

# Downtrend brings protestors back

STAR BUSINESS REPORT

Small investors under the banner of Stock Market Investors' Association staged demonstrations in front of Dhaka Stock Exchange yesterday to protest a relentless fall in shares prices in the last seven days.

At the end of the trading session, aggrieved investors chanted slogans against the market regulator and bourses. They also blamed the downturn on the inactivity of institutional investors.

Stocks ended flat yesterday, as institutional investors adopted a wait-and-see policy anticipating a long-term bearish trend.

DGEN, the benchmark general index of Dhaka Stock Exchange, finished the day at 4,347.63 points, after gaining 3.02 points or 0.06 percent.

"Week ended over sluggish session on the bourse. As the market was sliding continuously, market participants avoided taking a fresh position," said IDLC Investments in its regular market research.

Rather, as the 'fear' started to dominate, investors preferred to liquidate their earlier position at break-even or with marginal loss, the stockbroker said.

Recent poor quarterly earnings, forthcoming initial public offerings and year-end anomaly are acting as a catalyst for the bourse to enter into a 'downtrend' regime, IDLC said.

"Although key economic indicators are positive, a lack of investors' participation and scarcity of earnings growth are pulling the market down," said LankaBangla Securities in its daily market commentary.

Turnover rose 3.1 percent to Tk

276 crore from the previous day. A total of 0.78 lakh trades were executed while 6.91 crore shares and mutual fund units changed hands on the Dhaka bourse.

Of the 268 issues traded on the DSE, 74 advanced, 177 declined and 17 remained unchanged.

Among the major sectors, telecom rose 1.16 percent, the most gaining sector, non-bank financial institutions 0.17 percent. Pharmaceuticals lost 0.01 percent, power 0.65 percent and banks 0.19 percent.

United Airways continued to feature in the most traded stocks' chart of the day with 1.04 crore shares worth Tk 28.37 crore changing hands.

National Polymar was the biggest gainer of the day, as it registered a rise of 9.38 percent, while Desco was the worst loser, plunging by 14.21 percent.

## Allegation of rawhide smuggling into India through Kurigram

UNB, Kurigram

not get their expected prices from local tanners.

The safe routes for smuggling hides and skins are; Garakmandop, Namatari, Khalishkotal, Boshkotal, Bidiyabagish Thos, Kashiabari, Nazirhat and Uttar Anantapur Hajitari borders.

Hide smuggling continues all the year round through the routes, said Abdul Latif and Rafikul Islam, residents of Fulbari upazila along Anantapur border.

Contacted, Subedar Shahid Uddin, Kashimpur company commander of BGB-45 battalion, said stringent security measures have been taken to check such hide smuggling.



Martin Ferguson, Australian tourism minister, and Andrew Parker, Emirates' senior vice president for public, international, industry and environmental affairs, pose after signing a deal between their organisations recently. They will spend up to AUS\$14.3 million to promote tourism from Europe and New Zealand.

## New office bearers of DBCCI

STAR BUSINESS DESK



Shahzada Hamid

Shahzada Hamid, managing director of Landmark Bangladesh Ltd, has recently taken the charges as the new president of Dutch-Bangla Chamber of Commerce and Industry, according to a statement yesterday.

AKM Alamgir, managing director of Bengal Overseas Ltd, and Md AS Afser, managing director of Sakkhi Lines Ltd, are the new vice presidents of the chamber. The new committee took charge of the chamber at its annual general meeting chaired by its outgoing presi-

## Five-year plan misses key targets in two years

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He, however, added that much progress was made in a number of fields that include information and communication technology and sanitation.

The inflation target, too, was not met for the year: the target was 7 percent but it stood at 10.6 percent.

The GED report, which assessed the progress made in the last two years, said the monetary and fiscal policies need to be coordinated for the monetary growth rate to be consistent with the sixth plan's inflation target.

It also said proper implementation of Bangladesh Bank's monetary policy statement is imperative for achieving the lower inflation rate.

GDP growth target, which was 7 percent, was not achieved, along with the sectoral GDP growth for agriculture and service.

The GED review report, however, said 95 percent of the targets were met in the two years of the current five-year plan, when the attainment rate of the past five-year plans since independence was between 63 to 84 percent.

To achieve the GDP growth target of the sixth plan, Bangladesh needs to mobilise substantial higher inflows of official aid and FDI, according to the report.

The report, however, has drawbacks as it could not employ accurate sectoral data, which comes on a 3-5 year cycle, and measurements of the performance of public institutions and governance, which does not exist. The report added there are serious limitations to the conduct of proper monitoring and evaluation of sectoral and national programmes -- and will need

## HSBC lends \$60m to Power Grid Company

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This is the first time a state-run energy company has obtained a commercial loan from a financial institution, Abul Kalam Azad, power secretary, told reporters. He said PGCB, a profit-making company whose revenue grew 14 percent last year, is being able to borrow the fund at commercial rate because of its strong financial health.

The interest rate is 4.5 percent and the loan is repayable within six years, said Jamal Ullah.

Andrew Tilke, chief executive officer of HSBC Bangladesh, expressed his bank's willingness to finance similar projects in the country's energy sector.

PGCB is responsible for operation, maintenance and development of the transmission system for the distribution of the electricity generated in the country.

The company is borrowing the fund mainly to construct the Barisal-Bhola-Borhanuddin 230kV double circuit power transmission line.

A part of the fund will also be used to finance other power sector projects, including a small power plant in Bhola, said Tawfiq-e-Elahi Chowdhury, energy adviser to the prime minister.

## Exports rise 9pc in Oct

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Woven export earnings, at \$3.21 billion, were 9.49 percent higher. Although the volume orders are increasing, it is becoming difficult to fulfil them due to inadequate supply of gas and power to the industrial units, Shafiqul Islam Mohiuddin, president of the Bangladesh Garment Manufacturers and Exporters Association, told The Daily Star.

"Moreover, higher rate of bank interest is also acting as a barrier to the growth of business," Mohiuddin said, adding that exports to new destinations are increasing at a faster rate.

Of the first quarter's earnings from garment exports, 12 percent came from the new destinations, which are markets other than the US, EU and Canada.

Mohiuddin said Bangladesh needs to strengthen its diplomatic relations with the major developing and developed countries for the sake of increasing the export earnings.

Mohammad Hatem, vice-president of Bangladesh Knitwear Manufacturers and Exporters Association, said rebound of the US economy is one of the major causes for the improved earnings from garment exports.

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## JS panel for reforms in banking sector

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The government should bring more reforms in the banking sector to prevent recurring of Hall-Mark scam like incidents in future, said a parliamentary sub-committee yesterday.

The sub-committee probing the Hall-Mark scam made the remarks after its concluding meeting with officials of Bangladesh Bank and the Finance Division at Sangsab Bhaban in the capital.

"Some reforms have already been taken place in the finance sector and more are required to prevent such scams," said Awami League lawmaker Tazul Islam, leader of the three-member body.

He said they may submit its report identifying the culprits behind the scam to the parliamentary standing committee on the finance ministry by November.

"We will also make some recommendations on how such scams can be avoided."

The body believes the banking regulator performed its part properly to reveal the scam, he said.

MA Mannan and Gulam Dastagir Gazi are the other members of the sub-committee formed by the parliamentary standing committee on the finance ministry on September 3.

The body will also look into the transactions of top 10 borrowers in the four state-owned commercial banks and the BASIC Bank.

## Petrobangla's plans to hike gas prices evoke criticism

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"The prices will be decided after the public hearing where all stakeholders will get opportunities to make their case," he said at a meeting in his office in the city.

At the meeting, Consumers Association of Bangladesh (CAB), a consumer rights protection group, along with independent experts and users requested the commission to send back the proposals to Petrobangla.

At the request of the CAB, Haque asked the distributing gas companies to come up with their respective price hike proposals.

Nurul Islam, a former professor at Bangladesh University of Engineering and Technology (Buet), said the commission must stick to the laws; otherwise it would be controversial.

Prof Dr M Shamsul Alam, an energy adviser to the CAB, threatened that the group would not take part in the hearing if the distributing companies do not submit their own price hike proposals.

He said, under the current law there is no way to take into consideration the proposals of Petrobangla.

Monjurul Hoq, chairman of Mintex Fashion Ltd, said Petrobangla has proposed to increase the price of gas at a time when the industries are not getting gas at adequate pressure even for four hours a day. "Still, we are pay-

ing the full bills," he said.

One industrialist said they have invested hundreds of crores of taka to set up captive power plants to produce electricity from gas.

"If the commission increases the gas prices by more than 100 percent, many industries will fold operation because of a steep rise in production cost."

Salim Mahmud, a member of BERC, said the managing directors of Jalalabad Gas Company, Karnaphuli Gas Company, Pashchimanchal Gas Company, Gas Transmission Company, Titas Gas and Bakhrabad Gas Company have given authority to Petrobangla to proceed with the proposals.

"It seems pre-planned," said Alam of the CAB.

Mahmud also said there is a 'grey area' in the laws and he would look into the issue.

Zakir Hossain Nayan, president of Bangladesh CNG Stations and Conversion Workshop Owners' Association, said it is illegal to raise the prices of gas when the distributing companies are already making profit.

Petrobangla has proposed to set the gas price at Tk 25 per thousand cubic feet, which also drew criticism.

"Who has given Petrobangla the authority to fix the price? Only the parliament can do it," said Islam.

Petrobangla, however, did not propose any price hike for residential users.

This is the second time the government is going to increase the prices of gas after coming to power three years ago. In 2009, gas prices went up on an average by 11.11 percent.

ployment rate, according to the nation's statistical agency.

Despite all the bad news looming on the horizon, Yunus is not losing hope. He pins hopes on the power of the youth, technology and innovation.

"The world is changing very fast. And we want to take advantage of that speed; speed not in the direction of destruction, not in the direction of hopelessness; but speed to build a new structure which will give us a new ability to let the world rise," he said.

Yunus led a 32-member delegation from Bangladesh to the summit, with each of them getting an opportunity to introduce himself or herself on stage to the rest of the audience amid loud cheers.

Companies like Danone, Intel Corporation, SAP, Veolia Water, Uniqlo, Renault, McCain and Brizol Foods joined the summit to share their expertise and progress in developing innovative technology solutions within a social business framework.

The social business summit, now in its fourth year, is being organised by Grameen Creative Lab of Germany and Yunus Centre under the leadership of Yunus.

## Ride out the gloom

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"We don't deserve these problems. We don't deserve this doom and gloom. We don't deserve this hopelessness," said Nobel laureate Muhammad Yunus at the summit at the Australia Centre, where more than 600 people from different parts of the world gathered to share ideas and build a network.

"People who are unemployed don't deserve this. There is nothing wrong with their ability. There is something wrong with the system."

"But we have a wonderful determination to create our own

space to turn around from this crisis," he said.

Yunus, who promotes social business as a sustainable solution to the social problems that have plagued mankind, is a firm believer in the power of creativity and innovation.

"We have enough creative power. If we put them all together against all the world's problems, creative power will be the winner."

For him, the creative power means human strength to restructure the economic system that traps people in poverty. Here he calls upon the youth to rede-

sign the system. "Can we do something to undo the system?"

"Today, we are raising our voice that nobody suffers from the indignity of poverty anymore. Each one of us has the power and we want to combine those powers to overcome this problem," Yunus said.

Yunus's longtime friend Queen Sofia of Spain inaugurated the summit as the chief guest. Queen Sofia comes from a country which is saddled with the industrialised world's highest jobless rate. Spanish workers -- 16 to 24 years old -- face an astronomical 53.3 percent unem-