

Stocks see slight recovery

STAR BUSINESS REPORT

Stocks rose marginally yesterday amid thin participation of investors.

DSEX, the benchmark index of Dhaka Stock Exchange, finished the day at 4,868.47 points, after increasing 18.78 points or 0.38 percent.

The shariah index -- DSES -- also rose slightly by 4.64 points or 0.4 percent before closing at 1,148.87 points.

The market remained sluggish amid investor inactivity and low volatility, said IDLC Investments.

"Investors' concentration shifted to large-cap stocks, reflected by their dominance in the top turnover chart," said the merchant bank.

After a weeklong correction in stocks, the market was about to find a way out to stabilise at the current level, LankaBangla Securities said.

Profit taking continued at the same time, which pared down early gains, the stockbroker said.

Total turnover, an important gauge for the market, gained 12.2 percent to Tk 266.97 crore from the previous day's Tk

237.88 crore.

Gainers beat losers, as 141 securities advanced and 118 declined, with 47 unchanged on the premier bourse.

A total of 0.76 lakh trades were executed with 6.45 crore shares and mutual fund units changing hands on the DSE.

Lafarge Surma Cement featured in the most traded stocks chart with 12.64 lakh shares worth Tk 15.29 crore changing hands, followed by Western Marine Shipyard, Square Pharma, IDLC and RAK Ceramics.

Global Insurance was the biggest gainer of the day, posting a 5.17 percent rise, while Keya Cosmetics was the worst loser, slumping 11.15 percent.

The Chittagong Stock Exchange also closed almost flat yesterday with its selective categories index, CSCX, rising by only 4.45 points, to close the day at 9,098.95 points.

Gainers beat losers 114 to 104 with 33 remaining unchanged on the port city bourse that traded 70.54 lakh shares and mutual fund units worth Tk 22.29 crore.

New India airline to start flying as others lose money

AFP, New Delhi

India's newest airline announced Monday it would start flying next month and was "enthusiastic" about the future, even as rival carriers bled red ink.

The new airline, called Vistara -- a Sanskrit word meaning "limitless expanse" -- will make its first flight on January 9.

The airline is 49-percent-owned by Singapore Airlines, one of the world's top-rated carriers. Mumbai-based Tata conglomerate, one of India's best-respected brands, controls 51 percent.

"We're enthusiastic. There are no doubt challenges, but we believe in the immense potential of the Indian aviation market," Vistara chief executive Phee Teik Yeoh told reporters.

The 46-year-old former senior executive of Singapore Airlines, added he had felt like "breaking into song" ever since Vistara cleared the final hurdle to start flying, obtaining its Air Operators Permit from the government earlier this month in India's highly regulated market.

While airline analysts say India's aviation future belongs to low-cost carriers, Yeoh said there was also room for full-service airlines.

"We're here to redefine the flying experience" and "create a demand for a kind of personalised travel" that doesn't exist, he said, referring to the "massification" of the Indian travel market.

Vistara will operate the 148-seater Airbus A320-200 with 16 seats in business class, 36 in premium economy and 96 in economy.

Once it takes off, Vistara will be the third full-service carrier after state-run Air India and Jet Airways, which are both making chronic losses.



Iqbal Ahmed, chairman of NRB Bank, donates 10,000 blankets to Prime Minister Sheikh Hasina for the premier's relief and welfare fund, at Gono Bhaban in the capital on Saturday. Muklesur Rahman, managing director, was also present.

Banks' help for the cold-stricken poor

STAR BUSINESS DESK

Private banks and financial institutions have come forward to help the winter-affected poor of the country by donating blankets and warm clothes to the relief and welfare fund of the prime minister.

Senior officials, including managing directors, have recently handed over the items to Prime Minister Sheikh Hasina at Gono Bhaban in the capital.

Islami Bank Bangladesh presented 50,000 pieces of warm clothes while National Bank and First Security Islami Bank presented 50,000 blankets.

AB Bank, Mercantile Bank, Modhumoti Bank and Shahjalal Islami Bank donated 20,000 blankets each. The fund also received 15,000 blankets from Dhaka Bank and 5,000 form NCC Bank. Phoenix Finance and Investments and Social Islami Bank also donated blankets for the poor.



Rakibul Hasan, general manager of MediaVest Bangladesh, and Zubair BA Siddiky, managing director of Foodpanda Bangladesh, attend the signing of a media services agreement in Dhaka recently.



Tarek Reaz Khan, head of retail at Bank Alfalah, and Jahid Akbar Chowdhury, chairman of Dynasty Group, attend the signing of an agreement in the capital recently. The bank's debit cardholders will get 15 percent discount at Sigree restaurant chain across Bangladesh.

Rosneft scraps purchase of Morgan Stanley's oil trading business

AFP, Moscow

Russian oil major Rosneft, hit by US sanctions over Moscow's role in the Ukraine crisis, said Monday it had to abandon plans to purchase the oil trading business of US bank Morgan Stanley after failing to win regulatory approval.

The December 2013 deal for an undisclosed amount covered Morgan Stanley's Global Oil Merchanting business that included agreements on stockage capacity as well as physical oil inventories.

Rosneft said it and Morgan Stanley were abandoning the transaction "due to an objective impossibility to complete the deal that has arisen as a result of regulatory clearances being refused."

Luxury hotels eye better Christmas sales

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Dhaka Regency, another luxury hotel, will also host a kid's party and offer a special menu on Christmas Day.

"We are set to bring out the biggest kid's party at Grill on the Skyline at our hotel," said Arifa Afroz, the hotel's public relations manager.

The hotel hopes to host a wonderful children's party with fun games, photo shoot with Santa Claus and mini train rides, she added.

Dhaka Regency is also expecting a 50 percent rise in revenue during Christmas due to a political calm, Afroz said.

The hotel will organise a music show by Ferdous Wahid along with cultural performances by a group of kids from Shishu Polli, she added.

Christmas carols will greet guests in the lobby on Christmas Eve and Santa Claus is scheduled to make a special appearance with gifts for children, she said.

Amari Dhaka, a Thai chain's branch in the capital which is still at its soft launch stage, also has high hopes for its first Christmas celebrations, according to Syed Yameenul Haq, its director for sales and marketing.

The debutant has designed a dinner menu at a promotion price of Tk 1,999 per person.

Last year, luxury hotels in Dhaka registered poor sales during Christmas due to a volatile political environment in the run up to the national election.

Luxury and boutique hotels trade a combined Tk 10 lakh a day on average in Dhaka, with transaction figures hitting the Tk 1-crore mark on Christmas days, according to industry insiders.

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Oil markets face uncertain future as Opec targets competitors

AFP, Abu Dhabi

The determination of powerful Gulf Opec members to stifle competition from new oil producers has left the global energy market reeling and sparked unprecedented uncertainty, officials and experts say.

Gathered in Abu Dhabi for a key conference, senior energy officials from Arab Gulf nations insisted they will not cut production despite the freefall in oil prices.

A supply glut, lower demand and the stronger US dollar have all contributed to pushing down oil prices, which have dropped nearly 50 percent since June to around \$60 a barrel.

Experts say there is little doubt that Opec is looking to drive new producers with higher costs -- in particular North American shale ventures -- out of the market.

And how long the effort will continue is anyone's guess.

"We have to wait and see if tight (shale) oil can continue" after the sharp fall in oil prices, Saudi Oil Minister Ali al-Naimi, whose country pumps a third of Opec's 30 million barrels per day output, told a conference session.

"Things could need one year, two years or three. We don't know what will happen in the future. What is certain however is that high-efficiency producers will rule the market in the future," the Saudi minister said.

Opec's conventional producers, for decades part of an oil alliance that has dominated the global energy trade, have been feeling the pressure from the emergence of shale oil.

Technological innovations have unlocked shale resources in North America and raised daily US oil output by more than 40 percent since 2006, but at a production cost which can be three or four

times that of extracting Middle Eastern oil.

For years Opec has helped control oil prices by increasing or cutting production, but experts say it is now signalling that it won't bear the burden for its competitors.

Qatar energy minister Mohammed al-Sada told the conference that Opec's decision last month to stay firm on output was a "big game changer" for the global energy market.

"Cycles in our business are the norm," Sada said.

"The decline in oil prices will have a different behaviour this time... The role of swing producer (like Saudi Arabia) could be changing from government control to market dynamics."

Opec seems determined not to interfere this time, even if the move to maintain output is hitting the pockets of some of its own members, like Nigeria and Venezuela, who have not built up the fiscal reserves of Gulf Arab nations.

Some reports have suggested the Gulf Arab nations are also trying to put pressure on the economies of energy-dependent Russia or even fellow Opec member Iran, but officials have denied any political motives.

Experts told the conference the next 12-18 months will be crucial for the global energy market and that there are few signs the price will rise.

Weak demand in China -- where the economy is slowing after decades of spectacular growth -- is likely to continue, said Bassam Fattouh, director of the independent Oxford Institute for Energy Studies.

Competition for Asian markets has meanwhile grown, he said, after the production increase in the United States allowed it to reduce or stop crude imports from the Middle East, west Africa and Latin America.

A piece of Dhaka in Hollywood films

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It does not export the products straight to the make-up artists; it sends them to Kryolan GmbH for distribution to 83 countries across the world, she said.

But, in case of urgency, the factory also does direct exporting to the final destination, as it did recently for Kryolan USA and Kryolan UK.

Kryolan Bangladesh recently got the permission to sell 10 percent of the total of 'last year's export volume' for the local market.

Subsequently, a separate organisation called Lotus Wave was established to provide make-up and beautification products for the local market, all of which would be imported directly from Kryolan Germany. Lotus Wave is also planning to run workshops in future for the local make-up artists.

Local artists too are using Kryolan products, she said, while citing the make-up items used by Joya Ahsan, a noted actor, for the Bangladesh Liberation War-based

movie 'Guerrilla'.

Television commercials such as the "Banglalink Shunte Ki Pao" one and online English learning course "BBC Janala" too used Kryolan Bangladesh's make-up accessories and appliances.

The parent company, Kryolan, was established in 1945 by Arnold Langer, a committed chemistry student heavily influenced by the glitz and glamour of 1920s Berlin.

Inspired by the city's artistic expression, he combined his passion for theatre and science to create revolutionary new make-up purely for the professionals.

Kryolan has been producing the make-up for the A to Z of the film industry. It supplied the make-up for the box office hit 'Titanic'. When the heroine Kate Winslet finds her lover frozen to death in the icy water, the make-up she and Leonardo DiCaprio had one was Kryolan's.

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Roadmap laid out for Basel III

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While a strong capital base is a necessary condition for the stability of the banking sector, by itself it is not substantial: a strong liquidity base reinforced through robust supervisory standards is also needed, according to BB.

As with the global capital standards, the liquidity standards will establish minimum requirements and will promote an international level playing field to help prevent a competitive race to the bottom, it said.

The difficulties experienced by some banks during the financial crisis of 2007-08 were due to lapses in basic principles of liquidity risk management.

Middle-Eastern drug maker buys out RAK Pharma

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Each share of the tiles and sanitary-ware manufacturer traded between Tk 60.1 and Tk 60.9, before closing at Tk 64.9 yesterday.

The company's net profit fell 11.53 percent year-on-year to Tk 42.48 crore in January-September, with Tk 1.26 in earnings per share compared to Tk 1.43 a year ago.



Monowara Sikder, director of National Bank, opens the bank's 117th branch in Kuakata of Patuakhali recently. Rick Haque Sikder, director, was also present.



Quazi Murshed Hossain Kamal, director of Bangladesh Development Bank, opens the bank's 30th branch at Nabinagar in Brahmanbaria yesterday. Saibalendu Goon Choudhury, general manager, was also present.



Amin Khan, brand ambassador of Marcel, and Sirajul Islam Mollah, law-maker from Narsingdi-3, open an exclusive showroom of Marcel at Shibpur in Narsingdi recently.