

# Hasina stresses trade balance with China

UNB, Beijing

The trade gap between Bangladesh and China needs to be balanced as Bangladesh wants to achieve prosperity with the help and support of its friends, especially China, Prime Minister Sheikh Hasina said yesterday.

Bangladesh's imports over \$6 billion of Chinese products, and exports less than half a billion dollars to China, creating a gap that needs to be balanced, she said.

Hasina spoke at a seminar on recent socio-economic achievements of Bangladesh and partnership with China at the China Institute of International Studies (CIIS) in Beijing.

Chinese investment in Bangladesh rose from \$21.34 million in 2009 to \$181.94 million in 2012, she said. "In 2013, some 49 Chinese companies invested \$310 million in our export processing zones."

Bangladesh offers the most liberal investment opportunities in South Asia,

featuring 100 percent foreign equity with unrestricted exit policy, easy remittance, repatriation of profits and protection of foreign investments, she said.

Apart from the existing export-oriented export processing zones, Bangladesh is setting up seven exclusive economic zones for foreign direct investment, she said.

"Our energy prices are steady and we are hoping to generate 11,000MW electricity soon, compared to our current demand for 7,000MW. New coal mines and gas fields have been discovered and gas production increased from 1,750 million cubic feet in 2009 to 2,250 million cubic feet in 2012 per day."

Besides, there is a young and industrious workforce available at very competitive wages. "Bangladesh also has duty free and quota free access of products of Bangladeshi origin to the European Union, Canada, Australia and other developed countries."



**Shakib Al Hasan, brand ambassador of Banglalink, launches the company's 3G experience activation at the head office of the mobile operator in Dhaka on Sunday.**

# Buying binge helps stocks end positive

STAR BUSINESS REPORT

Stocks returned to the black yesterday, as investors went on a buying spree of financial, pharma and engineering shares.

DSEX, the benchmark general index of the Dhaka Stock Exchange, closed the day at 4,415.96, after gaining 1.60 percent or 69.62 points, the highest gain in last one month.

The shariah index of the premier bourse, DSES, went up 1.84 percent or 18.42 points to close the day at 1,015.42.

The market is going through a sectoral vibe with specific interest on financial, engineering, pharma and banking stocks after the placement of the proposed budget for 2014-15, LankaBangla Securities said in its daily market analysis.

The government is clearly trying to get the economy back in high growth track through this budget, the stockbroker said.

"The national budget proposal seems pro-growth as expenditure in major infrastructure projects got priority; and the budget size is 15.9 percent higher than the revised budget of the last fiscal year."

The government in its national budget proposal targeted to achieve 7.3 percent GDP growth and maintain 6 percent inflation. Export and import growth target is set at 15 percent.

Investors will benefit if the economy gets closer to the targets under a congenial investment scenario, the stockbroker said.

Turnover, one of the most important indicators of the market, gained 1.7 percent to Tk 420 crore from the previous day.

A total of 0.91 lakh trades were executed with 10.56 crore shares and mutual fund units changing hands on the Dhaka bourse.

Gainers took a strong lead over the losers as out of the 294 issues traded, 211 advanced, 65 declined and 18 remained unchanged on the DSE floor.

The cement industry ruled the market with a 5.1 percent gain in market capitalisation. Non-bank financial institutions gained 3.5 percent followed by telecoms 1.8 percent and banks 1.52 percent.

Lafarge Surma Cement dominated the turnover chart with 32.95 lakh shares worth Tk 36.26 crore changing hands.

Asia Insurance was the day's best performer, advancing 10.68 percent, while Wata Chemicals was the worst loser, slumping by 5.58 percent.



**Md Nurun Newaz Salim, chairman of NCCB Securities and Financial Services, presides over the fourth annual general meeting of the company at NCC Bank's head office in Dhaka recently. Md Abdul Bari Sarker, chief executive, was also present.**

# Samsung to train polytechnic students

STAR BUSINESS DESK

Samsung Electronics will organise a six-month-long skills development training programme for the final year students of Dhaka Polytechnic Institute in the capital.

The programme is the first initiative taken by Samsung under two of its project: Samsung Technical School, and Samsung ARISE (Advanced Repair and Industrial Skills Enhancement).

The programme will be organised as part of social responsibility drive to benefit students who have taken certain specified and government recognised technical courses, Samsung said in a statement yesterday.

Md Shahjahan Mian, director general of the Directorate of Technical Education, and Choon Soo Moon, managing director of Samsung Electronics, attended the event when Samsung signed a deal with the



**Md Shahjahan Mian, director general of the Directorate of Technical Education, and Choon Soo Moon, managing director of Samsung Electronics Bangladesh, attend the signing of a deal in Dhaka recently. Samsung will organise a skills development training programme for the final year students of Dhaka Polytechnic Institute.**

# Gap to be first US retailer to sell 'Made in Myanmar' goods

AFP, Yangon

High street giant Gap is to become the first American retailer to source garments made in Myanmar, the US embassy in Yangon said, over a decade after sanctions against the former junta slashed the country's textile industry.

The US embassy said products made at two Yangon factories would be in Gap stores by this summer, in the latest sign of growing interest from multinationals in the fast-changing former pariah state.

Most Western embargoes on Myanmar -- which previously blocked exports from the Southeast Asian nation -- have been lifted in response to wide-ranging democratic reforms introduced in 2011.

"The garment industry stands poised to become a significant source of jobs, exports and opportunity for the people of this country," the US embassy said in a statement.

"By producing its products from two factories in Yangon, Gap Inc. becomes the first American retailer to enter the Myanmar market," it said.

Gap will operate in partnership with the US Agency for International Development (USAID) on a project to improve skills among Myanmar's largely female textile industry workforce.

"By entering Myanmar, we hope to help accelerate economic and social growth in the country, and build on our track record of improving working conditions and building local capacity in garment factories around the world," said Wilma Wallace, the vice president of Gap's Global Responsibility division.

Myanmar was left impoverished after decades of economic mismanagement under the former junta, as well as years of sanctions by the West imposed in protest at the government's dire human rights record.

Garment exports, which had hit a high of \$850 million in 2001, plunged after the US toughened sanctions in 2003 in protest at the junta's detention of pro-democracy leader Aung San Suu Kyi, according to Myanmar textile industry figures at the time.

But a quasi-civilian regime that came into power three years ago has ushered in a broad spectrum of changes -- including welcoming Suu Kyi and her opposition party into parliament.

The reforms have generated hopes of an investment boom in the resource-rich nation of about 60 million people.

US firms including drinks makers Coca Cola and Pepsi and carmakers Chevrolet and Ford have already established a sales presence in the country, as exports to Myanmar soared from \$9.8 million in

# Private terrestrial cable operators demand floor for bandwidth prices

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Currently the ceiling is Tk 5,000 per Mbps for both private and public operators, but there is no lower limit.

Both Submarine Cable and terrestrial cable operators sell bandwidth in bulk to international internet gateways (IIGs), internet service providers (ISPs) and international gateways (IGWs).

The country has six private terrestrial cable operators who also serve as a backup for the lone submarine cable that has a 60 percent market share in wholesale bandwidth business.

The recent decision of Submarine Cable to slash bandwidth price will affect the business of the private operators, said Moynul Haque Siddiqui, managing director of Fiber@Home, a private terrestrial cable operator.

Now the private operators too will have to reduce price to remain competitive, but such a move will take a toll on their business, he said.

So it will be tough for them to stay in the race if the government does not set a price floor for wholesale bandwidth, Siddiqui said.

Zahir Ahmed, managing director of BanglaTel, another terrestrial cable operator, said Submarine Cable already has an edge over them as the state-run company does not need to bear investment cost now and it can borrow from inter-

national lenders at low interest rates.

On the other hand, the private operators have just started their business and count bank interest at more than 15 percent, Ahmed said.

Telecom Secretary Md Abubakar Siddique said the price cuts by Submarine Cable may reduce profits of the private terrestrial cable operators, but will not put their business at risk.

"We can consider setting a lower limit for bandwidth price, but before that they (the private operators) will have to guarantee that they will not cross the limit," said Siddique, who is also the chairman of Submarine Cable.

Monwar Hossain, managing director of the state-run listed company, said they have reduced bandwidth prices when they started losing clients because of huge price cuts by the private operators.

In May their sales dropped to 30 Gbps from 42 Gbps before, Hossain said, adding that a price floor will ultimately affect the end-users.

The new prices of the state-run company may be approved by the telecom ministry soon.

After the price cuts by Submarine Cable, the price for the IIGs, which purchase a huge amount of bandwidth, will be Tk 855 per Mbps, and for the ISPs it will be Tk 1,350.

# Premier Bank appoints adviser

STAR BUSINESS DESK

Khondker Fazle Rashid has recently been appointed as an adviser to Premier Bank.

He had been serving Dhaka Bank as managing director before joining Premier Bank, the bank said in a statement yesterday.

Rashid began his banking career with Sonali Bank in 1978. He also worked with Arab Bangladesh Bank and Southeast Bank.

Rashid has an MBA from IBA of Dhaka University.



# Tax earnings from stock trading dip 40pc in May

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The tax is related to stock trading, a top DSE official said, adding that higher turnover means higher tax collection.

"So, it's usual to see taxes fall with declining stock trading and turnover."

The government's earnings from tax on sales of sponsor and placement shares also fell by 1 percent to Tk 3.86 crore in May from the previous month.

Between January and May, the government received Tk 46.42 crore in tax from stock trading, while the earnings from tax on sales of sponsor and placement shares stood at Tk 16.01 crore.

State enterprises buck the losing trend

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Bangladesh Petroleum Corporation too counted a loss, of Tk 2,489 crore, in the outgoing fiscal year, but the loss was 49 percent less than in the previous fiscal year.

The loss was less as the fuel price was low in the international market.

# C&F agents' strike slows shipments

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Amin Ahmed, a C&F agent, said a consignment of industrial cooling system of his client has been stuck up at the ICD since May 24. "I am yet to receive the examination report," he claimed.

Ahmed, however, said there was no political influence in the strike. "We C&F agents are the sufferers—that's why we are abstaining from work."

The National Board of Revenue received Tk 1,292 crore in revenue in the July-May period of the fiscal year from Kamalapur's ICD, which handles more than 120 containers a day. The revenue in fiscal 2012-13 was Tk 1,629 crore.

# BB eases lending rules for Padma bridge

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When constructed, the 6.15-kilometer-long bridge will directly connect 21 districts in the southern part with capital Dhaka.

The bridge project hit a snag as the World Bank in 2012 cancelled its \$1.2 billion credit, saying it had proof of a corruption conspiracy involving Bangladeshi officials, executives of a Canadian firm and individuals.



**Uzma Chowdhury, director for corporate finance at Pran-RFL, and Shariful Islam, founder of Bangladesh Brand Forum, attend a press meet to announce the launch of Inspiring Women Award, at Sonargaon Hotel in Dhaka recently.**



**Ishtiaque Ahmed Chowdhury, managing director of Trust Bank, and Mohammed Shah Alam, managing director of Meghna Life Insurance, attend the signing of an agreement for insurance premium payment collection through Trust Bank Mobile Money in Dhaka recently.**



**Participants pose at a workshop organised by Professional Advancement Bangladesh (PABL) with Chartered Insurance Institute of UK, recently. PABL is a subsidiary of Green Delta Insurance Company.**