and sovereign debt, she said.

"All this is happening at a time when the scope for policy action is considerably narrower than when the crisis first erupted," Lagarde said. "But while the policy options may be fewer, there is a path to recovery."

The US package announced Thursday by Obama was aimed at giving a kick-start to the stalled American economy.

The centrepiece is a deeper-than-expected $240 billion payroll tax cut for employers and employees meant to keep money in the pockets of those most in need, spur demand and encourage firms to hire new workers.

Most European nations used stimulus spending to temper the effects of the recession that followed the 2008 financial crisis, but have now focused on cutting their deficits given their high debt loads.

German Finance Minister Wolfgang Schaeuble said that taking a stimulus approach in Europe now would "aggravate the problems instead of resolving them."

French President Nicolas Sarkozy, speaking in Paris, also said Europe was unlikely to follow the US example.

When asked if Europe needed a similar plan, Sarkozy said: "No. A recovery plan, we're not going to be asking Greece to do that."

Greece's European partners have been demanding that the country -- which benefits from a massive bailout to head off a government debt default that would weaken the euro -- slash state spending and raise taxes.

But French Finance Minister Francois Baroin conceded that European governments must also go for growth.

"We must tread the difficult path of achieving fiscal adjustment plans while supporting economic activity," he told reporters.

US Treasury Secretary Timothy Geithner said in Marseille that European states needed to do more to prove that they have enough political will to deal with the financial crises roiling the continent.

Stocks pass the week in red amid credit crunch

STAR BUSINESS REPORT

Stocks returned to the red with low turnover amid lower participation of institutional investors due to a credit crisis that dampened confidence in the market.

The benchmark General Index of Dhaka Stock Exchange, DGEN, the key indicator of the country's premier bourse, closed at 6,077.32, after plunging 134.68 points or 2.17 percent.

The blue-chip index, DSE-20, lost 45.95 points or 1.1 percent.

The investors feared a further liquidity crisis in the stockmarket after the central bank's recent tightening of policy interest rates, said a stock analyst.

Credit flow from the banking channel will decline due to the central bank's initiatives, he said.

He also said small investors adopted a wait-and-see policy, while large and institutional investors remained inactive, which triggered the poor turnover on the bourse.

The central bank on Monday raised the repurchase rate to 7.25 percent from 6.75 percent. The reverse repurchase rate was increased to 5.25 percent from 4.75 percent.

Tightening of monetary policy has made the short-term borrowing more expensive for the banks and financial institutions, and the weighted average call-money rate hovered around 20 percent on September 6, said LankaBangla Securities.

Investors who have been waiting to participate are now skeptical of taking fresh exposure in the market amid very poor activities, the leading stock broker said in its analysis.

Daily average turnover on the DSE floor stood at Tk 318 crore, 24.1 percent lower compared to the previous week's Tk 419 crore.

The market declined on the first three sessions: DGEN lost 0.3 percent, 0.83 percent and 1.24 percent respectively. The key index advanced on Wednesday, gaining 0.49 percent, but it again declined 0.3 percent on Thursday.

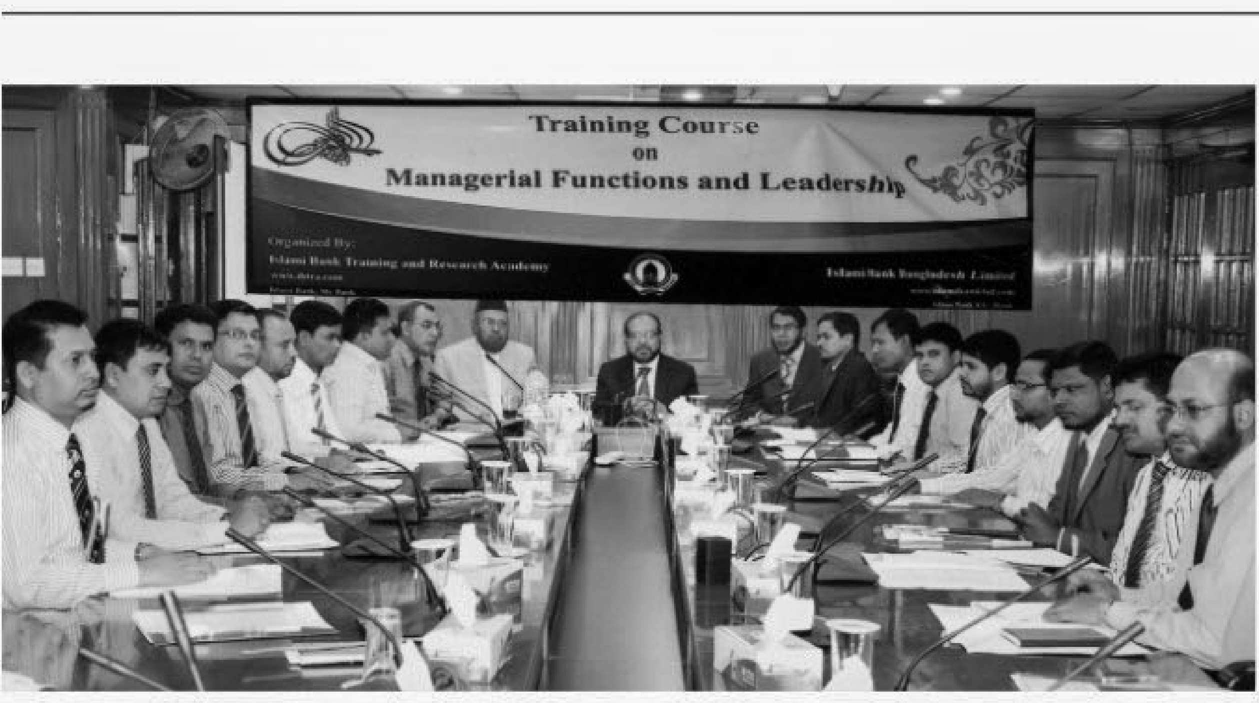
All sectors declined last week. Banks lost 2.1 percent, non-bank financial institution 2.55 percent, general insurance 4.04 percent and life insurance 2.02 percent.

Pharmaceuticals, power, and cement declined 0.54 percent, 2.17 percent and 1.31 percent respectively. Telecommunications, IT and mutual fund declined 4.12 percent, 4.11 percent and 3.15 percent respectively.

Of 262 issues traded, only 22 advanced and 239 declined while one remained unchanged.

AB bank topped the turnover leaders with scrips worth Tk 2,015 crore changing hands.

Renata gained 6.14 percent to end the week as the biggest gainer, while DBH First Mutual Fund was the worst loser, slumping by 19.53 percent.



ISLAMI BANK

Mohammad Abdul Mannan, managing director of Islami Bank Bangladesh Ltd, speaks at a six-day training programme on "managerial functions and leadership" at the bank in Dhaka yesterday.

China's August trade surplus tumbles to $17.8b

AFP, *Beijing*

China's trade surplus contracted sharply to $17.8 billion in August, down from $31.5 billion in July, as imports rose to a new record high, according to official data released Saturday.

The trade surplus is a perennial point of contention for China's key trade partners, the United States and Europe, who seek better market access to the world's second-biggest economy.

China's August exports rose 24.5 percent year-on-year to $173.3 billion, the customs agency said in a statement.

FIRST SECURITY

Md. Abdul Quddus, deputy managing director of the First Security Islami Bank, opens its branch in Pabna recently.