

জীবনে প্রয়োজন আরো বেশি স্বাস্থ্য
 সর্বাধুনিক প্রযুক্তি সম্বলিত ব্যাংকিং সেবায় মাসিক আয়ের সাথে বাড়তি আয় যোগ করুন আর জীবন করুন সুসমৃদ্ধ।

সে কোন প্রয়োজনে ০৯৬১২০০১১২২
 ইসলামী শরীআহ'র মূদারাবা নীতির ভিত্তিতে পরিচালিত



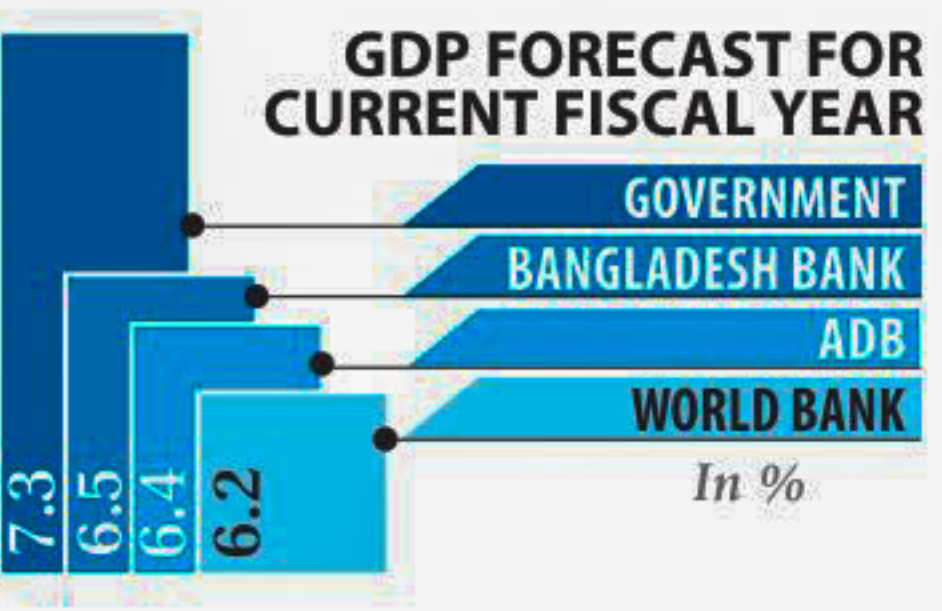
Star BUSINESS

DHAKA THURSDAY JANUARY 15, 2015, e-mail:business@thedailystar.net

WB scales up growth forecast

Return of political instability dims prospects: economist

STAR BUSINESS REPORT
 The World Bank has forecast 6.2 percent economic growth this fiscal year, up from last year's 6.1 percent, supported by continued robust remittances and recovery in private consumption.



halted the rebuilding of investor and consumer confidence, he said. Consequently, achieving the projected growth may be very challenging, Hussain said. However, if the instability is short-lived, the target can still be met -- given the economy's often demonstrated resilience. "The latter may be inadequate if the instability prolongs like it did in

But the outlook is way below the government's target of 7.3 percent for the current fiscal year. The growth forecast is based on the assumption of continued political stability, as witnessed throughout 2014, the multilateral lender said in the latest edition of its Global Economic Prospects report, released worldwide yesterday. But the return of political instability on the first day of 2015 has "watered down" the prospects, said Zahid Hussain, lead economist of the WB's Dhaka office.

the second half of 2013," Hussain said. Economic activities began to normalise in 2014 as social unrest abated from a spike in the run-up to national elections. Consumer confidence appeared to be returning to their normal levels, Hussain said. As a result, private consumption demand recovered from its somewhat depressed level the previous year, supported by good agricultural harvests, rebound in remittances and a smooth functioning of the services sector, particularly transport and trade.

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Taka gains slightly against dollar

STAR BUSINESS REPORT

The taka gained 10 paise against the dollar this week due to a rise in supply and lower demand for the greenback, a senior Bangladesh Bank official said yesterday.

The inter-bank exchange rate was Tk 77.85 yesterday, compared to Tk 77.95 on Sunday. The situation has forced the central bank to buy dollars from the market to stabilise the exchange rate; it bought \$13 million yesterday and \$30 million on Monday to help banks avoid crossing the limit for their foreign currency holding.

The net open position (foreign currency holdings) of the banks stood at an all-time high of \$638 million on Tuesday, which usually remains within \$200-\$300 million.

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Bicycle exporters may face rough ride

Philippines' new trade benefits from EU worry Bangladesh firms

SAJJADUR RAHMAN

The European Union's decision to grant the Philippines the generalised system of preferences (GSP) plus status last month will intensify competition for Bangladesh's bicycle exports to Europe, exporters said.

Local bicycle makers and exporters are concerned because they fear that the zero-duty benefits will cause an influx of Chinese and Taiwanese bicycle producers into the Philippines, from where products worth \$25 billion a year will be exported to the European markets.

"Our exports to European markets may be affected with the GSP-plus benefit for the Philippines that makes products similar to ours," said Lutful Bari, director of operations at Meghna Group that accounts for up to 70 percent of bicycle exports. Alita Bangladesh in Chittagong EPZ and Fire Fox in Chittagong export the rest.

Bari said the Philippines is already breathing down on Bangladesh's neck. In the first six months of 2014, the



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Expo shows strength in garment industry's backward linkage

STAR BUSINESS REPORT

An international fair of garment accessories and packaging industries began in Dhaka yesterday to bring into focus the country's strength in backward linkages that have helped build a strong local apparel sector.

Over 300 companies from 30 countries are showcasing their products at the four-day GAP EXPO 2015 in over 600 stalls at Bangabandhu International Conference Centre in the capital.

Bangladesh Garment Accessories Packaging Manufacturers and Exporters Association or BGAPMEA organised the fair. The expo provides an international platform for the members of the association to display their latest products and latest collections to garment exporters and buying houses, said Rafez Alam Chowdhury, president of BGAPMEA, in the opening ceremony.

It also provides wider access for sourcing machinery and latest technology from all over the world, he said.

Companies making corrugated cartons, back board, neck board, sticker, hang tag, barcode, size tag, price tag, collar insert, collar bone, sewing thread, tape, elastic, printed and woven labels, zippers, hangers, buttons, and quilting and embroidery are displaying wares at the four-day fair.

The sector that boasts 1,200 suppliers is an important component of backward linkages and is strong enough to meet the demand



RASHED SHUMON

An industrial sewing machine by the Chinese brand Zoje is seen on display at a fair organised by Bangladesh Garment Accessories and Packaging Manufacturers and Exporters Association at Bangabandhu International Conference Centre in Dhaka yesterday.

of the garment industry. The export-oriented garment accessories and packaging sector earned \$4.75 billion in the last fiscal year, and is likely to grow to \$12 billion by the end of 2018.

The sector is growing at an annual rate of 13 percent, with its value addition standing at over 40 percent, according to Chowdhury.

Speakers at the opening ceremony urged the government to put more emphasis on the backward linkage industries including gar-

ment accessories and packaging, to help the country achieve its \$50 billion garment export target by 2021.

They also urged the government to grant cash incentives to the sector and make it a thrust sector in the Industrial Policy of 2015.

Two other fairs -- Garmentech Bangladesh and International Yard and Fabric Sourcing -- are also being held at the same venue simultaneously. The events are being co-organised by Zakaria

Trade and Fair International, AKS Trade and Exhibitions and BGAPMEA.

At the pavilion of Garmentech fair, Udit Kumar of Sewing Solutions, has on display an automated pocket making machine that can save time and increase productivity.

The presence of the visitors was thin in the afternoon, but participating companies hope for a big rush on Friday and Saturday.

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Political violence hits tourism hard

GAZI TOWHID AHMED

Tourists are cancelling their planned trips to Bangladesh due to the ongoing political unrest, local tour operators said yesterday.

The tourism industry has started to feel the pinch of strikes and blockades, said Taufiq Rahman, chief executive of Journey Plus, a leading inbound tour operator.

Five groups comprising 120 tourists from the UK, the US, Canada, Australia, China and Japan were scheduled to visit Bangladesh during January-February through Rahman's company. They have already cancelled their trips, he said.

The story is the same for other tour operators as well, he said.

"We are going through a crisis due to the strikes and blockades. Foreign tourists are losing their confidence in coming to the country."

A total of 50 tourists from China were scheduled to come to Bangladesh on Saturday, but they cancelled their trip fearing violence, Rahman said.

The company had booked 100 tickets from Dhaka to Cox's Bazar for the Chinese tourists at a cost of Tk 7.5 lakh, he said, adding that the airline operators charged Tk 1,000 for cancelling each ticket.

"We have made a loss of Tk 1 lakh on this group's travel plans. Our total loss for these five groups' cancellation was Tk 80 lakh."

"Foreign tourists come here for leisure and they don't want to take any risk. Cancelling their trip was their only option."

The two-week long blockade has cast a gloom over the services sectors, like tourism, he said. The BNP-led 20-party alliance has announced a daylong strike for today.

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সম্মান
 আল-ওয়াকিফ প্রিমিয়াম একস্ট

প্রারম্ভিক জমা ২৫,০০০ টাকা
 ফ্রি এটিএম কার্ড ও চেক বই*
 ফ্রি আন্তঃনগর সেনসেন সুবিধা

ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক লি.
 FIRST SECURITY ISLAMIC BANK LTD.

DSE shuffles indices

STAR BUSINESS REPORT

The Dhaka Stock Exchange yesterday restructured two price indices and added 18 companies to the benchmark index, DSEX, in a move to help gauge the market more accurately.

The premier bourse reconstituted the indices in line with DSE Bangladesh Index Methodology designed by S&P Dow Jones

Indices, a global leader in providing investable and benchmark indices to the financial markets. The methodology is also supervised by a DSE panel.

The restructuring will occur every quarter, and the DSEX will from now include 241 companies, after the latest reforms come into effect on January 18, the DSE said in a statement.

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Congratulations!

IDLC Finance heartily congratulates its EC Chairman Mr. Rubel Aziz on being elected as the Vice Chairman of Bangladesh Association of Banks (BAB)

In addition, Mr. Aziz is the Chairman of The City Bank Limited, Managing Director of Partex Group and Advisor to Banani Club & Banani Society. Mr. Aziz had also served as Chairman of Janata Insurance Company Limited and as President of Gulshan Club for two terms.

We are confident that under Mr. Aziz's dynamic leadership BAB will reach further heights of success.

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