

# Stocks pass depressed week

## Political tension dampens market optimism

STAR BUSINESS REPORT

Stocks ended the last week flat, after a significant correction amid fears of political instability stemming from the disappearance of an opposition party leader.

The DGEN, the yardstick of Dhaka Stock Exchange, declined only 0.04 percent to finish the week at 5,161.23 points. The CSCX, the benchmark index of Chittagong Stock Exchange, fell 0.5 percent to 9,757.18 points.

Analysts said the market was depressed by political nerves.

On the opening day of last week, the DGEN went down 152 points, indicating another prolonged downward trend.

"However, the market bounced back on Monday and Wednesday relying on speculations of sponsors' buy and congenial announcement from the NBR and DSE meetings," LankaBangla Securities, a leading stockbroker, said in its weekly market commentary.

The market clawed back its lost ground at the end week, the stockbroker added.

The total turnover fell by 52 percent to Tk 1,814 crore on the Dhaka bourse. Average daily turnover stood at Tk 453 crore on the DSE, 40 percent lower than the previous week.

A total of 4.26 lakh trades were executed with 30.28 crore shares and mutual fund units changing hands on the Dhaka

bourse. Of the 273 issues traded, 135 declined, 128 advanced and 10 remained unchanged.

The top gainers were insurance that increased 7.02 percent, engineering 3.82 percent, cement 2.39 percent, IT 2.02 percent and banks 0.91 percent.

Conversely, the biggest losers were the miscellaneous sector that fell 4.54 percent, ceramic 3.15 percent, service and real estate 1.81 percent and telecoms 1.68 percent.

On the Chittagong bourse, a total of 3.46 crore shares and mutual fund units changed hands on a value of Tk 182 crore. Of the 210 issues that traded on the port city bourse, 116 declined, 84 advanced and 10 remained unchanged.

## Joint venture firm to make energy-saving bulbs in Munshiganj

OUR CORRESPONDENT, Munshiganj

A plant will be set up in Munshiganj Sadar upazila to make environment friendly and energy saving bulbs every day. The bulbs will give light for three hours during load shedding.

Eco Energy City is being built on three acres of land. It will house an IT training centre, a free medical centre, an old home and an orphanage. Batches of the recruits to work in the city have already been sent to Japan for training.

Brig Gen (retd) Enamul Haq, state minister for power, energy and mineral resources, and Shiro Sadoshima, Japanese ambassador to Bangladesh, laid the foundation stone of the plant -- Eco Energy City -- at Jorar Deul in the upazila yesterday.

Around Tk 300 crore will be invested in the plant, which will provide employment for nearly 1,000 people.

It is a joint venture of Camy Electronics of Japan and Bangladeshi firm Raja Group. Owner of Raja Group MM Raja presided over the foundation laying ceremony. Local lawmaker M Idris Ali and Munshiganj Deputy Commissioner Md Azizul Alam spoke among others.

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Coordinator of the project Md Azizur Rahman said the plant would be able to meet the demand of the country for environment friendly lights and will also export.

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ETIHAD AIRWAYS

Michael Venus, vice president for corporate affairs of Etihad Airways; Aubrey Tiedt, vice president for guest services; Peter Baumgartner, chief commercial officer; Lee Shave, vice president for guest experience, and Hareb Almuhaire, vice president for UAE sales, poses with the World Travel Award for Middle East's Leading Airline 2012 at a ceremony in Dubai recently.

## Sylhet businessmen want vendors off footpaths

STAFF CORRESPONDENT, Sylhet

Business leaders in Sylhet yesterday demanded the government immediately remove illegal vendors and makeshift shops from the footpaths in the city in a bid to address traffic congestion.

At a meeting at Sylhet Chamber of Commerce and Industry (SCCI), they said the administration should take effective measures to resolve the long-standing problem, which has remained unresolved for years. SCCI President Faruque Ahmed Misbah chaired the meeting.

The leaders also said the finance minister, also a lawmaker from Sylhet Sadar constituency, assured the city people several times of clearing the city roads, but in vain.

If the local administration keeps the shopping malls and markets of different zones in the city shut for one day a week in rotation, it may ease traffic jams, they said.

On the other hand, things could be resolved easily by freeing the pavements and roadsides of illegal vendors and hawkers without any delay, they added.

Besides, they also demanded strengthening the traffic police department of Sylhet Metropolitan



Anir Chowdhury, policy adviser to Support to Digital Bangladesh Programme (A2I), speaks at a seminar on e-learning arranged by aSIX with support from Citycell Zoom Ultra in partnership with Bangladesh Society of Human Resources Management and Prothom Alo Jobs, at Spectra Convention Centre in Dhaka recently. NI Khan, personal secretary to the prime minister, was also present.



Md Sulaiman Ajanee, chairman of Industrial Promotion and Development Company of Bangladesh Ltd, attends the company's 30th annual general meeting in Rajendrapur of Gazipur recently. The company approved 10 percent stock dividends for 2011. Mominul Islam, managing director, was also present.

## Inflation drops to single digits

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The same time prices of flour and loose soybean oil fell by 1 to 1.5 percent compared to their prices a month ago. But the prices of various pulses, garlic and onion increased by 3 to 30 percent over this time. Price of potato also rose by about 61 percent.

Officials of Bangladesh Bank (BB) said the boro harvest had started and would continue for about two months. As a result, the possibility of a rise in inflation over the next couple of months was very slim, they added.

A high official of the central bank said the government and the BB's target of bringing down inflation to single digits in the current fiscal year depends on how much inflation decreases on a point-to-point basis.

According to BBS data, urban people spend more on essentials than rural people do, as inflation is still in the range of double digits in the urban areas.

In April, the overall inflation in the rural areas was 9.21 percent, which was 11.77 percent in the urban areas where food price is higher.

In urban areas, food inflation was 10.72 percent, which was 7.01 percent in the rural areas.

Mollah of the BBS said economy of every country experiences inflation to some level. What needed to be considered was whether the purchasing power of people has increased.

He said inflation rose by more than 9 percent but wage rate went up by 13.63 percent in April.

According to Mustafizur Rahman of the CPD, wage goes up when inflation increases, but the people of fixed income bracket do not get the benefit.

## Latifur leaves for Oslo to receive Business for Peace Award

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An independent committee of Nobel Prize winners in peace and economics decide the recipients of the award. They adhere to the criteria for "being businessworthy" stipulated by the Foundation.

The award giving committee consists of Prof Muhammad Yunus, Nobel peace prize laureate in 2006, and Prof A Michael Spence, Nobel laureate in economic sciences in 2001.

Prof Dr Wangari Muta Maathai (Nobel peace prize laureate in 2004), who died on September 25, 2011, was the third member of the committee.

The supporting partners of the Business for Peace Foundation are International Chamber of Commerce, World Chambers Federation, The City of Oslo, The Oslo Chamber of Com-

merce and the initiators of The Oslo World Trade Centre.

The Business for Peace Foundation, Oslo, has been awarding the Oslo Business for Peace Award since 2009.

The recipients of the award in 2009 and 2010, among others, include world renowned business personalities.

In 2010, Ratan Tata, chairman of Tata Group of India, Francis Yeoh, managing director of YTL Corporation, Malaysia, and in 2009, Jeffery R Immelt, chairman and CEO of General Electric of USA, Anders Dahlvig, CEO of IKEA, Sweden, and Zhengrong Shi, chairman and CEO of Suntech Power (the largest manufacturer of Solar Modules in the world), were among the recipients of the award.

## Paragon Agro generates its own electricity from waste

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The other two plants went into operation in October in Gazipur and Mymensingh.

The Gazipur plant has a capacity to generate 300 KW of electricity and the Mymensingh one has a capacity of 125 KW.

The company will also make organic fertilisers using the slurry produced as a by-product in the biogas digesters.

The three plants have the capacity to produce up to 25,000 tonnes of organic fertiliser a year, said Rahman. He said the project helps them manage the waste properly. "It will also reduce the risk of diseases."

Paragon said it has used Chinese and European technologies to set up the biogas plants.

The company set up the plants with a total investment of Tk 15 crore. Of the total fund,

Paragon Agro financed Tk 5 crore and borrowed Tk 10 crore from BRAC Bank to establish the plants, Rahman said.

Also the managing director of Paragon Group, Rahman said the electricity to be generated from the biogas plants will be supplied to adjacent poultry farms of Paragon Poultry Ltd at Tk 4 per kilowatt-hour.

He however said the biogas plants would not make the venture cost-effective.

"Power generation through the biogas plants will be costlier. We plan to benefit through cost-recovery from selling the fertiliser," he said.

Paragon has fixed the price of organic fertiliser at Tk 15 per one-kilogramme packet, while the price of bulk fertiliser will be lower.

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## Fiat cuts India distribution tie with Tata Motors

REUTERS, Mumbai/Milan

Italian carmaker Fiat is to set up its own car dealer network in India to grow sluggish sales, ending a six-year distribution agreement with Tata Motors.

Fiat said on Wednesday the move should help build its business in India, a booming market where foreign producers Ford, Honda and Nissan have recently acted to take more control of their own operations.

The company, which sells 20,000 cars per year in India and did not say how much it would invest in developing its dealer network there, is far behind European and US competitors in high-growth Asian markets, with scant presence in China, the world's biggest market.

Fiat, which will set up a new company to sell its models and build on the network of Fiat-Tata dealerships, has a fair amount of brand recognition - its 1100 sedan was sold under licence in India from the mid-1950s to 1997, first as the Fiat 1100 Delight and then as the Padmini. The car

## Indian importer delays payments to 22 garment exporters of Bangladesh

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"Lilliput owes me \$7 lakh. But I do not see any possibility of receiving the amount soon," he said.

Abdul Matlib Ahmed, president of India-Bangladesh Chamber of Commerce and Industry, who also met Narula two months ago to seek a solution to the problem, said the exporters have to wait further as the company is trying to find a new owner to run its operations. "The exporters did not face any problem with Lilliput earlier," he said.

Leaders of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) also sent a letter to the Indian high commissioner in Dhaka for a solution.

"We have a plan to invite the Indian envoy to our office soon to inform him about the latest development of the situation," said BGMEA Vice-president Faruque Hassan. The problem arose at a time when exports of Bangladeshi apparels to India have been on the rise riding on a duty waiver by India since September last year.

According to data from Bangladesh's Export Promotion Bureau, the country exported garments worth \$30.61 million to India, registering a 77.92 percent growth, during September-March of the current fiscal year compared with the same period last year.

Of the total amount, knitwear accounted for \$6.47 million, with a 69.73 percent rise, while woven garments earned \$24.15 million and posted an 80.25 percent growth during the period.

## Yahoo in talks to sell 15-25pc of Alibaba

REUTERS, San Francisco

Yahoo Inc could be weeks away from selling 15 to 25 percent of Alibaba Group's stock back to China's largest e-commerce company, in a deal designed to eliminate complexities that had scuttled the parties' previous negotiations, a person familiar with the matter said.

The two companies have been in talks for a month, the person said, but cautioned that there is no guarantee a deal will be reached.

Numerous discussions have been held in recent years about a deal for Alibaba to reclaim some or all of the 40 percent stake in the company that Yahoo acquired in 2005.



Abu Nasser Muhammad Abdus Zaher, chairman of Islami Bank Bangladesh Ltd, speaks at a day-long conference of the bank's field officers in Dhaka yesterday. Mustafa Anwar, vice chairman, was also present.



Md Nurul Afser, owner of Tide International Ltd, and Md Nurun Amin, managing director of NCC Bank, attend a programme where Tide signed a deal to equip NCC Bank Bhaban with Gree central air conditioning. Mofazzal Hossain, project director of NCC Bank Bhaban, was also present.



Abdullah Al Mossaddek, managing director of Jenny's International Ltd, and Shafiqul Islam, a player of Bangladesh cricket team, inaugurate a showroom of the firm at Jalleshwaritala in Bogra recently.