

Stocks end week in the black

STAR BUSINESS REPORT

Stocks returned to the black last week amid increased participation of investors following positive quarterly earnings' declarations by many listed firms.

The recent telephonic conversation of the leaders of the two major political parties also helps boost investors' confidence.

DSEX, the benchmark general index of Dhaka Stock Exchange, closed the week at 3,967 points, registering a rise of 168 points or 4.43 percent.

Scrip-wise swings were practical alongside investors' preference in fundamentally strong and lucrative scrips depending on recent earnings' declarations, IDLC Investments said in its analysis.

During the week, quarterly earnings declarations and lucrative price advantages lured some witty participants to the market especially, in bank sectors, the merchant banks said.

"This fuelled the week's positivity in an accelerated tone and assisted investors' increased participation," IDLC

Investmentssaid.

But, it said, at the fourth session, a precautionary movement of profit-booking by the investors dragged down the indices by 43 points and broke the tri-session long streak of 190 points.

"As week ended, the bourse emerged flat as investors were changing their sector-wise preference."

All major sectors turned positive, with life insurance gaining 7.02 percent, telecoms 6.92 percent, bank 6.61 percent and textile 5.24 percent.

Apart from the indices, the total turnover on the premier bourse also rose 75.83 percent to Tk 1,746 crore last week from the previous week's Tk 993 crore.

Gainers beat losers 190 to 97, with six securities remaining unchanged on the premier bourse last week.

The Chittagong Stock Exchange also ended in the black with its selective category index increasing 4.29 percent to close the week at 7,762 points.

Of the 239 traded issues, 146 advanced and 81 declined with 12 securities remaining unchanged on the port city bourse with

Rice prices rise in Dinajpur

OUR CORRESPONDENT, Dinajpur

Rice prices rose by Tk 2-3 a kilogram in the retail and wholesale markets in Dinajpur and surrounding districts amid a shortage of rice supply in the retail and wholesale markets, according to local businesses.

Part of the shortage stems from the rice millers' inability to operate mills during the hartals imposed by BNP-led 18 party alliance last week, market insiders said.

In local retail markets, BR-28 was sold at Tk 33 a kg last week, which now costs Tk 36 a kg, whereas the price of BR-29 has also gone up to Tk 35 from was Tk 33 a kg.

Md Liakat Ali, a retail rice trader at Bahadur Bazar rice market, said the mill operators and the wholesalers are not supplying enough rice to them.

Transport costs increased manifold and many mills remained inoperative during the 60-hour hartals imposed by the 18-party alliance last week, said Sahidur Rahman Patwari Mohan, joint convener of Bangladesh Chal Kal Malik Samity.

Nissan cuts profit forecast

AFP, Tokyo

Nissan on Friday launched a sweeping management overhaul to "rejuvenate" its top ranks while slashing its full-year profit forecast, as the Japanese automaker cited a sluggish European market and vehicle recall costs.

The firm now expects to earn 355 billion yen (\$3.62 billion) in the fiscal year to March, down from an earlier 420 billion yen forecast.

Despite the slimmed-down forecast, Japan's number-two automaker said its half-year net profit rose 6.5 percent from a year ago as sales jumped 14.7 percent.

"Nissan's results reflect improved demand for our new products in Japan and the Americas," chief executive Carlos Ghosn said.

"This was offset by difficult conditions in Europe, volatile demand in several emerging markets and higher expenses related to recalls."

Japanese automakers, once lauded for their quality and safety, have been stung in recent years as they recalled millions of defective vehicles.

The management shakeup Friday at Nissan, maker of the Altima sedan and luxury Infiniti brand, included replacing its number-two position with a trio of executives.

Ghosn, 59, widely credited with rescuing a near-bankrupt Nissan when he took over more than a decade ago, said the firm needed fresh blood in its top ranks.



Sohail Humayun, managing director of Unicorn Industries Ltd, receives the food safety system certification award from Ronald Biswas, country manager of Intertek Bangladesh Ltd, at a programme on Friday.

New MD for City Bank

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Sohail RK Hussain has recently taken the charge of managing director of City Bank, the bank said in a statement yesterday.

Prior to the appointment, he was serving the bank as additional managing director and chief business officer.

Hussain started his career as a management trainee with ANZ Grindlays Bank in 1990, according to the statement.

He later served ANZ Grindlays as head of local corporate business, Standard Chartered Bank as head of large local corporate unit and Eastern Bank as head of corporate banking and structured finance.

He joined City Bank as deputy managing director and head of business in 2007. Hussain obtained his MBA from the Institute of Business Administration under Dhaka University.



Mercantile Bank's new DMD

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Mohammad Masoom has recently joined Mercantile Bank as deputy managing director, the bank said in a statement yesterday.

Masoom has been serving National Bank as senior executive vice president and head of CRM before joining Mercantile Bank.

He achieved his master degree in public administration from Dhaka University and completed his MBA in finance and PGD(s) in development economics/planning and HRM.



Mostafa Faruque Mohammad, ICT minister, attends a press briefing to announce "Robi 3.5G Internet Mela" at a local hotel in Dhaka yesterday. Mahtabuddin Ahmed, chief financial officer of Robi, was also present. The fair begins on November 16.



Mohammad Asad Ullah, president of Institute of Chartered Secretaries of Bangladesh, poses with the participants of a day-long workshop on audit committee roles, responsibility, structure and functions, at Sonargaon Hotel in Dhaka on Friday.

ADP spending dips on election distraction

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In contrast, the implementation in the other nine big ministries and divisions such as the power division, bridge division, energy and mineral resources division, health and family welfare ministry and the roads division ranges from 0.16 percent to 10 percent.

Among the 54 ministries and divisions, 23 implemented 0 to 8 percent of their allocations.

Of the amount used in the first three months of fiscal 2013-14, Tk 5,033 crore came from the government's own fund and Tk 1,961 crore from foreign aid.

The bridges division, which got the third highest allocation in the ADP due to the Padma Bridge project, expended only 0.16 percent of its allotment.

The health ministry continued with its poor implementation from last fiscal year: in the first three months it used up only 9 percent of its allocation.

The roads division implemented only 10 percent of its share, due to no significant progress in many big projects like the Dhaka-Chittagong four-lane highway project.

FBCCI calls for a formalin control act

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FBCCI, in collaboration with Prime Bank, donated a formalin kit to Banani Bazar authorities to detect the substance in commodities.

The move comes at a time when food adulteration runs rampant in the country.

Many sellers spray formalin -- a chemical usually used for preservation of tissues -- on fish, making them look fresh for a long time.

The annual demand for formalin in the country is 40 tonnes now. The country imported 750 tonnes of formalin in 2010-11, which came down to 22 tonnes in 2012-13 due to strict government rules.

Communications Minister Obaidul Quader was also present at the event.

Earlier, the FBCCI had donated nine formalin detection kits for nine kitchen markets in Dhaka and seven in markets outside the capital.

Traders in the capital declared the Malibagh kitchen market as the country's first formalin and carbide-free market on September 19 last year.

Citi, JPMorgan caught up in forex probe

AFP, New York City

Citigroup and JPMorgan Chase said Friday they have been approached by US and foreign authorities investigating possible manipulation in the foreign exchange markets.

In filings with the Securities and Exchange Commission, both US banks reported having received queries on the issue, days after Barclays Bank, Deutsche Bank, UBS and Royal Bank of Scotland also acknowledged being under investigation over foreign exchange market issues.

"Government agencies in the US and other jurisdictions are conducting investigations or making inquiries regarding trading on the foreign exchange markets," Citi said.

"Citigroup has received requests for information and is cooperating with the investigations and inquiries and responding to the requests."

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JPMorgan said it had received information requests from "various government authorities" regarding its foreign exchange trading business.

"These investigations are in the early stages and the firm is cooperating with the relevant authorities," it said.

Neither bank gave any other information on the direction of the probe.

On Thursday Barclays Bank reported it had received enquiries on its foreign exchange trading covering several years through August 2013.

Before that, the other banks acknowledged they had been contacted.

Britain's Financial Conduct Authority said last month that alongside several other agencies it was investigating a number of firms relating to trading on the foreign exchange market.

India asks IBM to pay \$866m in outstanding tax

REUTERS, Mumbai

Indian tax authorities have asked IBM's local unit to pay 53.57 billion rupees in outstanding income tax on fiscal 2009 revenue, media reported on Saturday.

In an emailed statement, an IBM India spokeswoman confirmed the company had received a tax notice, but declined to comment on the amount of tax liability or the nature of the notice.

The Income Tax office issued the company a notice for under-reporting revenue for fiscal 2009 by the Indian unit, the Business Standard newspaper said, citing a tax official.

"IBM does not agree with the tax department's claims and will aggressively defend itself through the appropriate judicial process," the IBM India spokeswoman said.

IBM has been locked in a tax dispute with authorities related to its 2009 reporting year income, media have reported previously.

Officials at the income tax office were not available for comment on Saturday.

In its latest 10-Q filed with the U.S. Securities and Exchange Commission (SEC), IBM said it had recorded \$394 million in prepaid income tax in India "at" September 30, 2013. IBM said a "significant portion" of that amount was paid in order to reserve its right to appeal previous tax assessments in India, which it said it expects to win in appeal.



Nasrin Mokerrom, a founding member of United States Bangladesh Social Organisation of Richmond, Virginia, offers cash help to the victims of Rana Plaza, at a programme recently.



Arif Dowla, chairman of Mutual Trust Bank, and Syed Manzur Elahi, founding chairman, cut a cake to mark the 14th founding anniversary of MTB at a ceremony at the bank's corporate head office in Dhaka recently.



Dewan Mujibur Rahman, managing director of NRB Commercial Bank, and Mohammed Nasir Uddin Chowdhury, managing director of LankaBangla Finance Ltd, exchange documents of a term loan deal at a programme recently.