

# Stocks continue losing streak

STAR BUSINESS REPORT

Stocks continued its falling trend yesterday amid declining confidence of investors.

DGEN, the benchmark index of Dhaka Stock Exchange, lost 29.7 points or 0.69 percent to 4,223, the lowest in the last three months.

As the confidence level deteriorated along with decreased turnover, a lack of confidence turned into panic, said IDLC Investment in its regular market analysis.

Poor quarterly earnings disclosed by the listed firms also deteriorated the investors' confidence, the stockbroker said.

Besides, it said recent initial public offering subscriptions and confusion over effect of the Securities and Exchange Commission's move regarding omnibus account contributed to develop a perception of "no upside" right now in the market.

"In addition, as the year-end approaching, institutional investors were least active in a continuously falling market," the investment banker said.

Losers beat gainers 161 to 91 with 16 securities remaining unchanged on the

premier bourse, which traded over 7.03 crore shares and mutual fund units worth Tk 247.86 crore.

All the major sectors ended in the red with non-banking financial institutes declined by 1.51 percent, fuel and power 0.64 percent, pharmaceuticals 0.42 percent, banks 0.39 percent and telecom 0.27 percent.

United Airways topped the turnover leaders with 1.15 crore shares of the private carrier changing hands on a value of Tk 27.85 crore on the floor.

The Chittagong stocks also declined yesterday. CSCX, the main gauge of the port city bourse, slid 63 points to finish the day at 8,219.88 points.

Of the issues traded on the CSE, 53 advanced and 120 declined with 13 securities remaining unchanged.

The CSE traded over 95.69 lakh shares and mutual fund units on a value of Tk 30.58 crore.

United Airways topped the turnover leaders on the port city too with 21.34 lakh shares changing hands on a value of Tk 5.14 crore.

# India unveils 'world's cheapest tablet'

AFP, New Delhi

India has launched a new version of what is dubbed the world's cheapest computer -- on sale to students at the subsidised price of \$20 -- with a quicker processor and an improved battery.

The Aakash tablet has been developed as a public-private partnership aimed at making computing technology available to students in a country where only one in ten uses the Internet.

Makers of the tablet, Britain-based Datawind, say the Aakash 2 is powered by a processor that runs three times faster than the original. It also has a bigger touch screen and a battery with a life of three hours.

Company CEO Suneet Singh Tuli said glitches in the first version have been removed in the latest model, which runs on Google's Android operating system.

"This time we have done our homework and all the problems which were found in Aakash-1 have been dealt with," Tuli told AFP.

"We are much more confident about Aakash 2 because the hardware is different and the applications are also new... a change in the (design) team has made all

the difference," the Datawind chief executive said.

The first version of the Aakash was launched by the government in October last year but it was marred by problems including a short battery life, initial long waiting lists and difficulties with distribution.

At the upgraded computer's launch on Sunday, Indian President Pranab Mukherjee stressed the importance of digital tools for students.

"Technology-enabled learning is a very important aspect of education," Mukherjee said. "This must be adapted to our specific needs and introduced expeditiously in all educational institutions across the country."

The paperback-book-sized Aakash 2, developed by Indian engineers at elite public universities operated by the Indian Institute of Technology, has a screen measuring seven inches (18 centimetres).

"Unlike the previous version which was a non-starter, this time around there are some functions and features around the Android tablet which make it a decent computing device for that price," stated pluggd.in, an Indian website that analyses gadgets.



Syed Abu Abed Saher, director for marketing and sales of HeidelbergCement Bangladesh Ltd, attends a programme for channel partners organized by Scan Cement in Dhaka recently.

## Businesses seek duty waiver from Belarus

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"Currently, Belarus has to pay 40 percent duty on export of automobile items to Bangladesh," he said.

The prime minister offered Bangladeshi businessmen the use of his country's world-recognised trade logistic centres and warehouses for expanding businesses in Europe.

He also urged Bangladesh to accept the agricultural technologies of Belarus as the country is well-equipped in the sector.

At the meeting, Finance Minister AMA Muhith urged the Belarusian government for more foreign direct investment (FDI) in the technological sectors of Bangladesh.

The bilateral trade between the two countries, at present, is in favour of Belarus.

In fiscal 2011-12, Bangladesh exported goods worth \$2.42 million to Belarus, while importing goods worth \$87.00 million, as per data from the FBCCI.

And in the fiscal year before that, Bangladesh exported goods worth \$3.42 million and imported goods worth \$93.00 million.

Later, the FBCCI and Belarusian Chamber of Commerce & Industry signed a memorandum of understanding for establishment of a Bangladesh-Belarus joint business council to increase bilateral trade.

A protocol agreement was also signed between Bangladesh's Incepta Pharmaceuticals Ltd and the Department of the Public Health of the Republic of Belarus for co-operation and production of

## United Airways inflates first quarter earnings

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Had United Airways incorporated deferred taxes in its earnings calculations, the first quarter results would have yielded a net loss of around Tk 97 crore.

"We have mentioned it in our financial statements," said Islam, adding it is a liability for future, the amount of which could not be stated at the time of reporting the first quarter results.

Shareholders' interest, he said, was another reason behind the exclusion of deferred taxes: "Moreover, we may not have been able to give dividend to the shareholders."

United Airways, which was listed on the stockmarket in 2010, declared a 15 percent stock dividend for the year that ended on June 2012.

"We should be given more time [by the DSE] to defend our position," added Islam.

The investigation found the figures for travel taxes, fuel costs, aircraft lease and lease interests to be unusual, as well.

The carrier, however, in a reply to the DSE, said the travel tax was lower as labour exports, especially to Saudi Arabia and the Middle East, have declined since the last quarter of fiscal 2011.

Moreover, the airline said it carried mostly Hajj passengers to Saudi Arabia, for whom travel taxes are exempt.

With regards to the figures of high fuel prices, United Airways said it was mainly due to the price hike in the global market.

Yesterday, United Airways shares traded between Tk 22.90 and Tk 25.20 to close the day at Tk 23.30.

## BB resumes auction of its 30-day bill

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"More liquidity in the market could make the local currency depreciate against the US dollar," he said.

From now on, the auction of 30-day BB bill will be held every Monday in a week, he said.

BB usually holds bidding to sell government treasury bills and bonds every week to help the government borrow from the banking sector.



Mohammed Ali Pasha, managing director of Seven Circle Edible Oil Ltd, and Kazi Wahidul Alam, editor of The Bangladesh Monitor, sign a deal at a ceremony in Dhaka recently. Seven Circle will sponsor Monitor-Malaysian Palm Oil Chef of the Year 2012, a cooking competition.



Teresa Kho, country director for Bangladesh Residence Mission of the Asian Development Bank, talks at a meeting at Chittagong Stock Exchange (CSE) in the port city yesterday. Al Maruf Khan, CSE president, was also present.

## SpiceJet lifted by Kingfisher's woes

REUTERS, New Delhi

SpiceJet, India's second-biggest budget carrier by market share, reduced its second-quarter losses by 32 percent, benefiting from massive cuts in capacity by rival Kingfisher Airlines.

The losses still reflect the fiercely competitive aviation industry, which lost a combined \$2 billion last year. All but unlisted IndiGo lost money, hurt by high state taxes on jet fuel, expensive airports and regulatory uncertainty.

"Fuel costs and a weakened INR continue to be a cause of worry for the aviation sector," SpiceJet Chief Executive Neil Mills said in a statement.

Kingfisher has stopped flying since having its licence suspended last month because of safety concerns. Even before then the carrier operated only about a fifth of its aircraft, enabling rivals to push up fares.

SpiceJet said it lost 1.64 billion rupees in the three months to September 30, compared with a forecast loss of 961 million rupees and after a 2.4 billion rupee loss in the same period last year.

Accumulated losses were more than the company's net worth at September 30, its auditors said on Monday.

A SpiceJet spokeswoman was not immediately available to comment.

# Bangladesh, Turkey eye \$3b trade in 3 years

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"Bangladeshi exporters should take part in international fairs in Turkey to know what type of products the country buys from abroad," Celik said.

Finance Minister AMA Muhith, who led the host country at the meeting of the fourth edition of the JEC, said there is a huge potential for an increase in trade between the two countries.

The two-way trade rose to \$1 billion in 2010 from a merely about \$300 million in 2008. "The trade has gone up very fast. It tempted us to go for the higher targets."

With the help of a translator, Celik also said decisions taken at the meeting to increase the trade are very significant.

He said his government's decision to open the office of Turkish International Development Agency (TIKA), which coordinates the country's aid around the world, in Dhaka would give them chance to see how their assistance benefits Bangladesh.

He said the commercial counsellor, which was set up with the Turkish embassy in Dhaka, would help sort out

potential problems standing in the way of commercial and economic ties.

The Turkish minister also said there might be more direct flights between the two countries.

On recruiting more workers from Bangladesh, Celik said his country's contractors have already hired manpower from Bangladesh. Many of them are employed at various projects in Libya.

He hoped more contractors would visit Dhaka to hire more workers.

The two sides also discussed the issue of financing 10 community healthcare centres under the health ministry and financing from the TIKa for the development of vocational training.

The hosts also proposed to open a direct flight between Chittagong, the country's second largest city, and Istanbul, the largest city Turkey, of Turkish Airlines.

Muhith also said the potential to sign a Free Trade Agreement (FTA) with Turkey would require more consultation with the European.

"We have to overcome many hurdles," he said.

Celik said the EU rules do not allow Turkey to sign any bilateral trade with any other country as Ankara is trying hard for years to become a member of the 27-member economic and political bloc.

"And we will have to take step in line with the EU guidelines," he said, adding that the duty imposed on Bangladesh garment products is still lower than those of other countries.

He, however, said if any official request for the FTA is sent from Dhaka, Ankara would send a delegation to discuss the matter further with Bangladesh.

Muhith said the acceptance of the certification of Bangladesh Standards and Testing Institute is critical for enhancing the trade. "If we become a member of Islamic Standard Institute it will be easier."

He said Bangladesh could build strong cooperation on shipping and small and medium enterprises. There is also good scope for cooperation in energy and fertiliser.

He said agriculture could be a strong field for cooperation

as Turkey, despite an industrialised economy, is still an agriculture-based country like Bangladesh.

During the meeting, Bangladesh sought withdrawal of the 17.5-percent duty on garment exports to Turkey as the tax measure has hit the country's sales to the European nation.

"The issue will have to be settled through further negotiation," said the finance minister.

Muhith also said he looks forward to receiving more queries from Turkish importers to buy medicines from Bangladesh.

Bangladeshi manufacturers now ship quality drugs to 83 countries in the Europe, Latin America, Asia and Africa.

Turkey will also give Bangladesh a \$300 million credit for oil import, said the minister.

Prior to the press conference, the two ministers signed a Protocol of the Fourth Session of Joint Commission for Trade, Economic and Technical Cooperation highlighting 17 areas of cooperation.

The two sides agreed to hold the fifth JEC meeting in Turkey in a convenient time in 2014.



Major General Ashraf Abdullah Yousuf, adjutant general of Bangladesh Army and vice chairman of Trust Bank, speaks at the launch of the bank's mobile money service at Dhaka Cantonment in the capital on Sunday.



AAM Zakaria, managing director of First Security Islami Bank, inaugurates an ATM booth of the bank at Dhaka Cantonment in the capital recently. Md Abdul Quddus, deputy managing director, was also present.



SM Mahmud Hussain, managing director of CAPM Advisory Ltd, and CM Fazle Sami, managing director of Cygnus Innovation Ltd, attend the signing of a deal on the implementation of a merchant banking software solution, at a programme recently.