

Stocks end in the black

Buying spree helped break a two-day losing streak

STAR BUSINESS REPORT
Stocks returned to the black yesterday, breaking a two-day losing streak, as investors went on a buying spree.
DSEX, the benchmark general index of the Dhaka Stock Exchange, closed the day at 4,275.49 points, after edging up 68.89 points or 1.64 percent.
"Strong gain in top 10 market cap scrips that hold 42.80 percent of total market cap, drove the day market motion," said IDLC Investments in its daily market analysis.
In the meantime, livelier participation along with fresh positioning and repositioning helped turnover advance 43.13 percent to Tk 832 crore from the previous day, the investment banker said.
"The market bounced back with renewed strength after two days of consolidation," said LankaBangla Securities in its analysis.
Among the major sectors, investors were particularly bullish on power and telecoms sectors, the stockbroker said.

Power sector gained 3.98 percent in market cap with a 25.8 percent increase in volume, according to LankaBangla.
An aggregate of 1.41 lakh trades were executed with 11.89 crore shares and mutual fund units changing hands on the Dhaka bourse.
Of the 283 issues that traded on the DSE, 175 advanced, 88 declined and 20 remained unchanged.
All the major sectors gained except banks which lost 0.54 percent. Telecoms achieved the highest gain of 7.79 percent as Grameenphone, the largest cap stock, was up by 8.7 percent.
Non-bank financial institutions gained 1.98 percent and pharma 0.92 percent.
GP featured in the most traded stocks chart with 39.58 lakh shares worth Tk 89 crore changing hands.
Green Delta Insurance was the biggest gainer of the day, as it posted a 9.97 percent gain, while JMI Syringe and Medical Devices was the worst loser, plunging by 9.95 percent.

Moody's puts Singapore banks on negative outlook

AFP, Singapore

Credit rating agency Moody's on Monday downgraded the outlook of Singapore's three main banks to "negative" from "stable" amid rising property prices and mounting household debt in the city-state.
"The two main drivers underpinning our opinion are the recent period of rapid loan growth and rising real estate prices in Singapore and in regional markets where Singapore banks are active," it said in a statement.
"These have increased the probability of deterioration in the banks' credit profiles under potential adverse conditions in the future."
Moody's said Singapore banks have been operating in a favourable environment for an extended period amid low interest rates and strong regional economic growth, which has led to rising credit and asset inflation in the property and financial markets.
Domestically, household debt increased to 77.2 percent of gross domestic product

as of March 2013 from 64.4 percent at the end of 2007, with private property prices growing 120 percent during the same period.
"Regionally, we observe similar or even more dramatic trends," Moody's added, noting that Singapore banks generate more than 37 percent of their revenues from overseas markets.
A tightening of US monetary policy is a "potential trigger" that could have an impact on interest rates in Singapore and neighbouring countries as well as capital flows in emerging economies where Singapore banks are active, Moody's said.
Federal Reserve Chairman Ben Bernanke said last week the US central bank would maintain its growth-oriented policies "for the foreseeable future". But some analysts expect its \$85 billion-a-month bond purchases to taper off in coming months, possibly in September.
Moody's outlook report covers prospects in the next 12-18 months for DBS Bank, Oversea-Chinese Banking Corp and United Overseas Bank.

Microsoft slashes price on Surface tablet

AFP, San Francisco

Microsoft has quietly cut the price of its entry-level Surface tablet computer by some 30 percent, after surveys indicating sluggish sales.
The Surface RT tablet was being sold for as low as \$349 for US customers on the Microsoft website on Monday, down from the introductory price last year of \$499.
The move comes amid a price war for tablets and a flood of new devices on the market.
Amazon has slashed prices of its Kindle HD tablets to as low as \$169 in the US and 139 pounds in Britain, while Barnes & Noble has cut the price of its Nook to as low as \$129, and has announced plans to outsource production of its tablets.

Cabinet okays law to protect indigenous products

FROM PAGE B1

The proposed law will protect the country's claims to commodities such as hilsa fish, jamdani sari, nakshi kantha, pineapple and fazli mango. In other words, no other country can export the items once the law comes into force, said Mahboob Murshed, a former additional judge and a legal expert.
It will also ensure the patent rights of area-specific products such as kachagolla of Natore, roshmalai of Comilla, chomchom of Porabari, Tangail, monda of Muktagachha, Mymensingh, tea of Sylhet and honey of the Sundarbans.
It means the law will act as a safeguard for the real producers of products, Murshed said.
The industries ministry will open a geographical indication wing under the Department of Patents, Designs and Trademarks, with the chief of the wing being the registrar of geographical indications of goods.
The draft of the law has been in works since 2009.
The ministry can also open multiple branches of the wing across the country. To register a product, the association or co-operative of the product will have to apply; no one individual can register a product.
Upon receiving the application, the registrar will run a newspaper circular to find out whether any other trade body or association objects to the registration.
Murshed urged the government to be a member of the Lisbon agreement as well so that Bangladesh can place absolute claims to its products.
SK Saifur Rahman, general secretary of National Crafts Council of Bangladesh, said the law will give international recognition to Bangladesh's traditional craft products, while urging the government to pass the law as soon as possible.
Many countries including neighbouring India have already framed such laws.

Import duty on green chillies may go

FROM PAGE B1

Just before the beginning of Ramadan, prices of green chillies surged to over Tk 200 each kilogram in some kitchen markets of the capital.
Damage of chilli plants for rainfall, flood in some districts, stocking and tight supplies by large traders are blamed for the spiralling prices of the vegetable, demand of which rises during the month of fasting.
"We have sent the proposal so that imports costs fall and prices of green chillies come down to a tolerable level," said the official seeking to remain unnamed.
At present, total duties on import of green chillies stand at 93 percent. The NBR seeks to keep import duty for green chillies at zero level till December 2013.
Each kilogram of green chillies was sold at Tk 130-160 yesterday, according to the Department of Agricultural Marketing.

Uniqlo looks to cash in on Bangladesh's middle class

FROM PAGE B4

On Uniqlo not joining the global safety pact yet, Kalpona Akter, executive director of the Bangladesh Center for Worker Solidarity, says, "The plan, which is now in the implementation phase, is still open. I will call on all other brands, including the Japanese one (Uniqlo) - they all should sign this accord because it is legally binding."
"The workers will get the privilege to give their voices in the improvement process."
"If they (Uniqlo) want to go with their own safety standards, I would say it will not be acceptable because for one garment industry, we cannot have multiple policies," adds Ms Akter.
Made by locals, for locals
Fast Retailing Company added that even though it was operating as a commercial venture, Uniqlo's business in Bangladesh is styled as a social business under the Grameen Uniqlo brand.
The basic idea is to reinvest profits and create local employment through the manufacturing of clothes and its planned nationwide network of stores.
Made by locals, for locals - as the company puts it.
Back at the new Uniqlo store, like any self-respecting shopper Koli Ahmed was out for a good bargain.
The clothes are priced between 195 and 1,209 Bangladeshi taka (\$2.50 to \$15.50; £1.70 to £10.50).
Her verdict? "Quite reasonable."

Hard work, courage and luck

FROM PAGE B4

"But if something is functioning well and meeting its desired obligations towards market, then there is no need for the government to step in and formulate regulations."
A fitness fanatic, Chaudhary goes trekking in the Himalayas every year to clear his head. He and wife Sarika also regularly visit their health farm in the Philippines. Their eldest son Nirvana looks after the conglomerate's domestic interests, while the other two sons, Rahul and Varun, oversee the operations in Dubai and Singapore respectively.
The International Chamber of Commerce Bangladesh held a reception during his three-day stay in Dhaka to felicitate his recognition by the American business magazine.

More clout for workers

FROM PAGE B1

And, if a worker dies in an accident during service, his relatives will get a compensation equivalent to 45 days' salary.
If an owner sacks a worker who has served the company for more than a year, he/she will get 15 days' salary for every year of service.
But if the worker is sacked for misconduct, he/she will not be entitled to any compensation. Theft, embezzlement, vandalism, arson and disruptive behaviour will be considered as misconduct under the amended law.



Shafquat Matin, director of Dipon Consultancy Services Ltd, receives the International MasterCard PayExpo 2013 Award for Prepaid Programme of 2013 at a ceremony at ExCel Exhibition Centre London, UK recently.



Mahbubul Alam, president of Chittagong Chamber of Commerce and Industry, and MA Quader, chief executive officer of Bay Emporium Ltd, inaugurate an outlet of the footwear manufacturer at Biponi Bitan in New Market, Chittagong recently.

China holds four GSK managers for bribery

AFP, Beijing

Chinese police have detained four top executives of British drug firm GlaxoSmithKline (GSK) in China for alleged bribery and other offences, state media said Monday.
Four managers whose responsibilities included operations, human resources, legal affairs and business development had committed "serious" economic crimes, the official Xinhua news agency said.
The Beijing News newspaper said in a separate report that more than 20 people, including the four executives, were being held in connection with the investigation, which came to light earlier this month.
Others were pharmaceutical and travel industry officials, it said, with at least four travel agencies involved.
Chinese authorities said last week that

GSK staff had bribed government officials, pharmaceutical industry groups, hospitals and doctors to help sales of their products and increase prices for drugs.
The bribes were given directly or made through travel agencies and project sponsorship, the ministry of public security said last Thursday.
It did not specify the suspects' citizenships, but in London the Foreign Office said it was providing consular assistance to a British national.
It is common practice in China for pharmaceutical firms to offer doctors and hospitals bribes to have their products used, industry officials say.
At the same time, GSK executives took kickbacks from travel agencies in return for choosing them to organise conferences, said the ministry, which is in charge of China's police.

Two Koreas fail to reach agreement on Kaesong

AFP, Seoul

North and South Korea failed Monday to reach agreement on reopening a jointly-run industrial estate, dimming hopes of an early improvement in ties after months of friction.
A third round of talks about the complex, which followed two failed attempts this month, again ended without agreement, Seoul's chief delegate Kim Ki-Woong said.
But the two sides will meet again on Wednesday, he told reporters.
The latest meeting was held at the suspended Kaesong industrial complex, which opened in 2004 10 kilometres (six miles) north of the heavily-fortified border as a rare symbol of cooperation.
The zone had long remained resilient to turbulence in ties but eventually became the most high-profile victim of the latest flare-up

following Pyongyang's February nuclear test.
The North, citing perceived hostility by the South and its joint army exercises with the US, in April withdrew all its workers and banned entry by southerners, prompting Seoul to pull out its managers in early May.
At a rare meeting earlier this month, the two sides agreed in principle to reopen the estate, where 53,000 North Koreans worked in 123 Seoul-owned factories producing textiles or light industrial goods.
But little progress has been made since then amid squabbles over which side will take responsibility for the suspension, and Pyongyang's refusal to accept Seoul's demand for firm safeguards against another unilateral shutdown.
Seoul also wants to allow foreign firms to operate in Kaesong in an apparent bid to make it more difficult for Pyongyang to shut the estate if relations worsen.

Hollande vows to fight 'pessimism', says economy recovering

AFP, Paris

President Francois Hollande vowed Sunday to fight French "pessimism" in the face of a struggling economy, and acknowledged that the country's rail network needed better maintenance, after a deadly derailment.
In an interview with leading television channels to mark Bastille Day, Hollande insisted the recovery had already started. France entered recession this year and has a record-high 3.26 million unemployed.
Deeply unpopular Hollande defended his first 14 months in office and, as polls show deep gloom among the French, said his goal was to give "new confidence" to the country.
"For years we have been the most pessimistic country in Europe, in the world even," he told interviewers.
"There are countries at war that are more optimistic than we are."
Hollande was speaking after attending the traditional Bastille Day military parade on the Champs Elysees.
But this year's holiday was overshadowed by Friday's rail accident on a regional line near Paris, which claimed six lives. Hollande promised to make upgrading outdated lines a priority.
"We must do much more to maintain traditional lines, existing lines," Hollande said.
Opinion polls show the economy and



French President Francois Hollande (R) shakes hands with UN General Secretary Ban Ki-moon (L) after their meeting yesterday at the Elysee presidential palace in Paris.

jobs are the country's top concerns, although Hollande said France was already through the worst of its economic troubles.
"The economic recovery is here," he said, pointing to a pick-up in industrial production and a modest recovery in consumption.
But with France struggling to get its deficit under control, the president said he could not rule out tax increases to help balance the budget.

"We will make -- we have made -- savings (in spending) and I will increase taxes only if absolutely necessary, ideally as little as possible," he said.
Hollande re-affirmed his promise to reverse the rise in unemployment by the end of the year, after the number of jobless in France hit a record 3.26 million.
"I am fighting" for jobs, Hollande said.
"There is the will, there is a strategy," he

said, promising 100,000 jobs for youth by the end of the year.
France would push ahead with controversial pension reforms expected in the autumn, he said. The plans have already led to calls from unions for general strikes.
"Everyone will be called on to make efforts," he said, repeating that the number of working years required to receive full pension payments would likely increase.
Earlier Sunday, the traditional military parade unfolded under a sunny sky in Paris, with fighter jets flying overhead and troops marching to mark the storming of the Bastille prison on July 14, 1789, the start of the French Revolution.
The parade highlighted one of the few presidential decisions that has won widespread praise -- the French military intervention in Mali earlier this year.
About 60 troops from Mali and a detachment from the UN peacekeeping force there led the march. They were joined by French troops who took part in the operation against Islamist rebels in the west African nation.
France's surprise intervention in January helped Mali's weak army by driving out the Islamist fighters who had taken over the country's desert north. About 3,200 French troops remain in Mali, as it prepares for the first round of a presidential election on July 28.
"It was a victory for Africa, a victory against terrorism," Hollande said.