

Winter clothes sellers in Mymensingh take a hit from political choas

AMINUL ISLAM, Mymensingh

Recurrent hartals and blockades have diminished the prospects of higher earnings of winter clothes sellers in Trunkpatti and Basabari markets of Mymensingh.

The businesses were hoping to see a better selling season this year, as winter arrived earlier than usual this time, signalling a longer season.

Most of the traders were seen sitting idle due to low turnout of buyers in Trunkpatti and Basabari, which house the main old clothes stores of the district.

"I have so far bought clothes worth Tk 5 lakh this year, but the sales have been so poor that it has left me hopeless," said Lokman Hossain, a trader at Trunkpatti.

"This is so far the worst start of a business season in my trading experience of 25 years."

The wholesalers are not getting their cash payments in time, as sales of retailers have not got the pace so far, said Md Harun, another trader in the area.

"We had expected a boost in sales of warm clothes and blankets, especially at

the makeshift shops in the town and its outskirts, but the ongoing political situation has been hurting the businesses," Harun said.

Hartals and blockade programmes have restricted the retailers from different upazilas to visit the district town, which has left a very bad impact on the wholesale business, traders said.

This week's scene is much worse compared to even last week, when the buyers' turnout was much better, consisting of the low and fixed income groups, said Muklesur Rahman, an old clothes seller.

The prices of used winter clothes, including woollen sweaters, jackets, cardigans, trousers, mufflers, gloves and kids-wear are slightly higher this year, sellers said.

Depending on size and quality, prices of blankets made of cut pieces of garment factories vary from Tk 150 to Tk 550 apiece.

The prices of woollen sweaters, jackets and cardigans vary from Tk 100 to Tk 500 at the makeshift shops.

Sales of old warm clothes at roadside footpath shops at different bazaars of the upazila have also begun on a small scale, traders at Basabari markets said.

ICC stresses continued efforts for WTO deal

STAR BUSINESS DESK

The International Chamber of Commerce (ICC) has urged the members of World Trade Organisation (WTO) to spare no effort and to demonstrate the political will needed to achieve a trade facilitation agreement in time for the Bali Ministerial Conference next week.

"This is a clarion call for global business to continue urging WTO member governments and trade ministers to engage with each other informally, and bridge remaining gaps in order to reach a trade facilitation agreement in Bali next week," ICC Secretary General Jean-Guy Carrier said.

"ICC's global network—comprising over 6.5 million companies around the world—will keep pushing WTO members to reach agreement before the end of the Bali Ministerial," the chamber said in a statement yesterday.

"This is a critical moment in the WTO negotiation process and it is all the more important for business to stay engaged and keep pushing for an agreement. A deal can still be done," said ICC Chairman Harold (Terry) McGraw.

"According to a recent study commissioned by ICC, the WTO trade facilitation agreement could boost global GDP by \$960 billion annually and increase exports of developing countries by \$570 billion and of developed countries by \$475 billion."

"It would also create 18 million jobs in developing countries and 3 million in developed countries," he said.

"The prospect of such significant benefits to the world economy compels WTO members and trade ministers to talk to each other and compels business to urge them to conclude a substantive agreement," said Victor K Fung,

H&M stops making angora products

AFP, Stockholm

Swedish fashion giant H&M said Wednesday it would stop making clothing containing angora hair after an animal rights group released video showing fur being plucked from live rabbits on Chinese farms. "We are halting production" of angora products, said H&M spokeswoman Camilla Emilsson Falk.

"We need to check to be sure if the producers are conforming to our standards," she said, although angora products already in H&M stores would not be withdrawn.

The Swedish fashion retailer's move marks a U-turn from five days ago, when it insisted that its suppliers met necessary standards and that it carried out routine spot checks to ensure that.

But that stance was met with sharp rebuke in Sweden, with critics saying that the checks were not entirely efficient while calling for angora hair



REHAB

The executive committee of Real Estate and Housing Association of Bangladesh meets with Tofail Ahmed, minister for housing and public works, at the ministry office in Dhaka recently.

India, Bangladesh to deepen cooperation on renewable energy

STAR BUSINESS REPORT

Bangladesh and India have agreed to intensify cooperation in the areas of research and academic collaboration on renewable energy, information exchange, institutional and technical support.

It was revealed at the Second Joint Working Group in Dhaka yesterday where officials from India's new and renewable energy ministry and Bangladesh's power, energy and mineral resources ministry met.

The Indian delegation led by AK Dhussa, adviser of the new and renewable energy ministry, and the Bangladesh delegation was led by Mohammad Hossain, director general of Power Cell, the Indian High Commission in Dhaka said in a statement.

During the meeting, both the countries also agreed on tentative timeframe for series of exchange of visits by both sides focusing on the areas of wind energy, solar energy, biogas and biomass gasification.

The next meeting of the group will take place in New Delhi in September next year.

Fall in stocks continues

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"Fear and hesitation dominated the market sentiment, causing a squeeze in turnover and thrashing the broad index," commented IDLC Investments in its regular market analysis.

Gradually, a confirmation of trend reversal is building up in the market, creating nervousness among the investors, especially the late entrants, the investment banker said. "Sudden drop in turnover in the last three trading sessions indicates that investors are still observing the market movement," said LankaBangla Securities in its daily market analysis.

Moreover, intraday volatility of the index is making investors more confused about the direction of the market, the stockbroker said.

The textile sector has been dominating the market in terms of turnover in the last few days, while the most active stock was Delta Life Insurance, capturing about 9 percent of the total turnover.

Losers took a strong lead over the gainers as out of the 281 issues traded, 163 declined, 89 advanced and 29 remained unchanged on the primer bourse.

All the major sectors registered losses with telecoms being the biggest loser with a 1.03 percent fall, followed by pharma 0.93 percent and banks 0.91 percent.

Non-bank financial institutions lost 0.75 percent, power 0.48 percent, life insurance 1.48 percent and textile 1.47 percent. A total of 1.01 lakh trades were executed with 9.24 crore shares and mutual fund units changing hands on the Dhaka bourse.

Delta Life Insurance saw the highest liquidity flow with 12.91 lakh shares worth Tk 33 crore changing hands.

RN Spinning Mills and Paramount Textiles were the next popular stocks of the day.

Standard Ceramics was the highest gainer of the day, posting a rise of 6.04 percent, while Zeal Bangla Sugar Mills was the worst loser, plunging by 6.25 percent.

The Chittagong Stock Exchange also closed the day in the red with its selective categories index, CSCX, declining 102.97 points to close at 8,282.65 points. Losers beat gainers 158 to 37, with 19 issues remaining unchanged at the port city bourse that traded 1.39 crore shares and mutual fund units with a turnover of Tk 48 crore.

Separate pay scale unlikely for BB, state banks

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Finance ministry officials said if the separate pay scale is not awarded for the central bank employees, it would not be possible to award the same for Sonali, Agrani, Rupali and Janata employees either.

Moreover, even if the separate pay scale is awarded, the act might put the Hasina government on the wrong side of the electoral code of conduct, as it stands to influence the one lakh-odd bank employees' voting decisions. The state-owned banks, however, can implement the separate pay structure of their own, as the banks are now corporatised.

A high official of the Finance Division said they will now send back the proposal of separate pay scale for state banks to the Banking Division of the finance ministry, which they will examine and forward to the state banks' board for implementation.

Prime Minister Sheikh Hasina on November 14 approved a draft on the separate pay scale, and the banking division forwarded it to the finance division for issuing an order to this effect.

BB appoints observer to troubled BASIC Bank

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BASIC Bank, however, made some changes for the better regarding its lending practices: it is now giving out loans less aggressively than before.

Previously, the central bank appointed observers in many problem-ridden private commercial banks, which led to improvement in their financial health. But such move was never initiated in case of state-owned banks as the government held their ownership.

IMF okays fourth instalment of \$1b

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The finance ministry official said the ceiling may be raised by more than \$1 billion.

To minimise subsidies and wastages in some state enterprises, the government has completed 'efficiency audits' into Bangladesh Petroleum Corporation, Power Development Board, and Bangladesh Chemical Industries Corporation in line with another IMF condition.



NRB BANK

Shahrukh Ahmed, head of human resources and facilities management of NRB Bank, inaugurates a branch of the bank at Goala Bazar in Sylhet recently.



BERGER PAINTS

Dealers of Berger Paints pose during a trip to Russia and Turkey recently. Berger organised the trip to recognise the best performing dealers of the company.

WB says no money for nuclear power

AFP, United Nations

The World Bank and United Nations on Wednesday appealed for billions of dollars to provide electricity for the poorest nations but said there would be no investment in nuclear power.

"We don't do nuclear energy," said World Bank president Jim Yong Kim as he and UN leader Ban Ki-moon outlined efforts to make sure all people have access to electricity by 2030.

Kim said \$600-\$800 billion a year will be needed to meet the campaign target of universal access to electricity, doubling energy efficiency and doubling the share of renewable energy by 2030.

In some countries, only 10% of the population has electricity.

So far, the campaign has a pledge of one billion dollars from the OPEC Fund for International Development, Bank of America has raised \$500 million through the world's first 'green bond' and Norway has committed to spend two billion krona (\$325 million) on renewable energy efforts in 2014.

Kim said the World Bank is preparing energy plans for 42 countries that would be ready in June, but said any money raised would only go to new power sources.

"Nuclear power from country to country is an extremely political issue," Kim told reporters.

"The World Bank Group does not engage in providing support for nuclear power. We think that this is an extremely difficult conversation that every country is continuing to have.

Tourism fair kicks off amid gloomy outlook

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However, it is not all doom and gloom for travel agencies. Many are opting to escape the unsafe conditions at home, with travel agencies reporting spikes as high as 20 percent in their bookings for outbound tours.

"It however means that we are losing foreign currency. It will add very little to our GDP," said one operator.

Dilip Kumar Das, a manager of Asian Holidays, however disagreed that the outbound tours have gone up due to instability in the country.

"The current crisis, which has been going on for a long time, has also hit the operators who run outbound tours. People are scared. If there is no peace nobody wants to set out for travels, whether within the country or outside of the country."

Meanwhile, Ariful Alam, a sales manager of Jamuna Resort Ltd, painted a pretty gloomy picture of the business condition. Previously, the resort's bookings in

November amounted to at least Tk 2 crore, but this year it has come to only Tk 26 lakh. Their monthly expenditure, on the other hand, stands at Tk 50 lakh.

Das added: "November used to be busiest period for the sector in the past, but this year we are not seeing any rush now."

HM Hakim Ali, chief executive of Hotel Agrabad, said the occupancy rate of his hotel in Chittagong came down to a meagre 30 percent since the trouble has begun.

"The picture is the same in all hotels across the country. Only time will be able to heal the wound," said Ali, also the president of Bangladesh International Hotel Association.

Ali's hotel even had made security arrangements to transport tourists from the hotel from the airport and vice versa and even publicised it. Still, the occupancy rates have not gone up.

Asked about the timing of the fair, Rezaul Karim, executive director of Bangladesh Foundation for Tourism

Development, said this type of fairs mainly promote networking between service providers and tourists.

"All companies try to offer the most competitive package. Many are offering huge discounts, which the tourists will be able to avail throughout the year," he said.

The fair was organised in collaboration with the civil aviation and tourism ministry, Bangladesh Tourism Board, the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), Bangladesh Inbound Tour operators Association and Bangladesh International Hotel Association.

Civil Aviation and Tourism Minister Ruhul Amin Hawlader inaugurated the fair in presence of Civil Aviation and Tourism Secretary Khurshed Alam Chowdhury, FBCCI President Kazi Akram Uddin Ahmed and ambassadors of Indonesia, Myanmar, the Maldives, Bhutan and Sri Lanka.

The fair will be open to visitors today and tomorrow.

Political unrest slows Robi's revenue

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The operator blamed the slowdown on the ongoing political uncertainty and "lower average call rates due to heightened price competition in the market".

Ahmed said their net profit rose by 27.27 percent to Tk 140 crore during July-September compared to the previous quarter.

He said Robi's profit was stable due to a cut in SIM tax, and efficiency of the operator. "The profit, however, was partly offset by increased depreciation due to investments made over the past periods as well as additional amortisation recognised for 3G and 2G spectrum fees."

However, EBITDA (earnings before income tax depreciation & amortisation) margin of the operator improved to 40.2 percent in part due to lower subscriber acquisition cost and improved efficiency in operational expenditure.

The regulator recently demanded a 5 percent advanced income tax on spectrum fees, which the operator said "is unsubstantiated and is under our scrutiny," and posts a significant threat to the overall bottom-line performance of the company.

On the introduction of 3.5G services, the CFO said the revenue growth was "more significant because data and non-voice were

driving the revenue growth for the first time."

Data revenue growth was important at this point as the company has invested a significant amount to expand its 3.5G services. Robi has already invested Tk 870 crore to acquire the 3G licence at an auction in September.

The company has made additional investments in the network with 122 new networking sites being aired in the third quarter, taking the total number of base station sites to 6,300 and covering more than 98 percent of the population.

Its accumulated investment in the network since inception stands at more than Tk 11,700 crore.



AKHTAR

KM Akhtaruzzaman, chairman of Akhtar Group, attends the dealers' night organised by Akhtar Foam & Mattress Industries Ltd in Gulshan, Dhaka recently. KM Rifatuzzaman, managing director, was also present.



PUBALI BANK

Helal Ahmed Chowdhury, managing director of Pubali Bank, poses with the 22 newly promoted deputy general managers of the bank at a ceremony recently. MA Halim Chowdhury, additional managing director, was also present.