

Stocks close in the red for fourth day

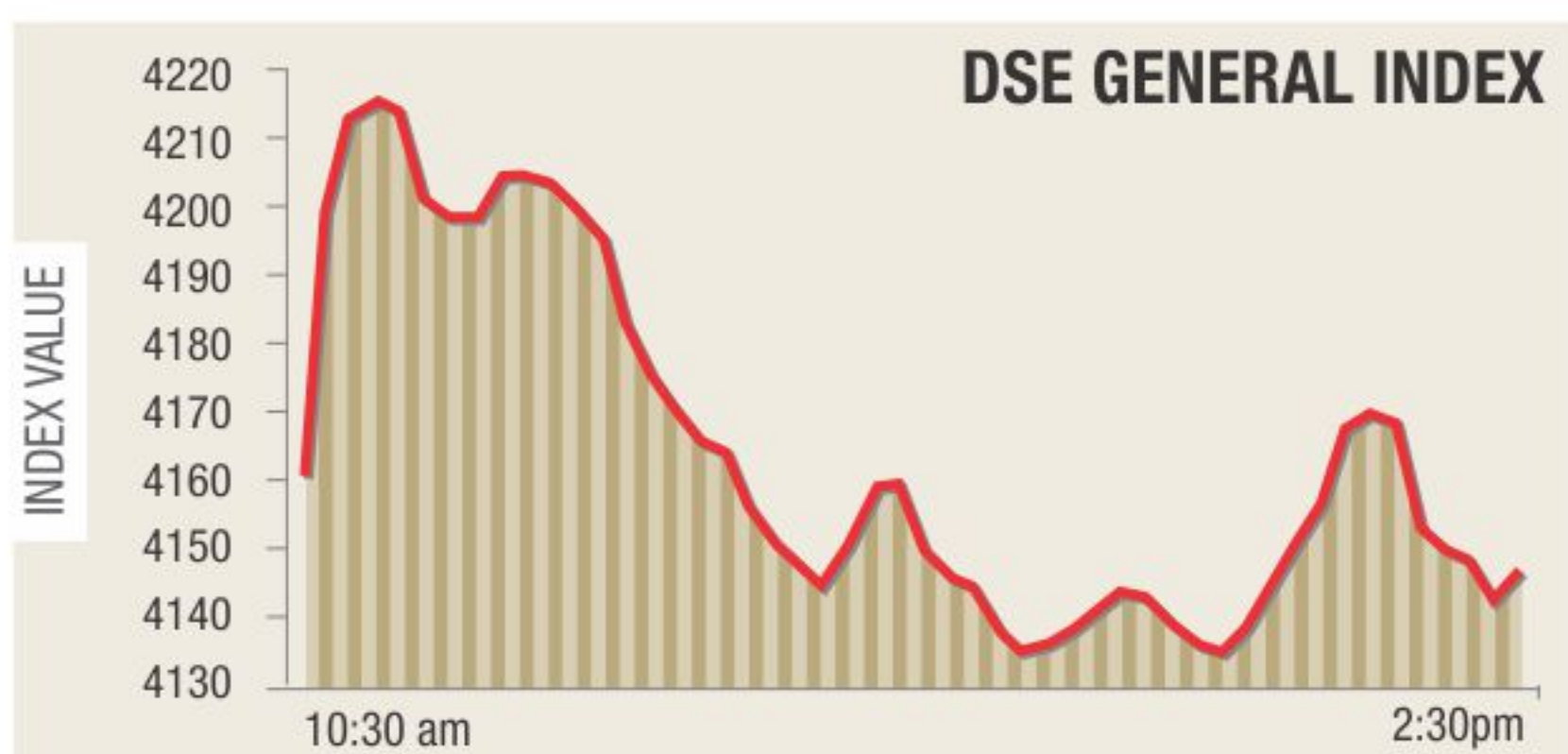
STAR BUSINESS REPORT

STOCKS declined for the fourth consecutive day due to lack of participation from retail and institutional investors.

DGEN, the benchmark General Index of Dhaka Stock Exchange, finished the day at 4,146.63 points, after dropping 14.56 points or 0.35 percent. "Lack of sufficient investor participation is unable to lift market sentiment," said LankaBangla Securities in its market analysis. Envoy Textile's initial public offering's lottery is likely to bring in retail money to the market, it said.

"According to newspaper reports, private banks are sitting on large amounts of investable liquidity. Call money rate has gone below 8 percent," LankaBangla Securities said.

"The day resumed on a positive vibe, gaining 54 points at the opening hour. However, sale pressure dominated the rest of the session to bring the market down," IDLC said in its market commentary.



Turnover increased 6.45 percent overnight to Tk 242 crore, while a total of 0.71 lakh trades were executed, with 6.38 crore shares and mutual fund units changing hands on the Dhaka bourse.

All major sectors except closed in the red: banks lost 1.15 percent, non-bank financial institutions 1.12 percent, power 0.66 percent and pharmaceuticals 0.29 percent.

Telecommunications, rising by 0.39 percent, was the only sector to have gained during the day.

Of the 220 issues that traded on the DSE floor, 136 advanced, 110 declined and 20 remained unchanged.

United Airways was the top traded stock of the day, with 1.08 crore shares worth Tk 23.11 crore changing hands. The company was gained the most during the day: of 9.54 percent.

Titas Gas and Jamuna Oil were the next popular stocks of the day, while Eastern Cables lost the most: of 6.27 percent.

Grameen Crédit Agricole social business fund launched in Luxembourg

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Grameen Crédit Agricole Social Business Fund rolled out 20 million euros to invest in social businesses focusing on Europe and North Africa.

The announcement came from the Fund's first board meeting at the Grameen Crédit Agricole Microfinance Foundation's office in Luxembourg on November 16.

Nobel laureate Muhammad Yunus presented a keynote address at the 'Microfinance European Platform' in Neumünster Abbaye, Luxembourg, on November 15, Yunus Centre said in a statement.

The European Microfinance Award 2012 was given to Aski, a microfinance organisation from the Philippines, at the head office of the European Investment Bank, Luxembourg Ministry for Development Aid gave a grant of 100,000 euros in the presence of Grand Duchess Maria Teresa of Luxembourg and Prof Yunus.



Nobel Laureate Professor Muhammad Yunus and Grand Duchess Maria Teresa of Luxembourg present European Microfinance Award 2012 to Aski, a microfinance organisation from the Philippines, at the head office of the European Investment Bank in Luxembourg on November 15.

Govt mulls halal certification law to tap global market

GAZI TOWHID AHMED

THE government plans to enact a halal certification law for local products to tap into the \$660 billion global halal food market.

The move comes following requests from many local manufacturers for halal credentials to enter the international markets.

"Demand for halal foods, cosmetics, consumer and pharmaceuticals products is increasing from the Muslim population the world over," Shamim Mohammad Afzal, director general

of Islamic Foundation, told The Daily Star by phone.

The rising demand, he said, is an excellent opportunity for Bangladesh.

The foundation has already prepared a draft of the law and related guideline and forwarded it to the religious affairs ministry for a review.

The ministry will sit with the stakeholders -- that include the different ministries, Bangladesh Standard and Testing Institution, business bodies and exporters -- in December to finalise the law.

"The new law will help exporters

to gain more profits and strengthen their positions," Afzal said.

The draft of the law stipulates a producer to appoint two experts to ensure all processes are conducted under the Islamic guidelines.

The Islamic Foundation upon verification will provide the items with halal logos, and no exporter is allowed to export halal products without the certification from the foundation.

The foundation will also examine the products which enters Bangladesh as halal, further said the draft.

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HSBC completes its first trade in yuan

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HSBC Bangladesh executed its first Renminbi (RMB) denominated cross-border export settlement for Avant Garde Fashion Ltd, a company based in the Dhaka Export Processing Zone.

The transaction -- said to reduce transaction costs and hedge foreign exchange risk -- comes at a time when Bangladesh's exports to China are expected to grow, according to HSBC's Global Connections report, by 15 percent a year between 2013 and 2015.

A survey recently conducted by HSBC in China found Chinese companies were willing to offer better pricing or terms in return for using the yuan to settle trade.

"Bangladeshi businesses doing international trade with China are starting to realise the significant monetary benefits of settling their trade in RMB. HSBC Bangladesh has achieved a significant milestone," said Noel Quinn, HSBC's Asia-Pacific head of commercial banking.

HSBC's Global Connections report expects Chinese merchandise exports to grow most rapidly

with other Asian economies: 15 percent annually from 2013 to 2015, compared to 12 percent globally in the same period.

Andrew Tilke, chief executive officer of HSBC Bangladesh, foresees trade between Bangladesh and other Asian countries, especially China, growing significantly.

"HSBC sees the future of intra regional trade growing and China is going to be one of the major drivers, with its currency RMB playing a significant role," said Md Mahbub-ur-Rahman, head of HSBC Bangladesh's commercial banking.

Smartphones crushing point-and-shoot camera market

AFP, Tokyo

THE soaring popularity of smartphones is crushing demand for point-and-shoot cameras, threatening the once-vibrant sector as firms scramble to hit back with web-friendly features and boost quality, analysts say.

A sharp drop in sales of digital compact cameras marks them as the latest casualty of smartphones as videogame consoles and portable music players also struggle against the all-in-one features offered by the likes of Apple's iPhone and the Samsung Galaxy.

Just as digital cameras all but destroyed the market for photographic film, the rapid shift to picture-taking smartphones has torn into a camera sector dominated by Japanese firms including Canon, Olympus, Sony and Nikon.

"We may be seeing the beginning of the collapse of the compact camera market," said Nobuo Kurahashi, analyst at Mizuho Investors Securities.

Figures from Japan's Camera and Imaging Products Association echo the analyst's grim prediction.

Global shipments of digital cameras among Japanese firms tumbled about 42 percent in September from a year ago to 7.58 million units, with compact offerings falling 48 percent, according to the Association.

Higher-end cameras with detachable lenses fell a more modest 7.4 percent in that time, it said.



Models display Taiwan's electronics giant HTC's new smartphone "HTCJ butterfly" for Japanese mobile carrier KDDI in Tokyo.

weakness in debt-hit Europe and a Tokyo-Beijing territorial spat that has sparked a consumer boycott of Japan-brand products in the China market.

But smartphones have proved a mighty rival to point-and-shoot cameras, analysts say, offering an all-in-one phone, computer and camera with comparatively high quality pictures and Internet photo downloading.

Those features have also dug into videogame makers such as Nintendo, which has just released its new Wii U game

console, as smartphone owners increasingly download free online games or store music on the devices instead of using standalone MP3 players.

"The market for compact digital cameras shrank at a faster speed and scale than we had imagined as smartphones with camera functions spread around the world," Olympus president Hiroyuki Sasa told a news briefing this month.

Olympus said its camera business lost money in its fiscal first-half due to the growing popularity of camera-equipped

smartphones, and a strong yen which makes Japanese exports less competitive overseas.

Digital camera firms have scaled back their sales targets for the fiscal year to March in a "collapsing" market, said Tetsuya Wadaki, an analyst at Nomura Securities.

"Order volumes at parts suppliers currently appear to be down more than 30 percent year-on-year," Wadaki said.

Firms are scrambling to keep improving picture quality, offer features such as water-proofing and expand their Internet fea-

tures, like allowing users to share pictures through social media networks.

Camera makers say growth areas include emerging economies -- where many own neither a camera nor a smartphone -- along with replacement demand among compact-camera owners.

And the fall-off in demand has not been as stark for the pricier detachable lens cameras favoured by avid photographers and growing ranks of camera-buff retirees, particularly in rapidly ageing Japan, they say.

Another emerging battleground is for mirror-less cameras which can be made nearly as small as compact cameras but with picture quality that rivals their bulkier counterparts.

Canon insists the market has not been abandoned to smartphones.

"Demand for quality snapshots is there, like taking pictures of your friends' weddings, an overseas vacation, or your children," a Canon spokesman said.

"We believe there are many people who need compact cameras," he added.

Mizuho analyst Kurahashi acknowledged that compact cameras "will not disappear".

"But we see the current trend continuing as image quality in smartphone cameras steadily improves," he said.

"The compact camera market is going to keep shrinking and it's difficult to forecast any immediate comeback, or have any optimism."

US food banks raise alarm as drought dents govt supplies

REUTERS, Los Angeles

THE worst US drought in more than half a century has weakened the safety net for the 50 million Americans who struggle to get enough to eat, and the nation's food banks are raising the alarm as the holiday season gets into full swing.

Demand for food assistance -- unrelenting as the US economy slowly recovers from the worst recession since the Great Depression -- ticks higher during the winter holidays.

This summer's crop-damaging weather in the US farm belt has driven up costs for everything from grain to beef. That means higher prices at the grocery store, but it also means the US government has less need to buy key staples like meat, peanut butter, rice and canned fruits and vegetables to support agricultural prices and remove surpluses.

Most of the products from those government purchases are sent to US food banks, which then distribute them to food pantries, soup kitchens and emergency shelters that are a lifeline for people who struggle with hunger -- including low-income families, senior citizens and people with disabilities.

The decline in government donations is exacerbating the pain inflicted by stubbornly high unemployment and a lack of income growth for many low-wage workers.

"People have been coping with economic distress for a really, really, really long time ... After several years of tapping all the resources we have, we're starting to see that we're coming up short," said Carrie Calvert, director of tax and commodity policy at Feeding America, the nation's largest hunger relief organisation.

Executives at major food banks across the United States worry they will not be able to keep pace with demand, which they don't expect to ease until more Americans find better paying jobs. In a sign of how stressed the budgets of many Americans are, a record 47.1 million people used food stamps in August 2012, up from 45.8 million the year earlier.

With such pressures at work, on-hand supplies at the Los Angeles Regional Food Bank have fallen from a peak of about 3.3 weeks in 2010 to less than two weeks -- the lowest in recent history, according to its president and CEO, Michael Flood.