

# Petrobangla ready to supply gas to Rajshahi, Natore: official

STAR BUSINESS REPORT  
Petrobangla is ready to supply gas to the northwestern districts of Rajshahi and Natore, a top official said yesterday.

"But the government will decide when to start gas supply to the two districts," said Prof Md Hossain Monsur, chairman of the Bangladesh Mineral Oil and Gas Corporation (Petrobangla).

Also, the state-run agency plans to supply gas to Khulna before the tenure of the present government expires, Monsur told reporters at his office in Dhaka in his briefing on the development of the gas sector in the last three years.

The Petrobangla chief said Bangladesh must explore alternative energy sources in coal, nuclear and renewable energies

as the country's natural gas reserve is drying up fast. "After 2021 our gas reserve could dry up. We have little potential too."

The country has consumed 10.74 trillion cubic feet of gas as of 2011 out of its proven and probable reserves of 20.61 tcf.

There are 24 gas fields in Bangladesh. Of them, 18 are operative producing 2,249 mmcf from 81 wells. The country now produces 2,064mmcf of gas against the demand of over 2,500mmcf, according to Monsur.

The government will be able to add 900mmcf of gas in 2012, he added.

Petrobangla plans to contract out 10 gas wells to Russia's Gazprom, the largest extractor of natural gas in the world, for adding 300mmcf gas to the national grid, as the skilled officials of

Bapex are overburdened with responsibility. "We will sign an agreement with Gazprom to this effect."

Of the fields, Bangladesh Petroleum Exploration and Production Company Ltd (Bapex) owns five, Sylhet Gas Field Company owns four and Bangladesh Gas Company Ltd owns the rest one.

"We have two zones in the Saldra river from where we are now producing 10mmcf of gas, which can be raised to 30mmcf provided we set up process plant, separator and compressor first," he said.

He said Petrobangla is trying hard to give more gas for producing electricity.

At present, power plants get a supply of 715 million cubic feet of gas a day against the demand of 920mmcf. The gas shortage

causes 500 to 700 MW less power generation, according to Power Development Board (PDB).

Monsur also disagreed with the PDB's plan to generate 7,000 megawatt of electricity from gas as part of its plan to produce 16,000 MW of electricity by 2016. "If anybody gives such commitment he or she has to do so under own responsibility."

He said the government has to take the ultimate decision whether it would resume providing new gas connection to households. He also admitted that the number of illegal gas lines in the country has increased sharply.

"We have formed a taskforce to disconnect illegal connections. Our officials also came under attack when they went to disconnect the unauthorised connections."

## Third Indo-Bangla trade fair on May 31

STAR BUSINESS DESK

Triune Exhibition and Event Management Services Ltd plans to manage the third Indo-Bangla Trade Fair in Dhaka on May 31.

The three-day show will take place at Sonargaon Hotel where leading Indian and Bangladeshi entrepreneurs will participate.

To organise the event, Dewan Sultan Ahmed, vice-president and chairman of the fair sub-committee for India-Bangladesh Chamber of Commerce and Industry, and Kazi Wahidul Alam, chairman and managing director of Triune, signed a deal at a programme in Dhaka on Thursday.



PHOENIX INSURANCE

Anisul Islam, general manager of SSLCOMMERZ, and Jamirul Islam, managing director of Phoenix Insurance, sign a deal at a programme in Dhaka recently. SSLCOMMERZ, an e-commerce service provider, will facilitate online premium payment services for the policyholders of Phoenix Insurance. Mohammad Shoeb, chairman of Phoenix Insurance, was also present.

## New MD for Nitol Insurance

STAR BUSINESS DESK

SM Mahbulul Karim has recently been appointed the managing director of Nitol Insurance Company Ltd, the insurer said in a statement yesterday.

Karim is a postgraduate in public administration from Dhaka University, the statement added. He started his career with United Insurance Company Ltd in 1986.

He joined Nitol Insurance in 2000 and served



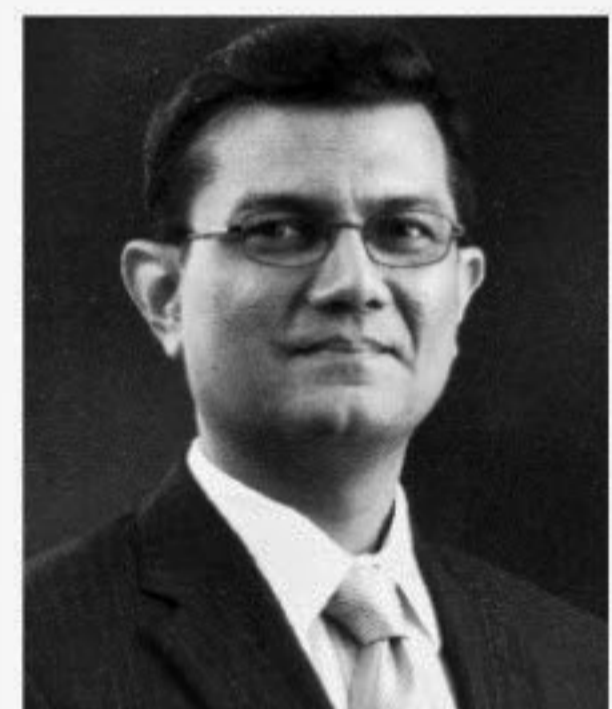
## MTB's new additional MD

STAR BUSINESS DESK

Md Ahsan-uz Zaman has recently been promoted as the additional managing director of Mutual Trust Bank, the bank said in a statement yesterday.

Prior to the promotion, he was the deputy managing director of the bank. Zaman joined the bank in 2009.

An MBA from the Institute of Business Adminis-



NCC BANK

NCC Bank Chairman Md Nurun Newaz Salim hands a deposit book of the bank's new product -- NCCB Youngster Account -- to a student of Dinajpur Zila School at its launch recently. Managing Director Mohammed Nurul Amin was also present.



TRIUNE

Dewan Sultan Ahmed, vice-president and chairman of the fair sub-committee for India Bangladesh Chamber of Commerce and Industry, and Kazi Wahidul Alam, chairman and managing director of Triune Exhibition and Event Management Services, sign a deal at a programme in Dhaka on Thursday to organise the third Indo-Bangla Trade Fair on May 31.

## Robi brings new service to farmers

STAR BUSINESS DESK

Robi has recently introduced a new service -- Haat-Bazaar -- to help farmers market and sell products with ease.

The service is an integration of two services of the mobile phone operator: Bazaar Dor and Krishibazaar, Robi said in a statement yesterday.

Through Bazaar Dor, Robi subscribers get information about the market prices of daily goods in 16 bazaars countrywide. An user has to dial 2474 and press 1 for the service.

Krishibazaar allows agri-goods buyers and sellers to record voices for advertisement, listen to other's recorded ads, talk to that trader instantly and finally locate each other to finalise the transaction.

Robi subscribers need to dial 2474 and press 2 to get the service, according

# Stocks passed a dismal year: Citi

STAR BUSINESS DESK

(CONTINUED FROM YESTERDAY)

The country's capital market witnessed a rather disappointing year in 2011. After the Dhaka Stock Exchange General Index (DGEN) reached a record high of 8,919 points on December 5, 2010, a situation which many analysts believe to have been overheated, it shed much of the gains of the latter half of 2010 losing around 37 percent year-on-year in 2011. The average daily turnover decreased by around 62 percent in 2011 compared to the highly liquid market in the previous year. The stockmarket overheating in the latter half of 2010 can be attributed to several factors, including the high demand for shares amid a dearth of supply of quality stocks and the overexposure of the financial sector in the stockmarket, among others.

In order to boost the capital market, the regulators and the government came up with various incentive packages over the course of the past 12 months. Some of the major initiatives include:

- Exemption of capital gains tax for stockmarket investors
- Prohibition of share sales of sponsors' and directors' and shareholders' holding 5 percent or more
- Entry of undisclosed money into the stockmarket

- Removal of taxpayer's identification number (TIN) as a required document in opening BO (beneficiary owners') accounts
- Extension of the adjustment time of the single borrower exposure limit of banks and non-banking financial institutions
- Reduction of advanced income tax (AIT) on brokerage commission from 0.10 percent to 0.05 percent

Investment Corporation of Bangladesh (ICB) and Bangladesh Association of Banks (BAB) came up with two rescue funds namely the Bangladesh fund and market stabilisation fund worth Tk 50 billion each. The funds are yet to make any significant impact on the market owing mostly to the incapability of the Bangladesh Fund to mobilise the promised amount and the less-than-expected contribution by the banks in the market stabilisation fund.

### International markets

#### Major interest rates

With major focus on the quantum of money in circulation in the economies, injecting liquidity in the financial systems and maintaining the fundamental balance between growth and other macroeconomic variables have ruled the year 2011. Major central banks in developed economies kept their key interest rates stable throughout the first half of the year while the emerging economies were busy with

maintaining the inflation level and growth balance. The Federal Reserve pulled the quantity string of money supply while keeping the benchmark rate near zero for the full year while the Bank of England, the Swiss National Bank (SNB) and the Bank of Japan (BoJ) also kept their rates unchanged throughout 2011. The vibrant Chinese and Indian economies saw gradual increases in the benchmark rates over the year. The European Central Bank (ECB) raised the key benchmark rate in July only to bring down the rate to its beginning level of the year in December. The Reserve Bank of Australia (RBA) also started to cut benchmark rate in November.

After 13 successive hikes since Mar-10, the RBI left repo rates on hold at its policy meet in December. The RBI raised key repo-reverse repo rates for seven times this year. Both the rates have been raised by 225 bps to 8.5 percent and 7.5 percent respectively (pre-crisis, the repo and reverse repo rates stood at 9 percent and 6 percent).

The PBOC raised interest rates thrice in just over five months in order to curb inflation.

RBA started hiking rates in late 2009, increased rates in four occasions in 2010, from 3.75 percent in January to 4.75 percent in November 2010, just before the rate cut in November 2011. The RBA, made two successive monthly cuts starting in November reducing the key rate from 4.75 percent to 4.25 percent.



SILVA PHARMACEUTICALS

AR Hasan Mirza, director for operations of Silva Pharmaceuticals, attends an annual sales conference of the company at BIAM auditorium in Dhaka recently.



CITY BANK

Badrudduza Choudhury, head of SME banking for City Bank, inaugurates the second SME/agri branch of the bank at Chattak in Sunamganj recently.

## Garment accessories fair next week

STAR BUSINESS REPORT

A four-day international fair for garment accessories, packaging and machineries will begin in the city next week, organisers said.

Companies from China, India, South Korea, Thailand, Singapore, Malaysia, Taiwan, Hong Kong, the USA and European Union will take part at the fair -- "PACEXPO-2012" -- at Bangabandhu International Conference Centre.

Bangladesh Garments Accessories and Packaging Manufacturers and Exporters Association will organise the exposition on January 12-15, in association with ASK Trade & Exhibition Ltd and Zakaria Trade & Fair International, said Rafez Alam Chowdhury, president of the association.

Chowdhury spoke at a press conference at National Press Club in the city on Monday. Finance Minister AMA Muhith is expected to inaugurate the fair.

About 1,000 member industries of the association produce export-oriented accessories such as pollybags, hangers, buttons, button tags, labels, zippers, back boards, neck boards, sewing threads, tissues and embroideries etc, said the association in a statement.

They meet up all demands for accessories and packaging of the country's garment industries.

The fair opens to visitors from 11:00am to 7:30pm

## Oil higher in Asia on Chinese data, Mideast tensions

AFP, Singapore

Oil rose in Asian trade Tuesday, underpinned by positive economic data out of China and geopolitical tensions in the Middle East, analysts said.

New York's main contract light sweet crude for February delivery gained \$1.45 to \$100.28 and Brent North Sea crude for the same period put on \$1.02 to \$108.40.

"Prices have moved up as the market reacts to the expansion in manufacturing activity in China," said Victor Shum, senior principal at Purvin and Gertz international energy consultants.

"Geopolitical tensions over Iran has also supported the market," he told AFP.

Official data released Sunday showed China's manufacturing activity rebounded in December helped by holiday shopping.

The purchasing managers' index (PMI) reached 50.3 in December, the China Federation of Logistics and Purchasing said. A reading above 50 indicates the sector is expanding.

China is the world's largest consumer of energy and as the number two economy globally has a