

# Turnover drops to 7-week low

STAR BUSINESS REPORT

Average turnover on the Dhaka Stock Exchange dropped to a seven-week low last week as investors adopted a wait-and-see approach due to labour unrest in the garment sector and the precarious political situation.

Considered to be the most important indicator of the market's vitality, it declined 29.47 percent from the previous week to Tk 406 crore.

DSEX, the benchmark general index of DSE, too, dropped 84.33 points, or 2.06 percent, to close the week at 4,013.38 points.

Political uncertainty and unrest in RMG sector led the investors to sell shares ahead of Eid-ul-Azha. IDLC Investments said in its weekly market analysis.

"The market opened in the negative zone during the week amid the dispute among political parties regarding the coming election," stated LankaBangla Securities in its weekly market commentary.

"Although some buying pressure had been initiated that spurred a short-term rally in small and mid cap stocks, it could not be sustained till the end of the week,"

said the stock broker, adding that large cap investors were not particularly in demand and got corrected with the broad index.

The stockbroker further said that the short-term downtrend may run out of steam soon seeing that turnover has already reached its seven-week low this week.

Of the 298 issues that traded on the DSE floor, 170 declined, 115 advanced and 13 remained unchanged.

All the major sectors ended in red, with non-bank financial institution being the biggest loser owing to its 6.21 percent drop. Telecoms, power and pharma were the next worst performing sectors during the week, shedding 3.88 percent, 3.56 percent and 3.21 percent respectively.

Banks, however, did not experience any significant movement during the week, but still registered a 0.63 percent loss.

CMC Kamal was the top traded stock during the week on account of its transaction of 2.03 crore shares worth Tk 71.44 crore.

Rahima Food was the biggest gainer of the week, posting a 50.16 percent rise, while Modern Dyeing and Screen Printing was the worst loser, slumping by 26.81 percent.

## Rosatom starts work on fourth power unit of TNPP

STAR BUSINESS DESK

The foundation laying ceremony of the construction of Rosatom's fourth power unit of the second stage of the Taiwan NPP (TNPP) took place in China's Lianyungang of Jiangsu province on Wednesday.

Its main principles are maximum utilisation of reliable technologies, low cost and short term of construction; combining the system of active and passive security and lowering the influence of the human factor on safety.

"Due to close cooperation between Russian and Chinese specialists, the construction of the second stage of the Taiwan NPP is being carried out efficiently and on schedule. This is one of the most efficient units among Chinese NPPs," Limarenko said.

Earlier, Rosatom Head Sergej Kiriyenko said Taiwan NPP-2 is expected to be launched before 2017.

This is the largest object of economic corporation between China and Russia. The first stage of TNPP- power units number 1 and number 2 with WWER-100-type reactors with the power of 1060 MWt were commissioned to the client state corporation for guarantee maintenance.

Taiwan NPP is situated on the shore of the Yellow Sea I and comprises of nearly 4.5 million people.

Viktor Godin, a representative of the state corporation in China; Valerij Limarenko, president of the merged company, NIAEP - JSC Atomstroyexport; and Jurij Ivanov, senior vice-president and director of engineering design participated in the event.

The Chinese National Nuclear Corporation and the state corporation JNPC were also present.

## Volkswagen to de-list from London Stock Exchange

AFP, Frankfurt

German auto giant Volkswagen announced Friday that it plans to withdraw its shares from trading on the London Stock Exchange from late October.

VW, which has been listed in London since 1988, said in a statement that it has applied to the Financial Conduct Authority "to request the cancellation of the trading of the shares on the main market of LSE... with effect from October 28."

The last day of trading in London would be Friday, October 25. A company spokesman said that VW regularly reviewed its different listings every few years.

"It's simply a cost matter. The various outlays we have -- the financial reporting obligations and so forth -- aren't reflected by the trading volumes generated there. It simply wasn't economical," he told AFP.



Shah Nowaz Ali, chairman of Rajshahi Krishi Unnayan Bank (Rakub), inaugurates the Nowhata Jute Mills Ltd at Puthiagara in Rajshahi yesterday. Mofazzal Husain, managing director of Rakub, and Monsur Ahmed, chairman of the jute mill, were also present.

## HSBC honours five exporters

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Set up in 2006, it has international clients in eight countries including the USA, Canada, the UK and Denmark.

While selecting the winners, the jury panel has not only considered the export volume but also export diversity, financial stability, compliance and sustainable business practices along with other qualitative criteria, organisers said.

Tawfiq-e-Elahi Chowdhury congratulated the winners. "We feel particularly inspired by their achievements. Your life stories will be the future story of Bangladesh," he said.

Bangladesh Bank Governor Atiur Rahman said exporters have maintained growth resiliently even at the height of the global financial crisis.

"In coping with the current demand weakness in the traditional western markets, the exporters are being supported by the existing government subsidies, and pre-shipment export credit at lower interest rate."

Rahman said the exporters are also making successful inroads with newer goods and services into newer markets with thrusts in other non-textile and non-apparel export services.

Andrew Tilke, chief executive officer of HSBC Bangladesh, said, "A strong export sector remains a key economic driver for the country. At HSBC, we are pleased to play our part in recognising and encouraging excellence in this sector as well as linking local businesses to global opportunities."

"When people visit Bangladesh they find world-class business enterprises in the country," he said, adding that the winners of the awards have proved over the years that the country's exporters could do world-class business.

Mahbub ur Rahman, head of corporate banking at HSBC Bangladesh, said, "HSBC has strong presence in the world's major and emerging economies. This is leveraged by the entrepreneurs worldwide to facilitate their international business, especially to address the dynamic and geographically dispersed supply chain."

The Daily Star, the daily Prothom Alo, internationally recognised audit firm KPMG and Brand Forum are the strategic partners of the annual event.

HSBC, headquartered in London, facilitates around 10 percent of Bangladesh's international trade.

On the eve of the awards ceremony, Latifur Rahman, chairman and chief executive officer of Transcom Group, said any award is a recognition.

This type of award encourages businesses to achieve higher targets, he said.

"This award is an excellent way of helping the winning companies reach greater heights," said Rahman, who won the prestigious "OSLO Business for Peace Award" last year.



Tawfiq Imam, head of credit cards at Standard Chartered Bank, and Zahirul Alam Bhuiya, chief executive of Discovery Tours and Logistic, attend the signing of an agreement between the firms, at the bank's head office in Dhaka recently. The bank's Visa Signature credit and Platinum debit and credit cardholders can enjoy up to 30 percent off and avail instalment payment options for Star Cruises Virgo and Star Cruises Libra.



Civil Aviation and Tourism Minister Faruk Khan leads a rally organised by Sonargaon Hotel in Dhaka to mark the World Tourism Day. Sonargaon also arranged a three-day festival of local cuisine on the occasion.

## DU team wins LankaBangla's contest on capital market research

STAR BUSINESS REPORT

Two students of Dhaka University yesterday took home the champion's trophy of the Alpha Hunters competition initiated by LankaBangla Securities.

The stockbroker organised the competition with special focus on capital market research for university students, the company said in a statement.

The gala round of the competition was held at the faculty of business studies auditorium on the university campus yesterday.

Fariba Fowzia and Farhana Hoque from the finance department of the university became the champions in the competition, TM Nafio Nabi and Kazi Raquib-Ul-Huq from North South University became first runner up, and Fuhad Hasan and Mufti Mejbaur Rahman from United International University second runner up.

The panel of judges comprised of renowned academician Mahmood Osman Imam, teacher of finance at Dhaka University; Mamun Rashid, vice chairperson of BD Venture, and Shahidul Islam, chief executive officer of VIPB Asset Management.

Fifteen universities took part in the competition that involves students presenting investment decision based on company valuation.

## German envoy stresses coordination in factory safety efforts

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Firstly, there is a lack of coordination among signatories for fire and building safety agreements, which many people are not aware of, Conze said.

After the Rana Plaza collapse, the government signed the National Action Plan (NAP), European retailers signed an accord, and US retailers signed a separate agreement.

There were some other agreements like Compact, a joint initiative of the government and the EU under the auspices of International Labour Organisation (ILO), for fire and building safety in Bangladesh's garment sector.

"All these have produced a lot of papers. But the problem is in implementation even when funds are not a problem. There is a lack of coordination in the implementation of so many

agreements," Conze said at a roundtable on workplace safety in the garment sector, at BRAC Centre Inn in Dhaka.

Bangladesh Institute of Labour Studies (BILS) and Friedrich-Ebert-Stiftung of Germany organised the roundtable of garment makers, experts and labour leaders.

The second challenge is in the separating domestic issues from international ones, Conze said. "The accord and the alliance have nothing to do with current issues like the minimum wage hike and trade union. These are Bangladeshi issues. These issues should be separated."

According to Conze, the third and most critical challenge for the sector is the political transition of government as the date for the next general election is nearing soon.

The labour, foreign and com-

merce secretaries of Bangladesh should hold regular meetings with representatives of the EU, US and donor agencies led by local consultative groups, so that the safety standard issue is not left out.

The fourth challenge is in using the big NGOs during the crisis. Many people do not like involving the NGOs in solving a crisis although Bangladesh is a leading NGO country, he said.

Brac and Grameen Bank, two established and respected institutions, should be used during this period to improve the sector, Conze said.

On involving the NGOs in the garments sector, he mentioned Nobel Laureate Muhammad Yunus' solidarity with garment workers across the globe to improve their deplorable condition.

The confrontational perception in trade union is the fifth

challenge for the garments sector in Bangladesh, he said. "There is a general need to strengthen trade unionism in the country. A lot of work has to be done for responsible trade unionism in Bangladesh."

The final challenge is little education for the members of the Bangladesh Garment Manufacturers and Exporters Association and Bangladesh Knitwear Manufacturers and Exporters Association. "Those who understand better deals, better markets and better product quality, should also maintain good business standards."

Presenting the keynote paper, Syed Sultan Uddin Ahammed, assistant executive director of BILS, said the whole society was affected by the Rana Plaza collapse when the focus of the world was on Bangladesh.

## Haiti earmarks 10,000 hectares for reforestation

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Richard Branson through Virgin United and Clinton Foundation together with Haiti Social Business Fund agreed to form a joint venture to accomplish this goal, according to the statement.

Yunus is a member of the Presidential Advisory Council of Haiti which is created to advise Haiti's President Martelly on economic and social affairs of Haiti.

Through his global initiatives arm YSB, Yunus has launched eight social business projects in Haiti. Ten more are in the pipeline.

Another large joint venture is shaping up with Brazil Foods (BR Foods) which will produce poultry and create country-wide employment for the rural population of Haiti.

Prime Minister of Albania Edi Rama honoured Yunus with the lifetime achievement award at a gala dinner, organised by the National Albanian American Council, in New York on Friday.

Rama praised the Bangladeshi Nobel laureate for his contribution in helping overcome poverty in Albania and Kosovo.

President of Albania and

prime ministers of Albania, Kosovo, Macedonia, cabinet members of Albania and Kosovo, several US congressmen and business leaders of the Albanian American community in the USA attended the event on the sidelines of the UN meeting.

Yunus Social Business has been working in Albania for the last three years.

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## Banglalink to offer new surfing experience

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"The 3G auction is not the last one in Bangladesh," he said. The telecom regulator is looking to hold auctions for the 700 MHz band spectrum in future. The government has 2,600 MHz band that can be used by the mobile operators, he added.

However, Banglalink is all set to modernise its network in the next two years to simultaneously offer 2G and 3G services, Shatara said. Swapping the existing infrastructure will come at a price of \$240 million.

The country's second largest mobile operator recently signed an agreement with Chinese vendor Huawei to modernise its entire network.

By the end of 2014 or early 2015, the upgrade will be completed and the coverage will be expanded. However, expansion is an ongoing process, the Banglalink CEO said.

The operator will invest an additional \$60 million to build civil structures such as towers to expand coverage in places where it does not have network still.

The investment also includes 3G. The operator will take out the existing 2G network and replace it with new equipment that supports both 2G and 3G services. 2G is for voice and narrowband data while 3G provides high-speed data support.

"We could have put 3G on top of the existing 2G network, but that is not the right long-term solution as it would cost more in terms of electricity and other resources, like additional antennas. Banglalink will now install single antennas with the networking equipment to provide both the services (2G and 3G)."



Mahmood Osman Imam, teacher of finance at Dhaka University; Mamun Rashid, vice chairperson of BD Venture; and Shahidul Islam, chief executive officer of VIPB Asset Management, pose with the winning teams of Alpha Hunters organised by LankaBangla Securities at the closing ceremony of the competition at the Faculty of Business Studies of Dhaka University yesterday.



Saiful Islam, chairman of Western Marine Shipyard, attends the inauguration of the construction work of an aluminium body catamaran type passenger ship for the government of Tanzania through a keel-laying ceremony on Thursday. Shakhawat Hossain, managing director, was also present.