Off-shore village children get new school building

STAR BUSINESS DESK

Businesses can effectively complement the nation's efforts to ensure children's right to education and set the foundation of a competent future generation, speakers said at the inauguration of a new school building of Sharifpara Temporary Registered Primary School in Bhola.

Mutual Trust Bank, as part of its corporate social responsibility, funded the school building at Char Fashion. The bank will also pay teachers' salary until the school is brought under the government's MPO scheme.

Funding support for school building from a bank is an innovative approach that would complement the government's efforts to achieve MDG, said Md Shafiul Alam, upazila education officer of Char Fashion.

The project is part of MRDI and Manusher Jonno Foundation (MJF)'s joint initiative to use CSR funds as an alternative social development support. Local organisation Unnayan Dhara Trust is implementing the project.

MRDI

Mohammed Sami Al Hafiz, head of corporate affairs at Mutual Trust Bank, and Hasibur Rahman, executive director of Management and Resources Development Initiative, attend the inauguration of a new building of Sharifpara Temporary Registered Primary School in Bhola recently.

Nur-E-Alam, upazila nirbahi officer of Char Fashion, termed the initiative a landmark in spreading education among the deprived children of a remote village and hoped that such initiatives by the corporate sector will continue.

Mohammed Sami Al Hafiz, head of corporate affairs of Mutual Trust Bank, expressed his satisfaction over completion of the construction work of the school building and said MTB feels happy to support the school that would build capable future citizens of the country.

Hasibur Rahman, executive director of MRDI, expressed gratitude to MTB, local administration, school management and the local people for their sincere support in developing the infrastructure of the school.

Stocks riding high on fundamentals

STAR BUSINESS REPORT

Stocks gained for the fourth straight week, as investors fuelled by optimism injected fresh funds into the market.

DSEX, the benchmark general index of Dhaka Stock Exchange (DSE), finished the week at 4,396.84 points, after gaining 78.65 points, or 1.82 percent.

The daily average turnover increased 52.22 percent to Tk 466 crore from the previous week.

"The market continued with its gaining streak for the fourth straight on the back of increased liquidity and foreign fund flow," LankaBangla Securities said.

Moreover, the improving economic data added to investors' bullish sentiment, the stockbroker said.

Exports rose 8.83 percent year-on-year in the first seven months of current fiscal year; conversely, import growth remained in the negative territory.

By the end of last week, foreign reserves stood at $13.38 billion.

"It is inevitable that more funds will flow in to the market in the forthcoming days," the stockbroker added.

Inflation eased to 7.38 percent in January, down from December's 7.69 percent, according to data from Bangladesh Bureau of Statistics.

"Amid profit taking in the mid-week session, the week ended more than 78 points higher," the IDLC Investments said.

Of the total 285 issues that traded on the DSE floor, 215 advanced, 55 declined and 15 remained unchanged.

All the major sectors gained in the last week except telecoms, which lost 0.97 percent. Power sector continued to post the highest gains, of 2.78 percent.

It was closely followed by non-bank financial institutions with 2.64 percent, pharma 1.82 percent and banks 0.79 percent.

Four listed companies -- Prime Finance First Mutual Fund, Bangladesh Shipping Corporation, RAK Ceramics and Grameenphone -- disclosed their annual results last week.

United Airways was the most traded stock of the week with its transaction of 7.78 crore shares worth Tk 186 crore.

Summit Purbanchol Power Company was the biggest gainer of the week, posting a 25.16 percent gain, while Gemini Sea Food was the worst loser, slumping 21.56 percent.

Chittagong Stock Exchange, too, ended the week higher than it started, with the CSE Selective Category Index gaining 235.13 points, or 2.81 percent, to close at 8,575.59 points.

COCA COLA

GM Quader, commerce minister, and Dan Mozena, US ambassador, visit the Coca Cola Far East pavilion on the first day of the three-day US Trade Show at Ruposhi Bangla Hotel in Dhaka recently. The exposition ended yesterday.

PLATINUM SUITES

Kutubuddin Ahmed, chairman of Platinum Chain of Hotels, attends the launch of Platinum Residence, a boutique hotel, at Uttara in Dhaka on Friday. Toufiq M Seraj, managing director, was also present.

Fashion faves win new customers with second lines

AFP, *New York*

New York fashion world darlings Zac Posen and Marchesa are the latest designers to launch secondary "contemporary" collections, giving customers a bit of glamour at more affordable prices.

At fashion week in the Big Apple, which wrapped up on Thursday, several top names put both their primary and secondary collections on the catwalks, including Marc Jacobs, Prabal Gurung, Donna Karan and Victoria Beckham.

Although secondary lines are not new -- Versace, Dolce and Gabbana, and Chloe have been doing them for years -- the increasing number of designers getting into the game shows a need to win customers at lower price points.

Posen, whose red carpet-ready gowns are often the choice of Hollywood A-listers, told AFP that he wanted to widen his target audience "without compromising on design, fabric, and viewpoint."

The New Yorker launched the even less expensive Z Spoke in 2009, a diffusion line targeting young buyers, but that brand has had middling results. The new mid-range line, called ZAC Zac Posen, will be the designer's middle ground.

As with Marc by Marc Jacobs and Karan's DKNY, the name is part of the game: easily identifiable with the designer, and drawing customers who love the high-end clothes -- but cannot afford them.

However, these "contemporary" lines are still not cheap. While a red-carpet Posen dress can go for $12,000, ZAC frocks will be on offer from $490 to $1,690 for an evening gown.

"It's like buying the Toyota and one day, you move up to the Lexus," explained Hal Rubenstein, one of InStyle magazine's founding editors and its fashion director.

"It allows the people who have the most enthusiasm, which is generally the young, to purchase designer lines," Rubenstein said.

Alex Apatoff, an associate editor at PeopleStyleWatch.com, said: "The real thing is always what you desire, what you covet -- the contemporary lines is what you obtain."

"You get the sense that you get a little piece of the designer without having to shell out quite as much," added Apatoff, while attending the Marc by Marc Jacobs show at Lincoln Center.

Giovanni Pungetti, the chief executive at Maison Martin Margiela, acknowledged that while the quirky house's main line is "probably not for everyone," the new MM6 collection launched in New York is more accessible.

"When you widen your target, the goal of course is to attract more people... and to do a bit more business," Pungetti said.

Marchesa, whose A-list fans include Jennifer Lopez and Penelope Cruz, is launching the Marchesa Voyage daywear line in the coming months, in collaboration with LF USA, the US subsidiary of a Chinese retail group.

"As a loungewear collection, it was based on the idea of the marchesa in the palazzo during the day," designer Georgina Chapman told AFP after the main Marchesa collection for autumn-winter 2013-14 hit the New York catwalk.

American designer Tory Burch says more and more designers are getting into the contemporary game, insisting on high quality to compete with mass-market fashion chain favorites Zara and H&M.

Climate change real economic risk: World Bank

AFP, *Moscow*

The president of the World Bank on Saturday warned the finance chiefs of the world's leading economic powers that global warming is a real risk to the planet and already affecting the world economy in unprecedented ways.

Adressing the G20 finance ministers at their meeting in Moscow, Jim Yong Kim called on the world powers to "tackle the serious challenges presented by climate change."

"These are not just risks. They represent real consequences," said Kim, calling the lack of attention to the issue by finance ministers and central bank chiefs "a mistake".

He said failing to tackle the challenges of climate change risked having "serious consequences for the economic outlook".

"Damages and losses from natural disasters have more than tripled over the past 30 years," said Kim, giving as examples the $45 billion of losses from the 2011 floods in Thailand, whose effects "spread across borders disrupting international supply chains."

"Years of development efforts are often wiped out in days or even minutes," Kim said, asking the G20 to "face climate change, which is a very real and present danger."

The G20 finance ministers' agenda in Moscow is dominated by concerns about competitive currency devaluations and a new drive by EU powers to force big business to pay a fair share of tax.

Next Indian budget to be most austere in years: Chidambaram

REUTERS, *New Delhi*

Indian Finance Minister P Chidambaram is planning to cut the public spending target for fiscal 2013/14 by up to 10 percent from this year's original target, in what would be the most austere budget unveiled in recent history as he tries to avert a sovereign credit downgrade.

Chidambaram has already slashed actual public expenditure in the current fiscal year that ends in March by some 9 percent from the original target. So the plan for 2013/14 would in effect keep a lid on spending, limiting it to a similar rupee level or slightly higher.

Final figures have not yet been worked out. But several officials involved in preparations for the budget to be unveiled on February 28 told Reuters that Chidambaram is determined to rein in the fiscal deficit, having won reluctant agreement from leaders of his Congress party who had wanted a spending spree ahead of the general election due by next May.

Top Congress leaders - including the welfare-minded party chief Sonia Gandhi - did not show up for a pre-budget briefing by Chidambaram on Thursday, signalling that they had fallen in line with his plan, a senior party official told Reuters.

Critics warn that at a time when both private investment and consumer demand are weak, lower public spending risks deepening India's sharpest economic slowdown in a decade. Growth in 2012/13 is estimated at 5.0 percent, the lowest since 2002/03.

But Chidambaram has argued that a lower fiscal deficit will not only avert a rating downgrade threat but also bolster economic growth prospects as borrowing costs for private investors will fall, helping lift capital investment growth from a five-year low. He told party colleagues at Thursday's briefing that he was confident of taking growth back to 6-7 percent in 2013/14.

New Delhi missed its 2011/12 fiscal deficit target of 4.6 percent of gross domestic product by 1.2 percentage points, prompting threats of a downgrade from ratings agencies Fitch and Standard & Poor's.

India has a BBB minus rating with a negative outlook from both S&P and Fitch, the lowest investment grade among the BRIC group of large emerging economies. A cut would take the country's credit rating to junk status.

In a measure of what Chidambaram is aiming to achieve by placing a lid on expenditure, spending for the 2012/13 budget was increased by 13 percent compared with actual spending in 2011/12.

India to release majority of loans this year

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Of the $733.84 million, $48.89 million has already been released, said an official of the Economic Relations Division.

"The remaining amount [$684.95 million] will be disbursed this year," he added.

The Indian government announced $1 billion loans for Bangladesh at an interest rate of 1.75 percent during Prime Minister Sheikh Hasina's visit in January 2010.

Then in May last year, the Indian government wrote off $200 million of the $1 billion credit as grant to be used for priority projects, and cut down the interest rate for the $800 million to one percent.

According to the loan deal, Bangladesh will have to procure 85 percent of the goods, works and services from India for the schemes and the rest 15 percent can be procured from Bangladesh if the contractor fails to source it from India.

Consequently, the Export-Import Bank of India credits the accounts of the Indian suppliers upon delivery of the goods and services.

"The entire consignment of buses has been delivered to Bangladesh. Deliveries of railway rolling stock will commence in the coming days," Khurshid said.

"I am happy to announce that we are ready to release the first tranche of $50 million of the total grant of $200

SIBL

Sultan Mahmood Chowdhury, chairman of the executive committee of Social Islami Bank, inaugurates the renovated space of the bank's Chandaikona branch in Sirajganj recently. AMM Farhad, deputy managing director, was also present.

Contract production best for paddy procurement

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Besides, many countries such as Japan, China, and Indonesia are directly purchasing paddy from producers and getting husked through contract arrangement with millers, he said.

The Agricultural Advisory Society in collaboration with the Sher-e-Bangla Agricultural University conducted the study in the five districts -- Bogra, Dinajpur, Mymensingh, Netrokona and Tangail -- during May to August 2012.

Some 800 samples were randomly collected from farmers, millers and food officials, with 62.75 percent of the respondents advocating for a tripartite contract production and supply system.

With some fine-tuning the present system would work for 33.75 percent of the respondents, while 3.50 percent asked for direct rice procurement through bidding.

The study also suggested a number of recommendations for increasing efficiency and transparency of the procurement system.

These include timely announcement of procurement target, declaration of crop prices at planting time, offering competitive price and communication of procurement policies widely and sufficiently.

Kazi Maruful Islam, a co-researcher of the study, said the government should set up paddy procurement price on area basis rather than the universal price.