

Stocks end flat

STAR BUSINESS REPORT

Stocks ended flat, as the recent bearish trend of the market eroded investors' confidence yesterday.

DGEN, the benchmark general index of Dhaka Stock Exchange, finished the day at 4,143.56 points, after falling 3.07 points or 0.07 percent.

"Nervousness still dominates the investors in Dhaka market. Continuous falling index has created lackluster activities in the bourse for weeks," commented LankaBangla Securities in its regular market analysis.

Though economic indicators are showing resilience, very low participation of institutional and retail investors are dragging the index with very low volume, according to the stockbroker.

"The SEC and the prime bourse hold a meeting to avoid 'misunderstanding' between the two. In addition, Bangladesh Bank has ruled out the possibility of launching 'know your client' statement for BO accountholders," said IDLC Investments in its daily market commentary.

The prime bourse kept slow after recent plunge in price and turnover, the investment banker said.

A total of 0.79 lakh trades were executed with 7.47 crore shares and mutual fund units changing hands on the Dhaka bourse.

Turnover advanced 11.68 percent to Tk 270 crore than the previous day.

Among the major sectors, non-bank financial institutions ended the day in the black with a rise of 0.65 percent. Power lost 1.53 percent, the most, followed by pharma 0.30 percent, telecom 0.10 percent and banks 0.06 percent.

Of the 271 issues traded on the DSE, 182 advanced, 74 declined and 15 remained unchanged.

United Airways featured in the most traded stocks chart with 1.29 crore shares worth Tk 29.76 crore changing hands.

Jamuna Oil and CMC Kamal were the next popular stocks of the day.

Samorita Hospital was the biggest gainer of the day, as it registered a 9.95 percent gain, while Power Grid was the worst loser of day, slumping by 14.27 percent.

Korean envoy stresses full functioning of KEPZ

STAFF CORRESPONDENT, Chittagong

The Korean Export Processing Zone (KEPZ) should start functioning as soon as possible for the development of Chittagong and the whole country, said Lee Yun-young, Korean ambassador to Bangladesh.

He spoke while he met Chittagong Mayor M Manjur Alam at the latter's office yesterday.

"Many investors are waiting to invest in KEPZ," said Yun-young.

Korea has funded Bangladesh Railway and Chittagong Water and Sewerage Authority for their development projects in the recent past, he added.

The port city mayor urged the ambassador to set up a private sector power generator in KEPZ to meet the demand of power in local factories.

Yun-young told The Daily Star that a total of 220 Korean companies operate in Bangladesh and account for 5 percent of total export volume of Bangladesh. Fifty of the companies are situated in the port city.

He said Korea is funding technical training centre in Chittagong to create expert manpower in the country. Chittagong is a very important place not only in the context of Indian Ocean region but also the whole world and will be immensely benefited from when KEPZ starts functioning to the full, he said.

Alam also urged the visitor to give financial cooperation to establish an amusement park and a cultural institute in the port city.

Opple launches energy-saving lights in Ctg

STAFF CORRESPONDENT, Ctg

Opple Lighting of China launched its green lighting products in Chittagong yesterday.

The company offers a wide range of lighting products, including energy-saving bulbs, fluorescent light fixtures, ceiling lights and halogen lamps.

Opple and its marketing partner Khawja Group of Chittagong jointly arranged a press conference at Chittagong Press Club to announce the launch.

Charles Cheng, Opple vice-president, Opple has already gained the lead position in China lighting market besides a significant market share in the global scenario.

Opple's products will be reasonably priced, said



DSM
Deepok Kmar Baral, chairman of DSM Commodities, receives the NCC Bank Best Indentor's Award 2012 from Commerce Minister GM Quader and Shahab Uddin Khan, president of Bangladesh Indenting Agent's Association, at a function in Dhaka recently.

Citi's new head of operations

STAR BUSINESS DESK



Khaled Aziz

Khaled Aziz has recently been appointed as the head of operations and technology of Citibank, NA Bangladesh, the bank said in a statement yesterday.

Aziz has more than 19 years of experience in operations and technology across multiple industries.

Prior to joining Citi, Aziz served as the head of corporate and consumer operations and was the country head of technology at Standard Chartered Bank, Bangladesh.

He is an MBA from the Ross School of Business, University of Michigan in USA.

Aziz succeeded Anuranjan Kumar, who has been relocated to India as the head of branch oversight

Singapore summit set to showcase Bangladesh's investment prospects

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Topics to be covered include access routes for investment, Bangladesh's strategic potential, success stories of inward investment and discussions on how to stimulate exports and improve the country's infrastructure.

In a statement circulated at the press briefing, Jonathan Hirst, publisher of FinanceAsia and AsianInvestor, said although the profile of Bangladesh as an investment destination is gaining momentum, a large part of it remains an untold story.

"The summit represents a significant step in the right direction, which we hope will go some way in helping to attract investment into the country," Hirst said.

The event, the first-of-its-kind for Bangladesh, represents an opportunity for international investors to learn and share ideas on unlocking capital to grow business, increasing exports in existing and new industries and developing key infrastructure projects, he said.

McCabe said Bangladesh has demonstrated rapid progress since independence and has been rightly identified as one of the "next 11 economies".

"We need to showcase the investment opportunities that Bangladesh offers to the world."

The experienced banker said although it could not be said immediately how much the summit would help Bangladesh attract in investment, but the event would offer fantastic networking opportunity for the people who want to expand their footprint.

Mahmood Sattar, managing director and chief executive officer of City Bank, said investors are looking for new markets and opportunities as growth in the western world, including the US and EU, have come to a standstill due to the ongoing crisis.

"Historically it could not have been a more appropriate time than this for Bangladesh to assert its potential abroad to attract foreign investors. The same is true from the investors, as Bangladesh offers vast opportunities for foreign funds and others."

He said Bangladesh has to be sold well outside because its achievements and what it can offer to the world.

Both McCabe and Sattar said time is right for the summit as investors with funds would decide in December where to put their money next year and the year beyond. The networking will translate into follow-up meetings and visits.

The Daily Star and the Financial Express are the

Scams push up loan defaults

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Though BASIC is not a state-owned commercial bank, it is run under the government's control. During the period, bad loans increased by about Tk 200 crore at BASIC Bank.

The entire amount of the money involved with the irregularities unearthed recently has not yet been classified and the loan defaults may increase further in December when these loans will be classified.

Pradip Kumar Dutta, managing director of Sonali Bank, told The Daily Star that Tk 400 crore, a portion of the loans taken by the Hall-Mark Group, was classified in September.

The rest of the amount is likely to be classified in December this year, he added.

On the increase in loan defaults, the Sonali Bank's chief executive said the amount of bad loans marked a rise as their recovery, write-off and rescheduling was less this year compared to

the previous year.

He also said they wrote off around Tk 800 crore last year, but the amount was only Tk 2 crore so far this year.

Dutta also said, to realise the loans from the Hall-Mark Group, the bank has taken the Group's 88 acres of land as mortgage. The lands are worth about Tk 560 crore on conservative estimates made by the bank.

Another 45 acres of land are being taken as mortgage, said the official of the bank.

He said, as a result they hope to securitise about Tk 1,000 crore against the loans given to Hall-Mark.

A central bank official said the BB has tightened its supervision after the incidents of loan scams were detected in some state banks.

The central bank also identified irregularities in some private banks that have already classified the loans, leading to a rise in default loans in those banks, he said.

8pc economic growth hinges on FDI: Azad

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"The government should also upgrade the railway routes for easy movement of goods."

Replying to queries from reporters, he pushed for further investigation on the Hall-Mark loan scam and demanded arrest of any Sonali Bank director -- found to be accomplice to the swindle.

With regards to the state of the stockmarket, Azad asked the government to take measures to bring back the investors who took away Tk 6,000 crore from the market -- by inflating the stock prices.

"The general investors will come back to the stock market if those profit makers come back with their investments."

Food agency seeks to buy aman to prop up prices for farmers

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After buying 14.30 lakh tonnes in the fiscal 2011-12, the government has set the target of purchasing 16 lakh tonnes of food grains, mainly rice, during the current fiscal year.

Of the amount, it has already attained the target of boro rice purchase of 10 lakh tonnes; the government bought each kg of boiled rice and paddy at Tk 28 and Tk 18 respectively. As of November 15, the govern-

Saudi lends \$53.33m to set up power plant in Chittagong

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The Saudi Fund for Development (SFD) will lend Bangladesh \$53.33 million to set up a 225-megawatt power plant in Chittagong.

Nurjan Begum, a joint secretary of the Economic Relations Division, and Ahmed M Al-Ghannam, director general of Saudi Export Programme, signed a loan agreement at the ERD in Dhaka yesterday.

Under the agreement, SFD will provide the soft loan for the dual fuel combined cycle power plant in Shikalbaha, according to a statement of the ERD.

The project will cost \$270.75, of which \$167.73 million will come from foreign assistance while Bangladesh will provide the rest.

Zadi Naif Al-Raquaas, charge de affairs of the Saudi embassy in Dhaka, was also present on the occasion, according to the statement.

FBCCI goes to polls tomorrow

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Of the available 30 directorial positions, 15 will be filled from the chamber group and 15 from the association group.

The 30 elected directors, along with the 18 nominated directors (nine from association group and as many from chamber group) would choose the president.

The number of valid voters, according to the three-member election board, is 1,998; 1,608 from the association group and 390 from the chamber group.

While introducing the chamber group's contestants yesterday at the FBCCI headquarters, Prof Ali Ashraf, chairman of the election board, urged the contestants to follow the rules of the election strictly.

He asked election contestants not to provide any gifts to the voters to influence their decision.

Mobile sets are not allowed in the voting room for the sake of conducting a transparent election, he added.

The election board already fined five contestants -- KM Aktaruzzaman, Khandaker Ruhul Amin, Obaidur Rahman, Abdur Razzak and Shafiqul Islam Bharasha -- between Tk 1 lakh and Tk 3 lakh each yesterday for violating the terms of the election.

"The board has warned them and said they will cancel their candidacy, if they violate the rules further," said Abu Bakar Siddique (Dilip), a member of the election board.

At the panel introduction, contestants promised to work towards lowering the bank interest rates to single digit from the current 17-18 percent and creation of a better business environment in the country.

The country got very little investment from the private sector last year as the cost of doing business increased thanks to the higher bank interest rates, they added.

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LANKABANGLA

Khurshed Alam, head of retail at LankaBangla Finance Ltd (LBFL), and Dewan Mohammed Sajid Afzal, head of operations at Executive Motors Ltd (EML), attend a programme where the companies signed a deal recently. EML clients will get auto loan facility from LBFL for their BMW purchases.



Md Anisul Haque, chairman of Social Islami Bank, cuts a cake to mark the 17th anniversary of the bank at a function at its corporate office in Dhaka yesterday. Md Shafiqur Rahman, managing director, was also present.



Mohammed Gofran, additional managing director of Southeast Bank, receives a crest for being one of the top five remittance recipient banks in the country from AB Mirza Azizul Islam, former adviser to a caretaker government, at a ceremony recently. The award was given by The Industry, a business weekly.