

Faction of water transport workers postpones strike

STAFF CORRESPONDENT, Chittagong

A faction of Bangladesh Lighterage Workers Union postponed the ongoing indefinite strike in transporting, loading and unloading of goods through inland water routes till November 18 after a meeting with the administration yesterday.

But the leaders of Bangladesh Noujan Sramik Federation and its affiliated Lighterage Workers Union said they were not aware of such a meeting and will continue observing the countrywide strike.

On Saturday, the water transport workers who move from Chittagong port to different destinations called the strike, as a fertiliser-laden lighter vessel went missing with seven people on board in Laxmipur on Friday.

Loading and unloading of over 12 lakh tonnes of imported goods across the country came to a halt because of the strike.

Deputy Inspector General Mohammad Shafiqul Islam of Chittagong called the meeting at his office.

Syed Shahadat Hossain, general secretary of the faction, said they decided to postpone the strike, as the administration assured them of addressing their seven-point demands.

The demands include recovery of the missing workers of lighter vessel MV Karnaphuli-5, arrest of the robbers and deployment of round-the-clock coast guard patrol at the robbery-prone zones.

An inter-ministerial meeting would be held at the shipping ministry to meet their demands, Hossain said.

Meanwhile, Shah Alam, president of Bangladesh Noujan Sramik Federation, said they would continue the work stoppage, as they were not invited to the meeting.

Nabi Alam, general secretary of a faction of Lighterage Sramik Union, also echoed the views of Shah Alam.

Hossain said Noujan Sramik Federation is a Dhaka-based organisation and they are not involved with the strike.

"We are the only legal organisation here, and the leaders of other factions were earlier expelled from the organisation," Hossain said.

Police earlier said the robbery at Karnaphuli-5 was actually an internal fight between the crew and workers.

Md Humayun Kabir, officer-in-charge of Kamalnagar Police Station, said they are yet to figure out what happened to the missing people.

Stocks slip as investors dispose large cap scrips

STAR BUSINESS REPORT

Stocks slipped yesterday as investors sold off large cap shares to pocket profits. DSEX, the benchmark general index of the Dhaka Stock Exchange, fell 86.44 points or 7.72 percent, to close at 4,938.65.

DSES, the shariah index of the Dhaka bourse, lost 22.44 points or 1.90 percent, to close at 1,157.85.

Investors went heavy on selling shares as market broke the psychological support level of 5,000 points, with large cap stocks taking the hit, LankaBangla Securities said.

Turnover, the most important indicator of the market, advanced 38.3 percent to Tk 858 crore, compared to the previous day.

A total of 1.68 lakh trades were executed with 19.25 crore shares and mutual fund units changing hands on the premier bourse.

The losers beat gainers with 156 to 112 as 38 issues remained unchanged out of the 306 issues that traded on the DSE.

Investors were most active in engineering, fuel and power, and pharma sectors that lost 2 percent, 2.8 percent and 1.6 percent respectively.

Among the major sectors: textiles gained 0.1 percent, and food and allied 0.1 percent.

Western Marine Shipyard was the most liquid stock of the day with 71.44 lakh shares worth Tk 63 crore changing hands followed by Keya Cosmetics, Appollo Ispat Complex, Desco and Lafarge Surma Cement.

National Polymer was the highest gainer of the day, posting a 32.11 percent gain, while RSRM was the worst loser, falling 12.15 percent.



Azam J Chowdhury, chairman of East Coast Group, attends the launch of Omera Petroleum's (OPL) MT Omera Princess, the country's first ever self-propelled LPG carrying barge, on Friday. OPL is a subsidiary of MJL Bangladesh. The barge will supply LPG in bulk to filling stations across the country.

38 IT, ITES firms to visit Europe to find business

STAR BUSINESS DESK

Thirty-eight IT and IT-enabled services provider firms are scheduled to visit three European countries this week to find new business and attend three events on the industry. The events will be held in London on November 11, in Copenhagen of Denmark on November 19 and in Amsterdam of the Netherlands on December 3.

The International Trade Centre under the framework of NTF III Bangladesh project in

association with Bangladesh Association of Software and Information Services and Dhaka Chamber of Commerce and Industry will organise the events, NTF III Bangladesh project said in a statement.

The events are aimed at increasing exports of IT and ITES from Bangladesh, said Mahfuzul Quader, national project coordinator of NTF III project. The Dutch foreign affairs ministry through the Centre for the Promotion of Imports from developing countries funded the project.



Officials of mobile operator Airtel pose with a certificate, as its official Facebook page "airtel Buzz" was awarded by Socialbakers as the Smartest Storyteller. Socialbakers is a provider of social media analytic tools, statistics and metrics for Facebook, Twitter, Google Plus, YouTube and LinkedIn.

Pricy Norway's unlikely budget airline champion

AFP, Oslo

"Norway" and "cheap" are two words that rarely go together, yet this oil-rich Scandinavian country is where Europe's third-largest budget airline first spread its wings.

Over the past decade, Norwegian Air Shuttle has brought budget travel into the Nordic mainstream, pushing Scandinavian legacy carrier SAS to the brink.

Its latest mission is to compete on long-haul routes, a market where budget airlines have tried to gain a foothold without success, and comes at a time when all European airlines face stiff competition from state-backed Gulf rivals.

Founded as a regional airline before turning itself into a low-cost

operator in 2002, Norwegian launched into a depressed market suffering from the impact of the 9/11 attacks. "In order to survive we had to go for costs... And in order to get the costs low enough we had to grow," said Bjoern Kjos, the fighter pilot-turned-lawyer who is the company's chief executive.

At the heart of Norwegian's success has been a large and modern fleet that consumes less fuel than those of its rivals.

It also focuses on large population areas to ensure flights are never half empty. By contrast, traditional European carriers use connecting flights to fill their planes, meaning the aircraft spend more time in the airport.

"The aircraft isn't earning any money sitting on the ground," Kjos

told AFP.

Norwegian's red and white aircraft have an average turnaround time -- the time an aircraft must remain parked at the gate -- of just 20 minutes in the country's airports.

In 2012, the group placed the largest order in European aviation history as it agreed to buy 222 Boeing 737s and Airbus A320neos for a list price of 16.6 billion euros (\$21.6 billion). As it begins to take delivery of the new generation aircraft in 2016, the company will save up to 15 percent on fuel.

From its headquarters -- which once belonged to arch-rival SAS before they had to downsize -- outside of Oslo the group oversees an ever-expanding route network. It has opened bases in the other

Nordic capitals, several Spanish cities and, most recently, in London.

The set-up allows it to hire staff locally on lower salaries than in Norway. For every 100 euros in revenue, Norwegian pays 17.4 euros in labour costs compared with 32.1 euros at SAS, which is 50 percent owned by the governments of the three Scandinavian nations.

This is partly why the low-cost carrier has been profitable since 2006 while troubled SAS, despite several restructuring plans, has only turned a yearly profit once since 2007.

Since last year, Norwegian has offered long-haul flights from Scandinavia to a handful of US destinations and to Bangkok, and since last summer between London's Gatwick and North America.

Apparel exports to Spain to go up: envoy

FROM PAGE B1

The diplomat also stressed the need for a more friendly relationship between factory owners and workers. Factory owners should begin "a sustainable social dialogue between trade unions and workers" to ensure workplace safety, he said. With completion of preliminary inspections of 1,700 factories by two foreign garment factory inspecting agencies, only three were shut -- a major step forward in garment-factory safety in Bangladesh.

On the generalised system of preferences (GSP) offered by the EU to Bangladesh, he said the country should go for more free trade agreements (FTA) with the EU countries as it would lose the duty benefit as soon as it becomes a middle-income country. "Bangladesh is a big country; even though the per capita income is low, the size of the economy is large. It can negotiate FTAs with the European countries," said Tejada.

As a least developed country, Bangladesh now enjoys full duty- and quota-free access under the 'everything but arms' category in the EU market.

Denim expo begins tomorrow

FROM PAGE B1

The fair will provide a platform for local textile companies to be exposed to the international denim scene, gain valuable knowledge and develop contacts that will contribute to the development of the country's denim industry, it said.

Bangladesh is the second largest denim apparel maker in the world after China. However, it accounts for a mere \$600 million a year in the \$60 billion global market.

Bangladeshi entrepreneurs supply denim to major retailers and brands, including H&M, Uniqlo, Levis, Nike, Tesco, Wrangler, s.Oliver, Hugo Boss, Puma, Primark, JC Penney, C&A, Tommy Hilfiger, Inditex, Walmart, M&S, Calvin Klein, Diesel, Gap, Chanel, Dior and G-Star.

Bangladesh has 25 denim factories that produce around 20 million yards of denim fabric a month. Total investment in the sub-sector stands at Tk 6,500 crore.

The slow decline of fast food in USA

AFP, New York

The hospitals of the Truman Medical Centers in Kansas City, Missouri no longer serve fast food in their cafeterias, after ending a contract with McDonald's in 2012 -- two years ahead of schedule.

In Kentucky, Kosair Children's Hospital signed up to serve Big Macs and Chicken McNuggets to its patients when it opened in 1986. But it has now followed in TMC's footsteps.

The reversals by hospital chains that once embraced McDonald's reflect a waning love affair with fast food in the United States, as consumers become increasingly aware of the benefits of eating better.

"Fast foods have their place, but I am not so sure their place is inside the hospital," recalled John Bluford, the former TMC chief executive. "We thought that we needed to change the game a little bit and start creating a culture of health," Bluford told AFP.

"It was a health-concerned decision and a mission-driven decision, given our mission to improve the health of our community."

Sales of McDonald's in the United States fell 3.3 percent in the last quarter. The consumption of sodas fell last year to 1995 levels, according to the industry specialist Beverage Digest.

Americans drank on the average 51 gallons (nearly 200 liters) of soda per person in 1998; last year, it was 44 gallons. The fall is more marked for light sodas, which fell six percent

amid concerns sparked by studies suggesting some synthetic sweeteners were carcinogenic.

"There's a shift away from the perception of food that is mass-produced towards food that is perceived to be more homemade or artisanal or sustainably produced," said Keith-Thomas Ayoob, associate clinical professor at Albert Einstein College of Medicine in New York.

"Consumers want to feel that they're doing healthier things and eating a healthier diet."

More and more Americans are making the link between fast food and sodas, and life-long health problems like obesity and diabetes, said Sriram Madhusoodanan, an organizer of the anti-fast-food campaign "Value [the] Meal" at Corporate Accountability International.

Campaigns like theirs are scoring gains against the powerful industry.

In December 2011, San Francisco required fast food chains to add more low-sugar, low-salt foods like fruit and vegetables for children.

And those campaigns are also showing results.

The US Centers for Disease Control said in February that there had been a 43 percent fall in obesity among two- to five-year-olds over the previous decade.

Much more needs to be done, according to the organization Trust for America's Health. More than two-thirds of adult Americans remain overweight, it says.

Christopher Gindlesperger, spokes-

man for the American Beverage Association, downplayed the role sodas play in the health problem.

Because of the greater popularity of low-sugar sodas, he said, the amount of sugar consumed from sodas has fallen 40 percent in the last 10 years.

Sugar-related diseases "are very serious and very complex," he said.

"If you look at the government data, you see that calories in the American diet from sodas are just a small piece of the overall (total)... We empower our customers to make the choices that are right for them."

The success of the restaurant chain Chipotle Mexican Grill symbolizes the new face of the American diet.

Launched in 1993, Chipotle advertises that it uses hormone-free meat and locally-raised organic vegetables.

"From the very beginning, Chipotle has used really high-quality fresh ingredients, and prepares all the foods we serve," company spokesman Chris Arnold told AFP.

"So from the beginning, we were doing something which is pretty different than what was happening in traditional American fast food."

Fast food chains are reacting to the new social and market pressure. McDonald's has eliminated some of its controls on franchisees to allow them to adapt menus to customers' tastes.

Last year, Taco Bell phased out its children's menu. And drink companies like Coca-Cola and Pepsi are expanding their beverage lines with lower-sugar options.

Alliance to launch shariah index for institutional investors

FROM PAGE B1

"We have declared one of the highest dividends among the private-sector mutual funds."

Mutual Trust Bank Unit Fund, managed by Alliance Capital, announced 11 percent dividends in 2013-14, which were double the dividends declared in 2012-13.

The company also showed a healthy net asset value of Tk 11.03 against a face value of Tk 10 on each unit for this week.

The stockmarket crash of 2010-11 has illustrated that there is a great need for active management of investment portfolios by experienced professionals, Ripon said.

In June 2014, Alliance Capital was taken over by new ownership and management, focusing on maximising risk-adjusted returns for investors, as well as transparency, efficiency and professionalism, he said.

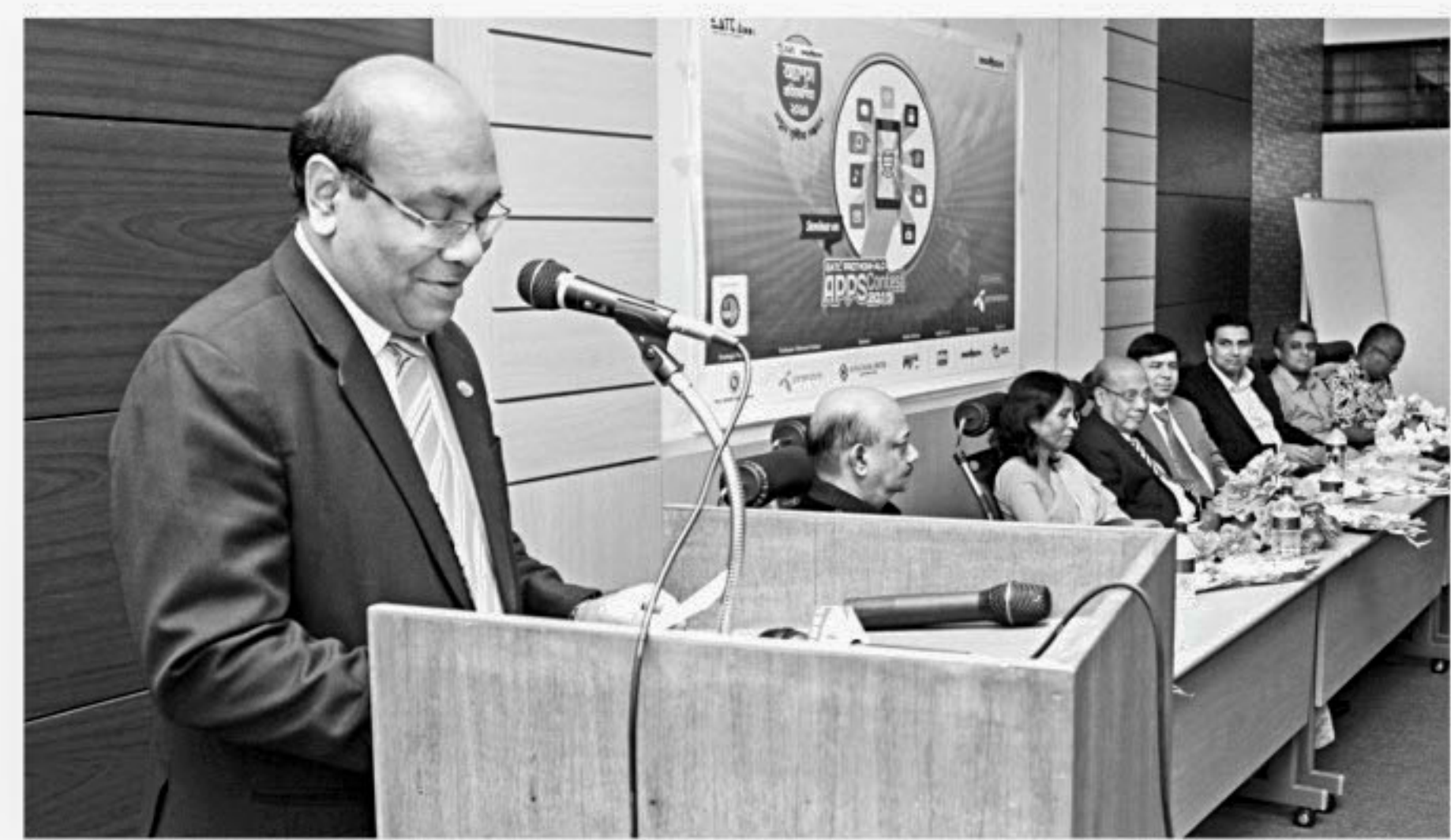
As a stockmarket professional with 20 years of experience, the choice of taking over an asset management company is to provide lucrative investment decisions in a formal and disciplined manner, he said.

"To be successful in the Bangladesh capital markets, you have to remember that it is a marathon, not a sprint. You must have patience, pace and discipline."

"Our stockmarket is a lucrative destination for foreign fund managers," he said.

Alliance has numerous partnerships and affiliations with foreign investors and fund managers, and is actively promoting Bangladesh as an investment destination with abundant opportunities, he said.

The risk here is quite high, just like any equity-based market, he said, adding that regulations need to be introduced for derivative bonds and hedging like in peer countries.



Sham Sundor Shikder, ICT secretary, speaks at a seminar on an application making competition, organised by EATL-Prothom Alo and Grameenphone at Bangladesh University of Engineering and Technology in Dhaka yesterday. AK Azad Chowdhury, chairman of University Grants Commission, was also present.

Taiwan's Formosa to invest \$2b in US

AFP, Taipei

Taiwan's petrochemical giant Formosa Plastics Group plans to pour another \$2 billion into its US investment projects as part of efforts to profit from North America's shale energy revolution, local media said Sunday.

The investment was spurred by cheap supplies of natural gas, Wang Wen-yuan, director of the group, said at the group's annual sports day event on Saturday, according to the Economic Daily News and Apple Daily.

The ethylene produced from shale gas costs only around \$300 per tonne, compared with \$900 per tonne from oil, he was cited as saying. Ethylene is an organic compound widely used in chemical industry.

Summit poised to develop part of hi-tech park

FROM PAGE B1

The project got momentum after the present government first came to power in 2009.

The World Bank, together with UK's DFID and the International Finance Corporation, is backing the venture as it will attract domestic and foreign investment, creating jobs and accelerating growth.

The objective of the hi-tech park project, which will be considered a specialised economic zone, is to establish a world-class business environment and thereby develop the country's IT and IT-enabled services sector.

BSEC limits use of IPO funds for loan repayment

FROM PAGE B1

BSEC has also restricted companies, their sponsors, directors, and employees from taking any money as deposit from any person other than existing shareholders in lieu of share sales before getting the regulator's nod to raise capital.

A three-year lock-in will be imposed on any shares transferred by the existing sponsors or directors to any person other than existing shareholders. This condition will apply to shares transferred within 12 preceding months from the date of submission of the application to raise capital.

All money received against allotment of shares or in the form of share money deposit will have to be kept in a separate bank account, and all amounts larger than Tk 5 lakh will have to be deposited through account payee cheques or pay orders.

Regulator to probe Shahjibazar Power's unusual price hike

FROM PAGE B1

The regulator fined five directors of Shahjibazar Power Company Tk 10 lakh each for disclosing inflated earnings per share in the company's quarterly reports.

The regulator also imposed a Tk 5 lakh penalty on the listed firm's managing director for the same offence.

Its net profit stood at Tk 16.87 crore, compared to the published Tk 28.54 crore, with a real EPS of Tk 1.48, down from the company's published amount of Tk 2.5.

The company raised Tk 31.7 crore through an initial public offer to pay bank loans.