

BIDS retains 97th spot in global rankings

STAR BUSINESS REPORT

Bangladesh Institute of Development Studies (BIDS) has ranked 97th among more than 6,500 think-tanks worldwide.

The autonomous multi-disciplinary organisation ranked 17th in South Asia and the Pacific and 24th among top international development think-tanks in the "2014 Global Go To Think Tank Report" published by the Lauder Institute of the University of Pennsylvania.

The Think Tank and Civil Societies Programme (TTCSP) published the seventh report of the ranking globally yesterday.

The index is the result of an international survey of over 1,950 scholars, public and private donors, policymakers and journalists who helped rank more than 6,500 think-tanks using a set of 18 criteria developed by the TTCSP.

The BIDS, which also ranked 97th in 2013 globally, conducts policy research on

development issues facing Bangladesh and other developing countries.

It also facilitates learning in development solutions by conducting credible research, fostering policy dialogue, disseminating policy options and developing coalitions to promote informed policymaking.

It is governed by a high powered board of trustees under the chairmanship of the planning minister. Initially, funding for the BIDS was made through regular government budgetary support.

In 1983, the government created an endowment fund to ensure a source of recurring revenue for running the institute, reducing its dependence on regular budgetary support, and enabling the BIDS to enjoy more functional autonomy.

In 2009, the government provided a research endowment fund of Tk 20 crore to support core institutional research of the BIDS. Some donor agencies and foundations also provide resources for its activities.

Stocks return to black despite political chaos

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Investors somewhat shook off pessimism inflicted by the nonstop blockade to buy stocks back to black yesterday, breaking a four-day losing streak.

DSEX, the benchmark general index of the Dhaka Stock Exchange, rose 14.74 points or 0.31 percent, to close at 4,797.96.

The shariah index of the Dhaka bourse, DSES, gained 1.98 points or 0.17 percent, to close at 1,136.34.

The BNP-led alliance's blockade that continued for the 17th day led many investors to place buy orders through mobile phone.

However, poor turnover showed that the ongoing political crisis has dented investor confidence.

Turnover, the most important indicator of the market, declined 20.9 percent to Tk 223 crore, compared to the previous day, the lowest in the last fortnight.

Buyers gained some pace after last four trading sessions closed red, said LankaBangla Securities.

However, market sentiments remained shaky as investors have not yet digested the political jolts fully, the stockbroker said.

The market took a pause after a streak

of brutal selloffs, while majority of the investors preferred staying on the sidelines to assess market sentiments, said IDLC Investments.

Among the major sectors: banks reverted with 0.38 percent gains in market cap followed by fuel and power's 0.42 percent, textile 1.22 percent and pharma 0.44 percent.

Gainers outnumbered losers as 180 advanced, 89 declined and 37 issues remained unchanged on the DSE.

C&A Textiles became the top turnover leader for the second day with 50.06 lakh shares worth Tk 11.94 crore being traded, followed by Lafarge Surma Cement, National Feed Mill, IDLC Finance, Western Marine Shipyard, Grameenphone and Brac Bank.

The textile maker also became the top gainer of the day with 19.09 percent gain, while Pragati Life Insurance was the worst loser, plunging by 4.12 percent.

The Chittagong bourse's CSCX index gained 39.26 points to 8,924.84.

Only 130 issues advanced, 59 declined and 31 remained unchanged on the port city bourse.

A total of 83.76 lakh shares and mutual fund units traded on the CSE, generating Tk 26.41 crore in turnover.



BPCCI

Rashed Maksud Khan, founder president of Bangladesh Philippines Chamber of Commerce of Industry, leads a delegation of the chamber to meet with the members of the Federation of Filipino-Chinese Chambers of Commerce and Industry in Manila recently.

Team from Wales arrives in Dhaka Sunday

DIPLOMATIC CORRESPONDENT

A 25-member business delegation from Wales will arrive in Dhaka on Sunday to boost business relations between Wales and Bangladesh in the fields of knowledge businesses and knowledge transfer.

Organised by the Wales Bangladesh Chamber of Commerce (WBCC), the trade mission of the country under the United Kingdom will reach Bangladesh to introduce leading Welsh companies to the local business community.

Members from the University of South Wales and leading science centre TechniQuest are included in the delegation, the British High Commission in Dhaka said in a statement yesterday.

The delegation will visit Dhaka, Sylhet and Chittagong during their eight-day stay in Bangladesh and meet with government ministers and top officials of the commerce and education ministries and chamber leaders, according to the statement.

"Wales and the UK are world leaders in many knowledge-based fields and I'm certain that exciting future collaboration will emerge as a part of this mission," said British High Commissioner Robert Gibson.

The mission takes place after the successful first official Welsh government trade mission to Bangladesh organised by the WBCC in 2011.

The chamber is also keen to assist Bangladesh and Wales to start developing bilateral trade and political relationships.



BANGLALINK

Solaiman Alam, marketing director of Banglalink, and Martin Malmstrom, head of Bikroy.com, attend the signing of a partnership agreement at Banglalink headquarters in Gulshan, Dhaka recently. Banglalink subscribers can now browse the classifieds' site without any data charge.



HOLCIM CEMENT

Mujibur Haque Chunnun, state minister for labour and employment, receives a cheque for Tk 63.96 lakh from Syed Masudul Hasan, human resource and administration vice president of Holcim Bangladesh, at the secretariat in Dhaka on Wednesday. Holcim handed over the fund as part of depositing its profit share to the government-formed Bangladesh Sramik Kalyan Foundation fund.

Bankers asked to avoid Hizbut Tawhid's events

STAR BUSINESS REPORT

The central bank yesterday instructed bankers not to attend any events or meetings organised by blacklisted Islamist outfit Hizbut Tawhid or any of its affiliates.

Bangladesh Bank issued an order in a circular asking all banks to be careful about the new campaign strategy of the banned organisation.

Last November, the government instructed its officers and officials not to attend any event of Hizbut Tawhid as the organisation is allegedly involved in militant activities.

China luxury market shrank in 2014

AFP, Beijing

China's luxury market shrank last year, a global consultancy said, attributing the decline -- the first it has detected -- to a national anti-corruption campaign, slowing economic growth and changing consumer tastes.

Sales of luxury goods in mainland China fell one percent to 115 billion yuan (\$18.5 billion) in 2014 compared to a year earlier, Bain & Company said in an annual report.

The consulting firm, which has been surveying the market since 2000, said it was the first time the industry had contracted.

China has become an ever more important destination for luxury goods manufacturers as the ranks of its wealthy have been swelled by a decades-long boom.

Swiss giant Richemont, the world's second-largest maker of luxury products, said in November that its 2014/2015 first half net profit dropped 23 percent due to weaker demand in China.

Bain's China Luxury Market Study said the overall decline last year was because of the "continued impact of anti-corruption and frugality campaigns undermining 'luxury gifting'".

Slowing sales of high-end watches, menswear and leather goods contributed the most to the decline, the consultancy added.

Chinese Communist Party chief Xi Jinping has overseen a much-publicised anti-corruption drive since taking power in late 2012, targeting high-level "tigers" and low-level "flies".

A parallel austerity campaign has also sought to curtail extravagant gift-giving, banquets and other excesses in the ruling party and government.

Bain added that China's slowing economic growth was "exacerbating the issue".

China's economy expanded 7.4 percent in 2014, its weakest pace in 24 years, official data showed Tuesday, and authorities are emphasising a "new normal" as they retool the country's growth model to one they hope will be more sustainable.

The consulting firm also stressed that China's luxury market is becoming more diverse.

"The field of luxury brands in China is breaking wide open," Bruno Lannes, the Bain partner who wrote the report, said in a statement.

"Brands' future positioning and popularity within the luxury market hinges on their willingness to revamp concepts to serve the needs of the increasingly sophisticated and well informed Chinese consumers, while managing the growing diversity of sales channels, such as daigou," Lannes said.

Daigou is a Chinese word for personal shoppers abroad who purchase luxury goods and send them to customers in China. Bain said that the daigou market increased in 2014 to an estimated 55 to 75 billion yuan, led by cosmetics, leather goods, watches and jewellery.

The consultancy said that Chinese now purchase 70 percent of luxury brands either overseas or through daigou agencies.

\$21.5m leather plant at Mongla EPZ

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Rich Time Enterprise of Hong Kong will hold a 75 percent stake in the venture, while local Asian Trading Company the rest. Suzan, who has around 15 years of experience in leather trading, said many foreign companies are interested in setting up leather factories in the country due to the high quality of leather.

China produces around \$90 billion of footwear and \$39 billion of leather goods, which account for 65 percent and 35 percent of the global demand respectively, according to industry people.

But it is also facing a number of challenges such as anti-dumping tax imposed by the European Union, strengthening of renminbi against the dollar. As a result, China's leather industry is now shifting to Bangladesh, Vietnam, Cambodia, Pakistan, India and Myanmar.

The leather industry in the past three decades has transformed itself from the low value-added tanning activity to a producer of leather footwear and leather goods along with the high value-added crust and finished leather, according to experts.

Bangladesh exported \$662.88 million of leather and leather goods between July and December, up 6.85 percent year-on-year, according to the Export Promotion Bureau. The sector's exports rose 32.12 percent year-on-year to a record \$1.29 billion last fiscal year.

Of the total exports from the leather industry, 60 percent go to the European Union, 30 percent to Japan and 10 percent to the rest of the world, according to industry insiders. The industry, which has grown on local raw materials, has now emerged as the second largest export earner after garments.

As of November, Mongla EPZ has a total of 29 companies, 16 of which are in operation and the rest under construction. It has received a total of \$15.64 million of investment and employs 1,603, according to data from the Bangladesh Export Processing Zones Authority.

BEZA accounted for 18.30 percent of the country's total exports of \$30.17 billion in fiscal 2013-14.

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Blockade dampens Dhaka trade fair

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By participating in the fair, leading companies consolidate their market as well as expand business by introducing new products and services.

Akhtar Furnishers also launched new products in the categories of bed, sofa and dining table.

"This is an international fair. Big companies participated in the fair to promote their products, and normally don't have sales targets. Still, if we can make sales then it will be good," said Dulal Roy, manager (customer order management) of the furniture manufacturer.

The company is offering 15 percent discount in all categories. The discount is also available at its showrooms across the country.

He said, normally people from Dhaka city as well as other parts of the country visit the stalls during the fair. But this year, the situation is different.

"The city-dwellers are not coming to the fair, let alone people from other parts of the country."

Akhtar Furnishers, which has always taken part in the fair since its inception, has set up a three-storied pavilion to promote its high-end furniture products.

"On a usual Thursday, the fair venue remains crowded. But it's different this year."

Kamal Hossain Mukul, coordinator of dealer operation of Hatil, another popular furniture maker, said sales were very good in the first few days.

He said his company has introduced its largest collection of innova-

tive products this year -- 90 percent products are new.

"But we are not getting a good response," Mukul said, adding that they are offering 5-20 percent discount on all products at the fair and all outlets across the country.

Walton has introduced new models of LED TV, home appliances such as juice blender, four new smartphones, one tablet and 10 models of refrigerators.

"Through this fair, we give our customers an idea about the types of products they will expect from Walton throughout the year," said Md Akramuzzaman, senior principal officer of RB Group, the owning company of Walton.

Akramuzzaman, whose company has been taking part in the fair for the last 13 years, said they are doing moderate business in all its product categories despite a low turnout.

Plastic products manufacturers also use the platform to launch new products.

Tanin is one of them. The company, set up in 1983, launched sofa-cum-bed, space saver table, bench, strip chair, beach bed and office furniture, said Mamun Masud Shumon, assistant manager of the company for sales and marketing.

"Sales were good in the first three days, but it dropped later," said Hemonta Dey, a sales executive of Tanin.

Hong Kong-based Shun Shing Group, which markets Seven Rings Cement in Bangladesh, is promoting its Veola soybean oil, said Riazul

Islam, its stall in-charge.

Bengal Meat is promoting its sandwich meat along with its raw, frozen and other food products.

"One in every four visitors is buying our item," said Saiful Islam, area sales manager of the meat seller, which has also come up with special offers.

Sales normally go up after 15 days, but this year they were uncertain, Islam said. Goldmark, a food company, took a stall for the first time after it hit the market five years ago.

Sales have not been good because of a low turnout, said Amirul Islam, executive officer of the company.

Last Friday, however, saw an unprecedented crowd. A good number of visitors also turned up on Saturday.

"We saw a good crowd last Friday, but in the last few days the turnout was very discouraging," said Islam of Bengal Meat.

Participants, however, are hopeful about a good turnout as well as a boost in sales in the second half of the fair.

"We are still sitting here because we hope visitors will come to the fair in droves," said Riaz Uddin, an officer of Butterfly Marketing Ltd. His company is offering discounts on every electronics and home appliances.

Sales were not also good for restaurant owners although many of them have set up huge stalls to sell food items.

"It has become clear that we can't have a successful fair if there is no political stability," said Mominul Islam, manager of Hajir Biryani and Kebab House, which set up four stalls at the show.



FSIBL

Syed Waseque Md Ali, managing director (current charge) of First Security Islamic Bank, distributes blankets among the poor and cold-hit people at Karwan Bazar, Dhaka recently. Azam Khan, head of marketing and development division, was also present.



SHWAPNO

Sabbir Hasan Nasir, executive director of ACI Logistics, opens Shwapno's 48th outlet in Gulshan 1, Dhaka on Wednesday. Sohail Tanvir Khan, head of business development, export, corporate and company goods, was also present.