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STAR BUSINESS

DHAKA MONDAY APRIL 2, 2012, e-mail: business@thedailystar.net



WTO Director General Pascal Lamy speaks at a discussion on the global economy, organised by the FBCCI in Dhaka yesterday.

Eurozone crisis may hit Bangladesh exports: WTO

Pascal Lamy says poor countries may be short on trade finance

STAR BUSINESS REPORT

An economic slowdown in Europe may affect Bangladesh as it is highly dependent on exports to the Eurozone, said World Trade Organisation (WTO) Director General Pascal Lamy yesterday.

"Macroeconomic development is not looking very good, especially for countries like Bangladesh, whose two-thirds of exports are to Europe. For the moment, the European economy has a major problem -- it will grow very slowly in the year to come," he said.

The caution from Lamy, who was on a two day-visit to Bangladesh, came at a gathering of businessmen, economists and trade analysts at Sonargaon Hotel in Dhaka.

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) organised the discussion on recent developments in the global economy and the role of WTO.

Finance Minister AMA Muhith and Commerce Minister GM Quader also spoke at the programme chaired by

FBCCI President AK Azad.

The WTO chief said expansion of world trade depends on four major factors -- growth of the developed economies, availability of trade finance, countries' openness to a trade regime and changes in technology, such as internet.

Lamy said Europe now fights low growth.

"The question is whether this growth in Europe will last for the next five years or 10 years," he said, adding that Europeans are trying to find the right mix in fiscal adjustments to address debt and stimulate growth.

Lamy feared that the volume of world trade this year would be below the level in 2011 because of sluggish growth of the world economy.

He cautioned that the availability of trade finance might be low, especially for poor countries and small businesses catering to the low-end of the market.

He said the high-end market and markets of big countries may not face difficulties in getting finance for trade as they have big banks with enough liquidity.

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BB warns against illegal banking

STAR BUSINESS REPORT

Bangladesh Bank yesterday asked people not to transact with unauthorised financial institutions.

In a notice the central bank said: "Some institutions are operating business in different districts under various names and collecting money from people, luring them by prospect of getting high interest and attractive profits."

The warning came following media reports on illegal banking operations by Destiny 200 Ltd.

"People are being requested not to make any investment in these organisations because there is a possibility of being cheated and these institutions have no approval from the appropriate authorities," the BB statement added.

ADP cut 10pc

Govt slashes outlay due to slow pace in foreign fund use

REJAUL KARIM BYRON

The slow pace in using foreign fund by ministries has forced the government to revise the allocation for Annual Development Programme (ADP) down to Tk 41,000 crore through a cut into the original outlay by 10 percent.

In the July-February period of the current fiscal year the ministries could spend only 26 percent of their allocation of foreign fund -- lowest in the last four years.

So the allocation of foreign assistance in the revised ADP has been cut by 24 percent.

The revised ADP got the go-ahead of the government at a meeting of the National Economic Council yesterday. Prime Minister Sheikh Hasina chaired the meeting.

Though the actual proposal was for a Tk

40,500 crore revised ADP, the meeting decided to give another Tk 500 crore from the government fund under pressures from different ministries, said an official of the planning ministry.

In the revised allocation, foreign aid will be Tk 16,095 crore, down from Tk 21,205 crore in the original outlay.

However, the government fund was set at Tk 24,905 crore, which was Tk 24,795 crore in the original allocation.

The planning ministry official said the Tk 500 crore, which was raised at the meeting, will go to the road, railway, water resources and power sectors.

The meeting decided that the planning ministry will later make the allocations for the ministries in line with their demands.

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REVISED BUDGET	
CRORE IN TAKA	
Agriculture	192
Transport	1,842
Education	1,317
Health	600
Energy	376
Rural Development	610
Power	11

SOURCE: PLANNING MINISTRY

Bank Asia chairman re-elected



A Rouf Chowdhury

STAR BUSINESS DESK

Bank Asia has re-elected A Rouf Chowdhury as its chairman, the bank said in a statement yesterday. He is a sponsor director of the bank.

Chowdhury, an eminent businessman and accomplished entrepreneur, is the chairman of Rangs Group and Sea Resources Group. He is also a director of The Daily Star, the country's highest circulated English newspaper.

A graduate of Business Management from Sloan School of Business, Massachusetts in the US, Chowdhury started his career with a pharmaceutical company.

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SEC opens insider trading probe

STAR BUSINESS REPORT

The Securities and Exchange Commission yesterday formed three committees to investigate alleged insider trading by two people and dematerialisation of shares of another person.

Two committees will investigate insider trading by the wives of two directors of two listed banks, while a panel will look into a complaint lodged by another listed bank's sponsor regarding dematerialisation of his shares.

The SEC asked the committees to submit their reports to the commission

in 30 workdays, officials said.

Although Afroza Islam Chowdhury, wife of Nurul Islam Chowdhury who is a director of United Commercial Bank Ltd (UCBL), was prohibited from transferring her stocks for a certain time, she transferred shares, according to the Dhaka Stock Exchange website. The Dhaka bourse detected the case on February 28.

But in line with insider trading rules, no sponsor or director or their close relatives can buy or sell or transfer or obtain shares during a prohibition period.

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 - Group B: Annual export turnover less than US\$ 50 Million
- **Exporter of the Year - EPZ Enterprises:** Companies in the Export Processing Zones of Bangladesh
- **Exporter of the Year - Traditional and Emerging Sectors:** Annual export turnover (non RMG/Textiles) US\$ 3 Million or more
- **Exporter of the Year - SMEs:** Annual export turnover (non RMG/Textiles) less than US\$ 3 Million

Nominations, made by self or by others, must be submitted on or before **30 April 2012**. Kindly send completed forms to Bangladesh Brand Forum, House 20/B, Road 79/82, Gulshan 2, Dhaka 1212, Bangladesh. Call **01717064057** for any assistance or query.

For nomination form, and more detailed information, visit www.hsbc.com.bd



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