

Stocks close flat

STAR BUSINESS REPORT

Stocks ended flat yesterday as institutional investors remained inactive mainly due to the ongoing downtrend and a low participation of retail investors amid a countrywide shutdown.

DGEN, the benchmark general index of the Dhaka Stock Exchange, closed at 4,163.74 points, after rising 2.86 points or 0.07 percent.

"The nationwide shutdown called by the opposition parties hampered investors' participation in trading," said LankaBangla Securities in its daily analysis.

The shallow trading volume indicates insignificant investor participation and a lack of enthusiasm, the stock broker said.

Institutions and speculators remained on the sidelines as the market failed to offer any lucrative return, commented IDLC Investments.

Bourse kept silent and turnover was still at a lower level, the merchant bank said.

Investors lost confidence to make fresh investments as turnover remained low, market analysts said.

The market needs much liquidity to gear up investors' confidence, they added.

Turnover on the DSE declined 11.42 percent to Tk 145 crore, compared to the previous day.

A total of 0.48 lakh trades were executed with 4.6 crore shares and mutual fund units changing hands on the Dhaka bourse.

Among the major sectors, power gained 0.82 percent and telecoms 0.41 percent. Non-bank financial institutions lost 0.18 percent, banks 0.26 percent and pharma 0.30 percent.

Of the 282 issues that traded on the DSE, 103 advanced, 115 declined and 49 remained unchanged.

Beximco continued to dominate the top turnover chart with 20.44 lakh shares worth Tk 13.27 crore changing hands. Unique Hotel and Resorts and Pubali Bank were the next popular stocks of the day.

Bangladesh Industrial Finance Company was the biggest gainer of the day, as it posted a 5 percent rise, while Rahim Textile was the worst loser, plunging by 8.64 percent.

CSCX, the selective categories index of the Chittagong Stock Exchange, closed the day at 8,085.67 points, after adding 1.38 points or 0.01 percent.

Losers beat gainers 88 to 61 with 19 securities remained unchanged on the port city bourse that traded 52.81 lakh shares and mutual fund units with Tk 15.34 crore in turnover.

India's tablet computer sales to double in 2013

REUTERS, New Delhi

Sales of tablet computers in India are expected to at least double this year to 6 million, the market's third year of growth, as new devices attract business users and low costs draw consumers, research firm CyberMedia forecast.

Sales are likely to have reached 3 million in 2012, up from about 0.5 million in 2011, the firm estimated on Friday, citing data for the quarter to end-September, when companies led by Samsung Electronics Co Ltd sold 1.1 million tablets.

With the launch of low-cost devices running on Google Inc's Android platform by local firms, sales of tablets and smartphones have grown rapidly in the last two years. A slew of global makers of tablets have also entered the market.

In 2013, new tablets based on Microsoft Corp's Windows 8 platform and companies' adoption of tablets for business applications will change the market significantly again, Faisal Kawoosa, lead analyst at CyberMedia's telecoms practice, said in a statement.

India is the world's second biggest telecommunications market with about 900 million mobile phone accounts. But computer penetration is low, and only about a tenth of its 1.2 billion people has access to Internet.

Samsung had a 23.9 percent share of tablet computers sold in India in the July-September quarter last year, CyberMedia Research said.

Local firm Micromax ranked second with 15.3 percent of the market, while Datawind, the maker of Aakash tablet, billed as the world's cheapest tablet computer, ranked third, it said in the report.

Apple Inc, the maker of iPad tablet computers, was ranked fifth with an 8.7 percent share, the data showed.

The average sales value of tablets during the quarter was about 13,200 rupees, while 63.5 percent of the sales were below 10,000 rupees, CyberMedia Research said.

By comparison, the Apple's lowest-priced iPad Mini sells for 21,900 rupees, popular online retailer Flipkart.com's website showed.



Syed Abu Abed Saher, director for marketing and sales at HeidelbergCement Bangladesh, speaks at a function for the company's dealers and retailers in Chittagong recently.

Global acclaim for SIBL

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Social Islami Bank has recently been awarded with an international award in "Best Enterprise" and "Manager of the Year" category by Europe Business Assembly (EBA), UK, an international project development and management organisation.

The bank was awarded for its successful management and growth in 2012, the bank said in a statement yesterday.

The award was announced by EBA at a ceremony at Hofburg Palace in Vienna of Austria recently, according to the statement.

EBA recognises the efforts and contributions of banks and other financial institutions for development and management of economic, social and

New chief for paint manufacturers' body

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Bangladesh Paint Manufacturers Association has recently elected Rupali Chowdhury as its president for 2013 and BB Saha Roy as its president for 2014.

The election took place at the body's 35th annual general meeting for 2012 at Dhaka Club, the association said in a statement yesterday.

Rupali is the managing director of Berger Paints Bangladesh and Roy serves Super Refinery, accord-

Toyota to suspend new plants for 3yrs

AFP, Tokyo

Japan's Toyota Motor has decided to halt the construction of new factories for the next three years in a shift from its previous policy of building new plants almost annually, reports said Sunday.

The company, which hopes to regain top spot in the global auto market, will concentrate its capital investment on existing factories, the Nikkei business daily said.

The new policy will basically shelve through the end of the 2015 fiscal year all plans for building new factories other than those already announced, the paper said.

The company will officially announce the decision in a new management plan to be released in coming months, Jiji Press said, adding that Toyota

MCCI sees political feud as serious setback to economy

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These problems "dent business confidence and increase associated costs".

The chamber voiced concerns about the banks' high lending interest rates and power price hikes adversely affecting the economy.

The chamber leaders said the Hall-Mark scam has further hit the credit flow to the private sector already stifled by interests as high as 14 percent.

"This has caused reductions in industrial imports, domestic demand and weakened growth of industrial output," the MCCI said.

The power price hike to cut subsidies is an understandable move, but the rise should not exceed 3 percent, as the repeated price hikes are piling pressure on businesses, the chamber said.

The MCCI urged the government to take measures to cut systems loss in the power sector, so that it will not have to raise prices again.

It advised the government to shift focus from cheap large-scale exports to better quality exports with higher value to boost earnings from the overseas markets.

The leaders said the restriction on investments outside the country needs to be reviewed in the larger interest of increasing export earnings and better market access.

The MCCI leaders also focused on proper value-added tax revenue collection by the government to



Ameerah Haq, under-secretary-general of United Nations, speaks with Atiur Rahman, governor of Bangladesh Bank, at a lunch hosted in her honour by the governor in Dhaka yesterday. Different initiatives of the central bank for financial inclusion and agriculture were discussed.



A Rouf Chowdhury, chairman of Bank Asia, distributes blankets among the poor at Malkhanagar in Sirajdikhan upazila in Munshiganj on Saturday. Aminul Islam, deputy managing director, was also present.

France to reallocate 2b euros for job creation

REUTERS, Paris

France will reallocate 2 billion euros from its 2013 budget to help finance state-aided job creation, Budget Minister Jerome Cahuzac said on Sunday.

With the unemployment rate at a 15-year high and rising, President Francois Hollande has promised to turn things around this year and hopes that plans to create thousands of subsidised jobs and "generation contracts" to encourage companies to hire young workers kick in quickly.

Speaking on Europe 1 radio, Cahuzac said the government would need to raise its 6.5 billion euros budget reserve - usually used for unforeseen events such as natural disasters or military operations - as a precaution.

"At my request, the president and prime minister decided to increase this reserve by 2 billion euros because we think notably that for our job policy we'll need more money to finance state-aided jobs and generation contracts," Cahuzac said.

The minister said the funds would not come by increasing deficits or taxes but from existing budgets.

Hollande's administration is struggling to stop losses of industrial jobs while curbing public spending and

raising taxes to help slash debt in a stagnant economy.

A survey by IFOP for weekly newspaper Le Journal du Dimanche on Sunday showed three-quarters of respondents did not believe Hollande would be able to keep his promises on jobs.

The president, who has decided to carry out at least one visit a week across France to explain his policies, is trying to win back voters who are increasingly unhappy over the government's handling of the economy and disillusioned by a series of communication gaffes.

The decision by France's Constitutional Court in December to strike down Hollande's symbolic campaign pledge to impose a 75 percent tax rate on income over 1 million euros was a political blow to the Socialist leader.

Cahuzac, who reiterated there would be no further tax hikes during Hollande's presidency, said the government would not abandon the tax on the super wealthy.

It would be amended it to ensure it meets constitutional requirements and included in the 2014 budget, he said.

Cahuzac said the rate could be reduced and may last beyond the two years originally planned for the 75 percent rate.

Banks' stock exposure to be 40pc of their capital for now

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However, both the International Monetary Fund and Asian Development Bank earlier wanted the stock exposure limit at 25 percent of banks' capital to be effective along with the amended Banking Companies Act.

The ADB approved a \$300 million loan for capital market development and the first tranche at \$150 million was released last month, while the second instalment is expected to come next fiscal year.

Muhith said, in yesterday's meeting they reviewed what conditions they will have to fulfil to get the second tranche.

He said the government will have to amend the Banking Companies Act and demutualise the stock exchanges to qualify for the second tranche.

Bringing amendment to the Banking Companies Act is also a condition of the IMF for releasing the second instalment of its \$1 billion loans.

The IMF's second instalment at \$141 million was expected to be released in November, but that did not happen as its conditions were not met.

However, the finance minister expects to get the IMF money at the end of this month or the next month.

The finance minister also said he does not have any discomfort about the present condition of the stockmarket.

It is not right that the country's economy has a big relation with the behaviour of the stockmarket, he added.

"Share prices are going up and down. Some people are getting much, some less. It is immaterial."

The finance minister also said the stockmarket became a good source of equity investment in the last four years.

Investors have not stopped coming to the market, but gamblers are creating some troubles, Muhith said.

IMF aide to visit Egypt to discuss \$4.8b loan request

REUTERS, Cairo

A senior International Monetary Fund official is set to meet with Egyptian leaders on Monday to discuss the \$4.8 billion loan agreement that was postponed last month at Cairo's behest because of political turmoil in the country.

The IMF's Middle East and Central Asia director, Masood Ahmed, will visit Cairo to meet with Egyptian officials to discuss recent economic developments and "possible IMF support for Egypt in facing these challenges," the IMF said in a statement released on Saturday in Washington.

Major state-run Egyptian newspaper Akhbar Al-Youm reported that he would meet with Egyptian President Mohamed Mursi, Prime Minister Hisham Kandil, some ministers and the central



Romo Rouf Chowdhury, managing director of Rancon Motors Ltd, attends the launch of an SUV -- The ML Class -- by Mercedes-Benz in Bangladesh at a ceremony in Dhaka yesterday. Mostafizur Rashid Bhuiyan, deputy managing director, was also present.



Khaled Yusuf Farazi, chief executive officer of BRAC EPL Investments Ltd, and Hamidul Huq, managing director of Credit Rating Agency of Bangladesh Ltd, attend a programme where the companies signed a credit rating services agreement at a ceremony recently.



Abdus Sabur Khan, chairman of Opsonin Pharma, attends the annual sales conference of the company at Bangabandhu International Conference Centre in Dhaka on Saturday. Abdur Rouf Khan, managing director, was also present.