Stocks return to the red

STAR BUSINESS REPORT

Stocks returned to the red yesterday, as investors sold shares and mutual fund units to withdraw cash ahead of the Eid festival.

DGEN, the benchmark general index of Dhaka Stock Exchange, finished the day at 4,456.80 points, after falling 24.74 points or 0.52 percent.

"The upcoming Eid festival and initial public offerings issues pulled out a portion of fund from the market while, investors were waiting for earnings-based market movement after disclosure of quarterly earnings from the last week of October," said IDLC Investments.

In the present market condition, investors were not panicky, rather indecisive regarding future market movement, the merchant bank said.

Turnover declined 13.57 percent to Tk 419 crore, compared to the previous day, which is the lowest since August 26.

A total of 1.03 trades were executed with 9.76 crore shares and mutual fund units changing hands on the Dhaka bourse.

All the major sectors ended the day in the red. Power lost 1.09 percent, followed by banks 0.62 percent, pharma 0.58 percent, non-bank financial institutions 0.25 percent and telecom 0.44 percent.

Of the total 277 issues that were traded on the DSE, 98 advanced, 152 declined and 27 remained unchanged.

United Airways featured in the most traded stocks chart with 1.35 crore shares worth Tk 40.93 crore changing hands.

Saiham Textile was the biggest gainer of the day, as it posted a 6 percent rise, while aamra technologies was the worst loser, plunging by 14.77 percent.

CSCX, the selective categories index of Chittagong Stock Exchange, finished the day at 8,673.74 points, after declining 34.58 points or 0.39 percent.

Gainers beat losers 109 to 60 with 20 securities remaining unchanged on the port city bourse that traded 1.16 crore shares and mutual fund units with Tk 45.71 crore in turnover.

Lub-rref launches new lubricants

STAFF CORRESPONDENT, *Ctg*

Lub-rref (Bangladesh) Ltd, a lubricant producing company in Chittagong, yesterday launched three new and upgraded lubricant products - - Heavy Duty Plus, Diesel Super and CNG Special -- under the BNO brand.

Abubakar Siddique, chairman of Bangladesh Petroleum Corporation, launched the products at the office of Lub-rref in the port city.

"Foreign companies have been selling their lubricant products in our country at a high cost, but Lub-rref, through its relentless research, is now producing international standard lubricants much more cheaply," said Mohammad Yusuf, managing director of Lub-rref.

People can purchase these quality products at competitive prices, he said.

KFC offers two new chicken meals

STAR BUSINESS REPORT

Restaurant chain KFC yesterday launched two new chicken meals -- Popcorn Chicken and Tiffin Meal -- in an effort to reinvent quality foods riding on its food mantra "finger-lickin' good".

Akku Chowdhury, managing director of Transcom Foods that operates KFC and Pizza Hut in Bangladesh; singer Tishma and model Munmun introduced the meals at a ceremony at KFC's Gulshan outlet in the city.

Each 75 gram pack of Popcorn Chicken priced at Tk 150 comes with crispy, bite-sized and delectable pieces of popcorn.

As part of the Tiffin Meal, a snake time burger and a glass of Pepsi will be on offer only for Tk 75. Young and old school students alike will be able by showing their student identity cards to enjoy the afternoon delight from 3pm to 6pm in four KFC outlets: Mirpur, Chittagong, Laxmibazar and Eskaton.

"We love to come up with great new products for our customers," said Chowdhury.

KFC has nine outlets in Dhaka, one in Chittagong and one in Cox's Bazar.

SKILLFUL

Ahmed-Al-Kabir, chairman of Rupali Bank, attends a roundtable organised by Skills for Unemployed and Underemployed Labour (SkillFUL) -- a project jointly funded by the European Union and Swiss Agency for Development and Cooperation -- in Dhaka on Tuesday. Devi Prasad Dahal, project manager of SkillFUL, was also present.

STAR

***Right*, Akku Chowdhury, managing director of Transcom Foods, operator of KFC in Bangladesh, poses with the restaurant chain's new meal -- Popcorn Chicken -- at KFC's Gulshan outlet in Dhaka yesterday.**

Microfinance should reach more of the poor, in a sustainable way: ADB

STAR BUSINESS REPORT

Microfinance needs to reach more of the poor in Asia and the Pacific, but do so in a financially sustainable way, said a new study from the independent evaluation department at the Asian Development Bank (ADB).

The study, Microfinance Development Strategy 2000: Sector Performance and Client Welfare, emphasises the twin goals of microfinance: reaching the poor and being financially sustainable, said the lender yesterday in a statement.

With microfinance becoming increasingly commercialised in the region, the study stresses the role of government and agencies such as ADB in addressing the financial needs of the poor, while at the same time ensuring the institutional sustainability of microfinance providers.

"Despite the increasing popularity of microfinance in recent years, expanding the access of poor households to institutional financial services remains a great challenge to governments and development agencies," said Vinod Thomas, director general of the independent evaluation.

The study found that the penetration of microfinance among the poor in Asia and the Pacific remains low.

As of 2010, some 20 percent of the population living below the poverty level of $1.25 per day had direct access to microfinance services in 21 developing countries receiving ADB microfinance support.

Microfinance is seen in the region as an important means to helping low-income households take advantage of economic opportunities and improve living standards. But the degree to which it actually reaches the poor and improves their welfare is under public scrutiny.

A review of two programmes in Pakistan and Vietnam points to an apparent trade-off between targeting and effectiveness of microfinance. Smaller loans were better at targeting the poor, but less effective than larger loans in producing welfare benefits.

In the Pakistan programme, the average loan was $195 but reached substantially more borrowers living below the national poverty line than in the Vietnam programme, where the average loan was $1,972.

The study found more positive direct and indirect welfare benefits in the Vietnam programme than in the Pakistan programme.

Microfinance needs to better target the poor and focus more on educating them in using basic financial services, as well as more effectively link microfinance services to complementary pro-poor interventions to have a greater impact on reducing poverty in the region, according to the study.

ADB is one of the largest providers of microfinance support in the region. Between 2000, when the Manila-based development bank launched its microfinance development strategy, and 2010, it approved nearly $2.8 billion through 88 loans, grants, technical assistance operations, and private sector investments.

Technology-based solutions such as mobile phone and internet banking, payment cards, and electronic money can help microfinance institutions reduce operating costs and expand the reach of their services.

"By and large microfinance has become an industry and is operating on a market basis in many countries," said Binh Nguyen, principal author of the evaluation.

"Far more attention must be given to the financial literacy of the poor, consumer protection, and accountability to customers to ensure sound microfinance practices and that the poor have access to safe financial services."

Bangladesh seeks Kuwait's help to set up oil refinery

FROM PAGE B1

She also requested the Kuwait government to recruit more skilled and semi-skilled workers from Bangladesh and thanked the Kuwaiti prime minister for raising the minimum wage from 20KD to 60KD for the workers.

Sheikh Jaber assured the Dipu Moni of giving a positive consideration to all the requests, and he referred to the deep-rooted friendly bilateral relations existing between the two countries.

He recalled with gratitude the invaluable support provided by Bangladesh during the Kuwait War, and the continued support by Bangladesh Armed Forces to Kuwait till date. He mentioned of his high impression of Bangladesh military as previous defence minister of Kuwait.

The foreign minister handed over an invitation letter from Prime Minister Sheikh Hasina to the Kuwaiti prime minister, who received the letter with thanks and expressed his desire to visit Bangladesh at a mutually convenient time.

The issue of providing assistance by Kuwait for procurement of dredgers was also discussed during the meeting.

Earlier, in the evening, Vice Foreign Minister of Vietnam Le Luong Minh called on Dipu Moni, and discussed issues related to mutual interests and the upcoming Prime Ministerial bilateral visit to Vietnam next month.

Vietnam assured of working closely with Bangladesh to make the visit a success. It was decided that several agreements would be signed during this visit. Both sides also agreed to continue cooperation on bilateral, regional and international issues.

SOUTHEAST BANK

Mahbubul Alam, managing director of Southeast Bank, and K Muzammel Huq, managing director of Enterprise Development Company Ltd (EDCL), attend a programme recently where EDCL signed a deal to be the bank's marketing and recovery agent for bio-gas plants loan financing.

TRUST BANK

Shah A Sarwar, managing director of Trust Bank, and Mohammad H Rashid, executive vice president of Placid NK Corporation, shake hands after signing a money transfer agreement at a ceremony at the head office of Placid in New York recently.

AB BANK

Wahidul Haque, chairman of AB Bank, and Than Lwin Oo, general manager of Myanma Economic Bank, Myanmar, pose with the delegation from the latter's organisation, after a training programme organised by the bank for the delegation recently. M Fazlur Rahman, managing director of AB Bank, was also present.

Pragati Insurance gets new MD

STAR BUSINESS DESK

Md Manirul Islam has recently joined Pragati Insurance Ltd as managing director, the company said in a statement yesterday.

Islam has an M.Com degree in accounting from Dhaka University.

Islam joined Sadharan Bima Corporation in 1981 as a trainee officer, and became deputy manager in

Furniture exports rise 27pc

FROM PAGE B1

Akhterruzzaman said the furniture market can expand further, both at home and abroad, by blending technology, skilled manpower, quality raw materials and designs.

At present, 17 members of BFEA are involved in furniture export, with Otobi, Akhtar, Hatil, Brothers, Partex, Navana and Furnitec being the major players.

Apart from these member companies, other companies, too, export furniture to the neighbouring countries.

Otobi, the country's leading furniture maker, registered double-digit export growth in last several years, and is exploring new markets by regular participation in international fairs.

"We exported Tk 7 crore worth of furniture in the last fiscal year, up by 15 percent from the previous fiscal year," said Zia Uddin Ahmed, chief commercial officer of Otobi.

The official said Otobi is expecting its export revenues to hit the Tk 30 crore-mark in the next five years.

Salim H Rahman, managing director of Hatil Complex Ltd, one of the renowned furniture makers in the country, said international buyers want quality products at a competitive price.

"Chinese labour costs increased significantly in last several years, and so did furniture production costs. As a result, buyers are looking for alternative sources -- and Bangladesh could be that."

Rahman said Global Factory Ltd, a joint venture of between the Danish firm Smoke Solution and local furniture maker Hatil Complex Ltd, is exporting 250-300 pieces of smoke-filtering cabins worth Tk 4.50 lakh each to a number of countries, including Denmark, Netherlands and Japan.

Akhteruzzaman, who is also the managing director of Akhtar Furnishers Ltd, said import of furniture has significantly declined in the last several years due to the growth in domestic furniture industry.

BSTI cancels fruit drinks licences of seven companies

FROM PAGE B1

"As such, we are in the process of changing the old labels and formulations of the fruit-flavoured drinks we were selling in the small plastic bottles," said Kamal.

He added that Pran, being the country's largest food processor, has been manufacturing different types of fruit juices and drinks for the last two decades and selling them in local markets as well as 88 other countries.

"We are producing these products as per BSTI and other international standards -- and maintaining the highest level of quality at all times."

He, however, assures that Pran's fruit juices have not faced any cancellation of their licences by the BSTI.

The national food standard body also banned 24 other firms from using its logo on their packaging of: chutney, wafer biscuits, vermicelli, coriander

GAP official to arrive in Dhaka on Saturday

FROM PAGE B1

The GAP official wants to be assured that the country has the capacity to deliver the increased number of apparel items in time, he said.

Silten will meet the high-ups of the government and is supposed to express concern on labour unrest and inadequate supply of gas and power to industrial units, said Azad, who is also the president of the Federation of Bangladesh Chambers of Commerce and Industry.

Silten has a meeting with Commerce Minister GM Quader at his office on the following day, Azad said. She will also meet the sector's business leaders.

She wants higher payments for workers to avoid labour unrest in the sector, Azad said.

The company purchases a few hundred million dollars worth of high-end garment items from Bangladesh annually, he said. But he could not give any exact