

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 downtrend on the inactiveness 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 stockbrokers 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 Tk28.37 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

Rawhides collected from sacrificial animals during Eid-ul-Azha are being smuggled to India through Fulbari border in Kurigram because of a fall in the prices of the hides this year than the last year.

With the help of so-called linemen, police and members of Border Guard Bangladesh, seasonal hide traders financed by Indian traders have been smuggling out the hides and skins to India, local people alleged.

A Bangladeshi trader, preferring not to be named, said they are more interested to sell their collected rawhides to the Indian traders as they do

not get their expected prices from local tanners.

The safe routes for smuggling hides and skins are; Garakmandop, Namatari, Khalishakotal, Boshkotal, Bidiyabagish Thosh, 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.



EMIRATES
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 AU\$14.3 million to promote tourism from Europe and New Zealand.

New office bearers of DBCCI

STAR BUSINESS DESK

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 Sakhi 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-



Shahzada Hamid

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

JS panel for reforms in banking sector

STAR BUSINESS REPORT

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 Sangsad 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.

The state-run oil, gas and mineral resources corporation proposed a hike in gas prices to stop inefficient use of the natural energy and adjust prices in line with the international market.

Under the proposal, price of per 1,000 cubic feet natural gas for power plants, including the private ones and those run by Power Development Board, would rise by 5.24 percent to Tk 84, from Tk 79.82.

Petrobangla has proposed a hike in gas prices by 9.71 percent to Tk 80 from Tk 72.92 for fertiliser factories and by 32.60 percent to Tk 220 from Tk 165.91 for industrial users.

Privately-run smaller power plants known as captive power plants will see their tariffs for gas uses go up by 102.94 percent to Tk 240 from Tk 118.26.

Prices have been proposed to be increased by 30.55 percent to Tk 350 from Tk 268.09 for commercial consumers, by 20.55 percent to Tk 200 from Tk 165.91 for tea estates and by 39.10 percent to Tk 905.92 from Tk 651.29 for CNG gas refilling stations.

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.

Rokia Afzal Rahman, chairman of Midas Financing Ltd, attends the 17th annual general meeting of the company at Trust Milonayatan in Dhaka on Tuesday. Shafique-ul-Azam, managing director; Aslam Ahmed Khan, company secretary; and Md Atiar Rahman Ansary, general manager, were also present.

MIDAS

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 Austria 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-

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 get-

ting 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 Brizal 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.