

Stocks continue to decline over political instability

STAR BUSINESS REPORT

Stocks declined for the fourth day yesterday with the key index dropping below the 4,200 points level as investors remained averse to fresh investments amid ongoing political instability.

DSEX, the benchmark general index of the Dhaka Stock Exchange, closed the day at 4,147.21 points, after falling 83.51 points or 1.97 percent.

The decline was prolonged by a strengthened perception of bleak investment outlook, IDLC Investments said in its daily market analysis.

Turnover experienced a drought as the buy side subsided, the investment banker said.

Turnover declined 4.86 percent to Tk 349 crore, compared to the previous day.

"Investors are continuing their 'wait-and-see' policy and waiting for a clear direction," stated LankaBangla

Securities in its daily market analysis.

Gloomy political outlook has been a major setback for the market in recent days, said the stockbroker.

"Probably all the market participants are expecting slowdown in corporate profitability because of nationwide blockade and discounting their valuations accordingly."

The losers took a strong lead over the gainers as out of 282 issues traded, 207 declined, 57 advanced and 18 remained unchanged on the premier bourse.

All the major sectors closed in the red: power 2.22 percent, banks 1.89 percent and non-bank financial institutions 1.83 percent, pharma 1.46 percent and telecoms 1.29 percent.

However, life insurance gained 2.08 percent and tannery 1.45 percent.

On the other hand, textile and engineering suffered the highest amount of sell pressure, losing 2.90 percent and 2.83 percent respectively.

A total of 0.94 lakh trades were executed with 8.74 crore shares and mutual fund units changing hands on the Dhaka bourse.

Delta Life Insurance generated the highest turnover with 12.06 lakh shares worth Tk 33 crore changing hands.

RN Spinning Mills and Meghna Petroleum were the next popular stocks of the day.

Rahima Food was the highest gainer of the day, posting a rise of 9.95 percent, while Meghna Petroleum was the worst loser, slumping by 20.65 percent following its price adjustment after record date.

The Chittagong Stock Exchange also ended lower for the fourth session with its selective categories index, CSCX, losing 173.96 points, to close at 8,108.68 points.

Losers beat gainers 177 to 27, with nine issues remaining unchanged on the port city bourse that traded 1.25 crore shares and mutual fund units with Tk 45 crore in turnover.

17-member Bangladesh team reaches Bali for WTO meeting

STAR BUSINESS REPORT

A 17-member delegation of Bangladesh led by Commerce Secretary Mahbub Ahmed has reached the Indonesian island of Bali to represent the country at the ninth ministerial conference of the World Trade Organisation.

The delegation includes government and private sector people, the commerce ministry said in a statement yesterday.

The focus of this year's meeting is to salvage a deal on slashing barriers to global commerce.

Bangladesh along with other 48 least developed countries (LDCs) will try to get duty- and quota-free market access to developed and developing nations at the meeting, according to the statement.

The ministry also said the LDCs will also press

for preferential market access for their services sector.

The WTO was established in January 1995 with an aim to help global commerce flow as freely and fairly as possible. The organisation also oversees trade rules agreed by its members.

Based in Geneva, Switzerland, the WTO has 159 members. About three quarters of them are developing countries.

Yemen is set to become the 160th member at this week's meeting, which runs from December 3-6.

Member countries hold ministerial conferences at least once in every two years. The previous eight such meetings were held in Singapore in 1996, Geneva 1998, Seattle 1999, Doha 2001, Cancun 2003, Hong Kong 2005, and Geneva again in 2009 and 2011.



ROBI

Officials of Robi and UNDP's UPPRP project attend the signing of an agreement to provide 2,700 free SIMs to UPPRP grant beneficiaries on a pilot basis at Tangail and Savar city corporations at the UPPRP head office on Thursday.

MCCI condemns Standard Group arson

STAR BUSINESS DESK

The Metropolitan Chamber of Commerce and Industry yesterday condemned the arson at Standard Group complex at Konabari in Gazipur where garment workers torched six units of the apparel maker, causing a massive damage worth nearly Tk 1,200 crore.

"To the best of our knowledge, the garment factory of the Standard Group strictly follows the rules and regulations and social compliance," the chamber said in a statement. "On the basis of false rumours, some miscreants put the factory on fire....We express our strong resentment at this untoward accident."

The garment industry is passing through challenging situations and the violence may result in a reduction in export earnings, the chamber said.

"Only on the basis of rumours, burning down of an established and renowned garment factory is a heinous act. We express our strong condemnation and protest at this type of act." The leading trade body wanted the government to bring the concerned miscreants under the law immediately.

Bangladesh Employers' Federation also expressed their deep shock for the arson yesterday.

BGMEA gives govt a week to arrest arsonists

FROM PAGE B1

"Making a comeback will be a huge challenge. I will need support from the central bank and other banks. Otherwise, the group will not survive."

He added: "We will repay the loans, but the bank interests will have to be cut. The central bank can set an annual amount that I have to pay to the banks."

The Standard Group MD, however, did not give any estimate of the sum his family-run factory owes to banks. Hussain, whose company has a reputation of being one of the most compliant factories in the country, also said exemplary punishment has to be handed out to the real attackers through proper probe.

Standard Group employs about 50,000 people in its 23 production units and exports garment products worth nearly \$325 million annually.

Its clients include American Eagle, GAP, Zara, Tommy Hilfiger, KOHL'S, Sears, Abercrombie & Fitch and Gymboree, according to the website of the group.

Leaders of the International Chamber of Commerce-Bangladesh, Bangladesh Insurance Association and Dhaka Chamber of Commerce and Industry were also present at the meeting held at the BGMEA headquarters in the capital.

Foreign investment in stocks rises 22pc in Nov

FROM PAGE B1

"They [foreign fund managers] are making a lot of queries about the Bangladesh market and visited a number of listed firms during the last one year. But investment did not rise that much," Saifuddin said.

Political uncertainty might have kept the foreign fund managers on the sidelines, he said, adding that the investment is still very low compared to the total market capitalisation.

Also known as portfolio investment, foreign investment accounts for around 1 percent of DSE's total market capitalisation, which was Tk 2,600 crore yesterday.

Banks were initially the foreign investors' preferred sector, but non-bank financial institutions, power and energy, pharmaceuticals, multinationals, telecoms and IT also caught their attention.

Between January and November, foreign investors bought shares worth Tk 2,495.26 crore and sold shares worth Tk 649.82 crore, with a net investment of Tk 1,845.44 crore during the period, according to the DSE.



MASTERCARD

Atiur Rahman, governor of Bangladesh Bank, and Michael McCarthy, group head of human resources for Asia Pacific, Middle East and Africa of MasterCard, recently hand over a grant to Zakir Hossain, executive director of BURO Bangladesh, for providing business and financial literacy and entrepreneurial training to 100,000 individuals.



AUS BANGLA TOURISM

Australian members of parliament Bryan Doyle and Charles Casuscelli; MA Kashem, chairman of JK Group of Companies Bangladesh; Fuad Ahmed, director of AUS Bangla Tourism Pty Ltd in Sydney; and Masud Uddin Chowdhury, high commissioner of Bangladesh in Australia, attend Bangladesh Tourism Night hosted by AUS Bangla Tourism in Sydney recently.

Onion price spirals again

FROM PAGE B1

Nur Mohammad, a retailer at Palasi kitchen market, said the prices would have come down to below Tk 50 per kilogram, from Tk 90-110 per kilogram a month ago, were it not for the sequence of blockades.

The wholesale market has "almost become dry" as supply from ports and hubs has fallen drastically due to the blockade, said Narayan Chandra Saha of Nobin Traders at Syambazar wholesale market.

"We are not getting a truck even after agreeing to pay double the normal fare.

All are stranded at ports," he said, adding that should no truck arrive by yesterday night they would have to "sit idle" today.

However, prices of most other essential commodities including vegetables and rice remained unchanged as shopper turnout in kitchen markets was sparse amid fears of violence during the blockade.

At midday, only two customers were seen at

the shop floor of the Agora outlet in Wari. On a normal working day, at least 10-12 customers can be seen at that time, said Azam Khan, the outlet's manager, adding that daily sales have dropped 30 percent for the blockade.

The prices of seasonal vegetables usually decline during this time because of full swing harvest, but supply disruption has kept prices at a constant level, he said, while citing the case of cauliflower, a winter vegetable. It should be selling at Tk 20 a piece but is going at Tk 40.

Mohammad Jewel, a vegetable retailer at Wari, said prices of almost all vegetables except for cauliflower and beans remained unchanged. The two vegetables experienced a rise in price due to supply shortage.

Mohammad Rajannya, a rice retailer at Palasi market, tipped the prices of the staple to decline in the coming days, as the aman harvesting is in full swing.

Unless the growing regions are cut off from the rest of the country by political

Online sales soar in Black Friday

AFP, Washington

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Online US shopping for Black Friday deals soared to \$3 billion during a two-day period beginning Thursday, with tablets and cell phones as top must-have items, estimates showed Saturday.

Online purchases reached \$1.93 billion on Friday itself, the unofficial start of the retail sector's holiday season.

That marked a 39 percent increase over 2012, according to software maker Adobe, which analyzed 400 million visits on some 2,000 American shopping websites.

Holiday shopping traditionally accounts for 20 to 40 percent of an individual retailer's annual sales, according to the National Retail Federation.

Early online Black Friday sales, which began on Thursday, the US Thanksgiving holiday, reached \$1.06 billion, up 18 percent from last year, according to Adobe.

Technology giant IBM also reported increased numbers in overall online sales as it looked at 800 merchant websites.

IBM said Internet sales jumped 19.7 percent over last year on Thanksgiving and 19 percent on Black Friday, with orders averaging

\$135.27, a 2.2 percent increase compared to last year.

Online shoppers may have been wise to avoid stores, with reports of fistfights, a stabbing and a shooting as people elbowed their way through crowded shopping floors to snatch heavily discounted items.

Purchases of smartphones, tablets and other mobile devices accounted for 24.2 percent of online sales, according to Adobe.

Tablets represented 15.6 percent of online sales while smartphones representing 8.6 percent.

IBM also found that mobile devices accounted for 21.8 percent of sales.

According to Adobe, of the \$3 billion in total online sales over the two days, \$417 million was done on iPads and \$126 million was done on iPhones, while Android phones were used to buy \$106 million in purchases and Android tablets accounted for \$42 million.

IBM said tablets were used for 14.4 percent of online sales, against 7.2 percent on smartphones. On average, tablet users each spent \$132.75 and smart-phone users spent \$115.63.

The company also found that iPad and iPhone users spent more, shelling out an

Banks to stand by Standard Group

FROM PAGE B1

Local private lenders -- Prime Bank and Shahjalal Islami Bank, and three foreign lenders -- Standard Chartered Bank, Citibank NA and HSBC -- have business links worth hundreds of crores of taka with Standard Group. Most of the exposure is loans against export LCs (letters of credit).

"They are a very good and reputed client.

We'll look at the issue positively," said Abdur Rahman Sarker, managing director of Shahjalal Islami Bank.

Sarker said he will take up the issue to his board of directors. However, he said the client is yet to contact the bank.

It was confirmed from officials of Standard Chartered, Citibank and HSBC that they have loan exposures with the

Standard Group. Officials of these banks also spoke well of the apparel maker that runs compliant factories.

AKM Mosharraf Hussain, managing director of Standard Group, told The Daily Star that banks are ready to finance his business. "No bank is concerned about us.

We will sit with the banks soon to sort out the things," he said.

Standard Group, which started its garment business in 1984, employs about 50,000 workers in its 23 units. The factory complex that was destroyed by fire employed about 19,000 workers.

A number of international brands such as Sears, American Eagle, GAP, Uniqlo, Zara and Abercrombie & Fitch are the clients of Standard Group, according to its website.



GP

M Ehsanul Haque, managing director of Mercantile Bank, and Vivek Sood, chief executive officer of Grameenphone, sign an agreement recently for providing the bank's mobile banking services -- MYCASH -- via GP's MobiCash distribution network.



CITY BANK

Rubel Aziz, chairman of City Bank, speaks at an extraordinary general meeting of the bank on Thursday. The meeting approved Tk 300 crore (tenor 72 months) of Tier-II subordinated debt (bond) to meet capital requirement.



পাওয়ার গ্রীড কোম্পানী অব বাংলাদেশ লিঃ
POWER GRID COMPANY OF BANGLADESH LTD.
(An Enterprise of Bangladesh Power Development Board)
Institution of Engineers Bangladesh, New Bhaban (4th Floor) 8/A Ramna, Dhaka-1000
Web: www.pgcb.org.bd

Memo No. PGCB/Planning/Company Sec/7611
Date: 1 December, 2013

Bangladesh Rural Electricity Transmission & Distribution Project

Disclosure Notice

Environmental and Social Management Framework (ESMF)

A Rural Electricity Transmission and Distribution Project (RET&D) has been proposed with financial support from International Development Association (IDA). The project is expected to provide support for augmentation and rehabilitation of the electricity transmission and distribution network of Bangladesh. The project will be implemented by Power Grid Company of Bangladesh Ltd. (PGCB) and Bangladesh Rural Electrification Board (REB).

An Environmental and Social Management Framework (ESMF) have been developed to ensure that the subprojects under the project has taken into account the environmental and social concerns in accordance with the national rules and regulations and the World Bank Safeguard Policies. The ESMF along with Bangla summary are now available for comments at the following places/links:

1. Chief Engineer, Project, Red Crescent and Concord Tower (6th Floor), 17, Mohakhali, Dhaka.
2. Company Secretary, IEB New Bhaban (4th Floor), Head office, Ramna, Dhaka-1000.
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