

Stocks shake off hartal jitters

STAR BUSINESS REPORT
Stocks returned to the black yesterday as investors went for buying shares despite a down-to-dusk strike called by BNP.

The DGEN, the yardstick of Dhaka Stock Exchange, went up 87.67 points or 1.75 percent, to finish the day at 5,098.90 points.

Despite still-unresolved political volatility, the market demonstrated an upward move. "The upward move came, primarily from slight improvement in market sentiment, based on resistance of DGEN near 5000 level," IDLC Investments Ltd said in its daily market commentary.

However, confidence is still low as political violence is depressing investment outlook, while investors are taking a wait-and-see policy with reduced activity, commented IDLC.

All major sectors stood positive. General insurance rose 3.96 percent, life insurance 2.25 percent, banks 2.25 percent, pharmaceuticals 1.81 percent and fuel and power 1.17 percent.

Turnover increased 4.3 percent to Tk 449 crore, compared to the previous day. A total of 1.05 lakh trades were executed where 7.71 crore shares and mutual fund units changed hands on the Dhaka bourse.

Of the total 264 issues that traded on the DSE, 214 advanced and 35 declined. A total of 15 issues remained unchanged.

Jamuna Oil topped the turnover list with 8.21 lakh shares worth Tk 21.78 crore changed hands.

Northern General Insurance Company topped the gainers' list, rising 9.78 percent, while Popular Life Insurance Company was the biggest loser of the day that slumped 25.17 percent.

The Chittagong Stock Exchange also gained yesterday as investors bought shares.

The CSCX, the Selective Categories Index of CSE, advanced 175.05 points, or 1.84 percent, to 9,712.99.

Gainers beat losers 159 to 24 with seven issues remaining unchanged on the port city bourse that traded 91.35 lakh shares and mutual fund units worth Tk 50.63 crore in turnover.

Spain falls back into recession

AFP, Madrid
Spain has tipped back into recession, official data showed Monday, grim news for a cash-strapped economy hobbled by rising debt, soaring unemployment and deeply troubled banks.

Spain's gross domestic product shrank by 0.3 percent in the first quarter of 2012, equalling the slump in the final quarter of 2011, according to preliminary data from the National Statistics Institute.

The return to recession, blamed on weak domestic demand only partially compensated by exports, comes barely two years after Spain emerged from the last downturn at the start of 2010.

It was no surprise just days after an even more pessimistic diagnosis by Bank of Spain, which estimated the economy shrank 0.4 percent in the first quarter.

Despite growing opposition to cuts during a recession with 24.4-percent unemployment in the first quarter, the government has vowed to meet its tough deficit-cutting targets so as to regain market confidence.

Tens of thousands of people took the

streets on Sunday to protest against the conservative Popular Party's austerity measures, especially those affecting health care and education.

"Looking ahead, we fear that things are likely to get worse before they get better," warned ING economist Martin van Vliet.

"Indeed, the ongoing drag from real estate and the sheer scale of Spain's planned fiscal adjustment -- more than four percent of GDP this year -- mean that the recession will almost certainly deepen in the coming quarters, pushing unemployment to even more dramatic highs."

Doubts about Spain's ability to meet its deficit goals have been amplified by the plight of the banks, many bogged down in bad loans extended during a property boom which collapsed in 2008.

Standard & Poor's on Monday downgraded the ratings of the top Spanish banks, including Santander and BBVA, after slashing the country's credit standing because of the deficit and recession.

The banks affected include Santander and its subsidiary Banesto, BBVA, Banco Sabadell, Ibercaja, Kutxabank, Banca Civica, Bankinter and the local unit of Barclays.



EMIRATES
Ram Menen, Emirates' divisional senior vice president Cargo, poses with a crest of the Cargo Airline of the Year 2012 Award at a ceremony organised by Air Cargo News magazine at Lancaster Hotel in London recently.

UCB re-elects chairman

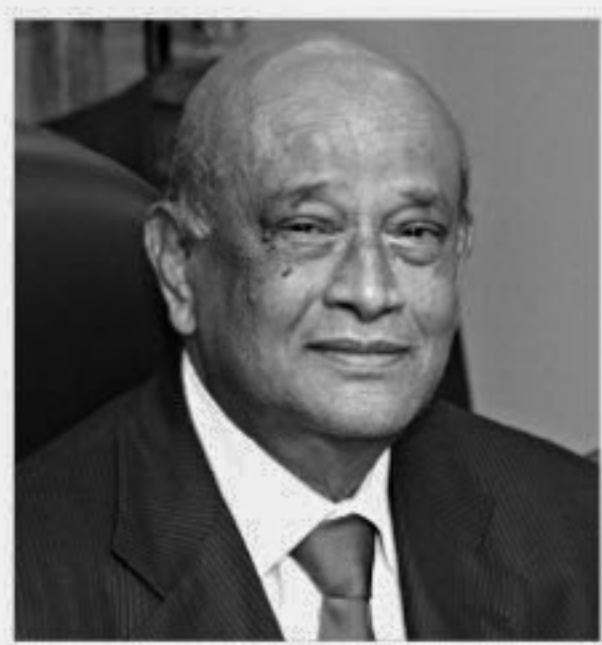
STAR BUSINESS DESK

Akhtaruzzaman Chowdhury has been re-elected as the chairman of United Commercial Bank (UCB), the bank said in a statement yesterday.

Chowdhury is also serving as chairman of the parliamentary standing committee on the textiles and jute ministry.

Showkat Aziz Russell, a top entrepreneur, has been re-elected as vice-chairman of the bank.

MA Sabur has been re-elected as the chairman of



Akhtaruzzaman Chowdhury

New chairman for Jamuna Bank

STAR BUSINESS DESK

Md Mahmudul Hoque has been elected as the new chairman of Jamuna Bank, the bank said in a statement yesterday.

Hoque is also the chairman of Anlima Group and Precision Energy Ltd.



Md Mahmudul Hoque

Prime Bank's newly promoted DMD

STAR BUSINESS DESK

Quazi ASM Anisul Kabir has been promoted to deputy managing director of Prime Bank Ltd recently, said a statement yesterday.

He was serving as a senior executive vice president and head of Motijheel branch of the bank prior to the promotion. Kabir started out in banking with Islami Bank Bangladesh Ltd in 1986 and has been with Prime since 1995.

Kabir has extensive and varied experience in the field of banking. He is a postgraduate in Geology from the University of Dhaka and has an MBA from Bangladesh Open University.



Quazi ASM Anisul Kabir

Not all TIN holders have to pay minimum tax: NBR

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Some \$1.8 million are siphoned off from the country each year through the misuse of transfer pricing, said the NBR chairman, citing estimates by various sources.

Transfer pricing happens whenever two related companies -- that is, a parent company and a subsidiary, or two subsidiaries controlled by a common parent -- trade with each other.

For instance, a US-based subsidiary of Coca-Cola buys something from a French-based subsidiary of Coca-Cola. When the parties establish a price for the transaction, they are engaging in transfer pricing.

Transfer pricing is not, in itself, illegal or abusive. What is illegal or abusive is transfer mispricing, which is also known as transfer pricing manipulation or abusive transfer pricing.

"It is very important and is also practised in other countries," Ahmed said, adding that the NBR would scan how multinational companies use transfer pricing. The NBR would provide training to its officials who will examine transfer pricing, he said.

Ahmed also said the proposed VAT law would be placed in parliament in June for passage.

Adidas warns of irregularities in Indian business

AFP, Frankfurt

German sportswear maker Adidas reported Monday a strong rise in first-quarter profits but warned full-year earnings would be hit by the discovery of irregularities in its Indian business.

Adidas reported a net profit of 289 million euros (\$383 million) in the period January to March, up 38 percent over the year-earlier figure.

Operating profit grew 30 percent to 409 million euros on a 17-percent rise in sales to 3.8 billion euros.

"Growth rates in Greater China, Japan as well as at TaylorMade-adidas Golf were stronger than origi-



Rajiv Prasad Shaha, outgoing chairman of Reliance Insurance, attends the company's 24th annual general meeting in Gulshan in Dhaka yesterday. The company approved 15 percent stock and 15 percent cash dividends for 2011. Newly elected Chairman Shamsur Rahman and Vice Chairman Shahnaz Rahman; and Managing Director Akhtar Ahmed were also present.

RELIANCE INSURANCE

African designers defy cliches and 'come of age'

AFP, Lagos

African designers are fast re-defining styles emerging from the continent as they defy stereotypes and move beyond outsiders' cliched ideas of how Africans dress.

Without abandoning their roots, designers have long embraced a range of new ideas and continue to expand, spreading their influence globally while staying in sync with evolving tastes back home.

"The African designer and African fashion in general is moving in a more global direction," said Tsemaye Binitie, a Britain-based Nigerian designer who launched his label by the same name two years ago.

"We are doing more contemporary work... moving with a more global feel."

Influenced by traditional, long wrap-around skirts, matching blouses and head wraps for women, designers are creating body-hugging jumpsuits, or mini, pencil skirts in the much-loved Ankara fabrics, prints with bold colours and energetic designs once known as Dutch Wax cloth.

Their message aims at those whose only perception of the continent is an outdated one: Africa's style and creativity goes far beyond what is often shown on Western television sets.

A recent fashion week in Nigeria's largest city of Lagos put these trends -- and diversity -- on display. More than 70 designers lined up for the event, includ-

ing some from outside of Africa.

The African collections at the shows included hints of the traditional with a modern flair -- an approach that has proven successful at home and abroad.

Dresses in Ankara fabrics were embellished with precious stones or sequins, while animal prints or tribal-themed fabric were used for collars on bespoke suits.

"African designers have definitely come of age," said Penny McDonald, organiser of the event known as Arise Magazine Fashion Week.

"Our chosen designers all created contemporary, wearable, creative African designs that are commercial enough to transport internationally."

Traditional African prints are also moving with the times.

"In Bangkok, people love it because it's something different. It's something new. It's something vibrant," said Maureen Ikem Okogwu-Ikokwu, a Nigerian designer based in Thailand.

"We are much more appreciated right now. People are looking to us, respecting us."

Ivory Coast designer Loza Maleomboho was one of the few who showcased a collection made exclusively from traditional African textiles, notably the colourful, interwoven silk and cotton kente cloth from Ghana and her native country. Her models strutted the catwalk with heads wrapped in brown turbans, recalling those worn by Tuareg nomads.

Microsoft teams up with Barnes & Noble on ebooks

AFP, Washington

Microsoft teamed up Monday with US bookselling giant Barnes & Noble in a venture aimed at grabbing a bigger share of the rapidly growing market for electronic books.

The world's biggest software group will make a \$300 million investment in a new Barnes & Noble subsidiary focusing on the bookseller's digital reading capabilities, including its Nook tablet, and its college businesses.

The move appears to end a long patent dispute between the two firms and brings them together to battle Amazon's popular Kindle tablet and ebook reader, as well as the surging Apple iPad.

The Nook, which is the B&N competitor in the segment, will get an application for Microsoft's Windows 8 operating system.

This "will extend the reach of Barnes & Noble's digital bookstore by providing one of the world's largest digital catalogues of e-books, magazines and newspapers to hundreds of millions of Windows customers in the US and internationally," a joint statement said.

The investment will give Microsoft a 17.6 percent stake in the as-yet unnamed unit that "will accelerate the transition to e-reading, which is revolutionizing the way people consume, create, share and enjoy digital content," the statement said.

The alliance appeared to offer benefits

for both firms: Microsoft gets an entry into the tablet computer segment dominated by Apple and devices powered by Google's Android operating system, while B&N gets a much needed cash injection.

"This is big news for both Microsoft and Barnes & Noble," said independent analyst Jeff Kagan.

"It not only gives the Nook a shot in the arm, but gives Microsoft new ground to expand their brand and market new services."

Barnes & Noble, which has been struggling with red ink from its brick-and-mortar stores, saw its shares skyrocket in opening trade as much as 85 percent, and in morning trade had gained 65 percent to \$22.53. Microsoft shares gave back early gains and were down a marginal 0.05 percent at \$31.96.

In January, Barnes & Noble -- whose market value has plummeted in recent years -- had announced plans to spin off its digital business to maximize value for its shareholders.

"The shift to digital is putting the world's libraries and newsstands in the palm of every person's hand, and is the beginning of a journey that will impact how people read, interact with, and enjoy new forms of content," said Microsoft president Andy Lees.

The company's input would "accelerate e-reading innovation across a broad range of Windows devices," Lees said.



Abdul Matin, chairman of Metropolitan Medical Centre (MMC), and Ramdir Ray, senior liver transplantation surgeon of Indraprastha Apollo Hospitals, attend a press conference at Mohakhali in Dhaka recently. Indraprastha Apollo Hospitals in New Delhi and MMC have joined hands to further improve healthcare services. M Akhteruzzaman, managing director of MMC, was also present.



Mahbub Jamil, chairman of Singer Bangladesh Ltd, attends the company's annual general meeting held at Trust Milonayoton in Dhaka yesterday. The company approved 30 percent cash dividends for 2011. AM Hamim Rahmatullah, managing director, was also present.