

Stocks buoyed by fresh buying

STAR BUSINESS REPORT

Turnover on the Dhaka Stock Exchange rose by the most in eight days to Tk 300 crore yesterday, in spite of the drawn-out political crisis.

DSEX, the benchmark general index of the Dhaka bourse, gained 23.84 points or 0.49 percent to close at 4,810.53, the highest in 15 days. DSES, the shariah index of the DSE, went up 4.70 points or 0.41 percent to close at 1,145.43.

"Defying the political deadlock, lucrative prices as well as expectation on upcoming year-

end corporate declarations put an upbeat vibe in the overall market sentiment," said IDLC Investments.

Besides, straight gains in the last six sessions also helped boost investor confidence, it said.

The DSEX recovered a sum of 192.1 points in the last seven sessions and the market received some fresh funds, it said.

Turnover, the most important indicator of the market, advanced 15.6 percent to Tk 346 crore, compared to the previous day.

A total of 0.96 lakh trades were executed with 9.23 crore shares and

mutual fund units changing hands on the Dhaka bourse.

Gainers beat losers 165 to 102, while 42 remained unchanged out of the 309 issues that traded on the DSE.

Among the major sectors, telecoms gained the most with 2.2 percent, while pharma lost 0.7 percent.

Beximco featured on the most traded stocks chart with 49.44 lakh shares worth Tk 16.53 crore being traded, followed by Ifad Autos, Aamra Techonologies, Grameenphone, and Agni Systems.

Beximco was also the highest gainer of the day, posting a rise of 9.77 percent, while Prime Finance First Mutual Fund was the worst loser, plunging by 8.33 percent.

Chittagong Stock Exchange also gained yesterday with its selective categories index, CSCX, going up 39.86 points to close at 8,924.14. Of the 233 issues that traded on the port city bourse, 107 advanced, 96 declined and 30 remained unchanged.

A total of 1.05 crore shares and mutual fund units traded on the CSE with a turnover of Tk 41 crore.



Mosharraf Hossain, minister for housing and public works, speaks as the chief guest at the opening of the International Elevator and Escalator Industry Expo at International Convention City in Bashundhara, Dhaka on Tuesday.

ICC's workshop for bankers begins in Sri Lanka tomorrow

STAR BUSINESS DESK

A three-day workshop on international trade finance, rules and tools, operations, legal cases and proven trade finance strategies kicks off in Sri Lanka tomorrow.

The Sri Lanka and Bangladesh chapters of International Chamber of Commerce will jointly organise the workshop for bankers of Bangladesh, ICCB said in a statement yesterday. A total of 106 bankers from Bangladesh Bank, 18 commercial banks and Bangladesh Institute of Bank Management along with 75 bankers from Sri Lanka will take part in the workshop, according to the statement.

Rishad Bathiudeen, Sri Lanka's minister

for industry and commerce, will inaugurate the workshop as the chief guest while Mahbubur Rahman, president of ICC Bangladesh, will chair the inaugural session.

The workshop will help bankers interact, learn and discuss latest rules and tools of international trade finance and avoid risks in cross-border transactions, ICCB said.

Speakers will also discuss the documentary credit operations and risk management at the workshop, which will be organised by the chamber outside the country for the second time, the chamber said.

P Samarasiri, deputy governor of the Central Bank of Sri Lanka, and Md Ahsan Ullah, executive director of Bangladesh Bank, will also join the event.



Shaikh Md Wahid-uz-Zaman, chairman of Janata Bank, speaks at a board meeting of Janata Capital and Investment (JCIL), a subsidiary of Janata Bank, in Dhaka on Tuesday. RM Debnath, chairman of JCIL, was also present.

Prada needs to focus less on new shops and more on new handbags

REUTERS, Paris/Milan

If in fashion, being late on a trend can be lethal, playing catch-up in terms of business strategy can be just as damaging.

Prada is learning that lesson the hard way. The trend in luxury goods is to drum up same store sales by curbing expansion and wowing customers with new products, yet Prada continues to pay over the odds to open swanky new shops and stock them with handbags little changed from previous bestsellers.

Prada, say analysts, now urgently needs to focus less on new stores and more on new handbags.

The group, which also owns the Miu Miu and Church's brands, opened 250 stores in the past three years, far more than rivals. It has finally slowed the pace but still plans 30-35 more stores this year, which it says is part of its long-term strategy.

"Prada is starting to focus on same-store sales growth three years later than some of their peers as their priorities were elsewhere, but it is clearly better to do it later rather than never," Erwan Rambourg, luxury goods analyst at HSBC and author of The Bling Dynasty, a book focusing on Chinese shoppers.

Analysts estimate same-store sales, which Prada stopped reporting last year, fell year-on-year by 12 percent in the third quarter to Oct. 31 and may have dropped by as much as 9 percent in the quarter to Jan. 31.

Prada's costly retail space, combined with slower growth, has hammered margins and valuation. The group's share price nearly halved in the past two years and most analysts still have sell or hold recommendations on the stock.

Its operating margin fell to 15.4 percent in the third quarter from 21.3 percent in the first half. Some analysts expect small margin growth this year, mainly thanks to the strong dollar that will boost reported earnings in euros. Prada is not alone facing difficulty at a tricky time for luxury goods makers, challenged by cheaper "accessible luxury" brands like Michael Kors and Longchamp.

Other brands seen as having rested on their laurels in terms of strikingly new products, like Kering's Gucci and Tod's, have also struggled to produce growth.

But the strategy of concentrating on same store sales has nevertheless produced success for some luxury brands. Arch-rival Louis Vuitton revealed last week that it had enjoyed a strong rebound by investing heavily in exciting new products under new designer Nicolas Ghesquiere. It also halted the opening of new stores.

When it floated in 2011, Prada's ambition was to catch up with bigger rivals by expanding. It spared no expense, splurging on "key money" - cash up front to secure the best locations.

In Milan, Prada outbid Apple and Gucci to build a menswear shop oppo-

site its historic boutique in the prestigious late 19th Century Galleria Vittorio Emanuele II shopping arcade, paying more than 20 million euros to get the spot, real estate sources said. Prada declined to comment.

In the plush ski resort of Courchevel, it financed the renovation of the entire Place du Rocher to make it a more fitting address for its new boutique.

Meanwhile, some customers say the new shops carry handbags that have not evolved much in recent years, as if the company were afraid to change a product that worked well for so long.

"Just arrived" Prada handbags these days include two-toned satchels and new versions of the Twin Bag launched last year, fitted with a top flap and double zips. The product is similar in shape and carries many of the same features as previous best-sellers, such as the Double Bag or Galleria. Some bags start at 1,450 euros. In crocodile, they can reach 18,500 euros.

"Unless you have strong feelings about sewn-on handles versus buckles, there's not much in the way of meaningful variety or novelty," wrote Amanda Mull on the widely-followed PurseBlog.

Customers have become savvy and more demanding. Partly thanks to the Internet, they know more about a brand's new products than in the past, and will readily abandon brands that seem to trail in innovation.

Qualcomm's \$975m record China fine

BBC NEWS

US chipmaker Qualcomm will pay \$975 million (£640 million) to Chinese authorities to end a 14-month anti-trust investigation into its patent licensing practices.

The fine is the largest in China's corporate history and will require the firm to lower royalty rates on patents used in China's mobile phone market.

The move could help Chinese smartphone makers Xiaomi and Huawei.

Qualcomm said on Monday it would not contest the ruling that it violated China's anti-monopoly law.

"Although Qualcomm is disappointed with the results of the investigation, it is pleased that the NDRC (National Development and Reform Commission) has reviewed and approved the company's rectification plan," the tech giant said in a statement on Monday.

Stake in China
The firm, which is the biggest supplier of chips used in smartphones, will now charge royalties based on 65 percent of the selling price of phones in China, instead of on the entire price.

Pilots' union calls 2-day strike at Lufthansa's Germanwings

REUTERS, Berlin

A long-running row between Lufthansa management and German pilots union Vereinigung Cockpit (VC) over pay and conditions shows no sign of ending soon after the union called for a two-day strike at the group's budget airline Germanwings.

The VC pilots staged 10 strikes last year, affecting hundreds of thousands of passengers and wiping up to 200 million euros (\$226 million) from 2014 operating profit at Lufthansa, which is under pressure to reduce costs to keep up with rivals.

The pilots said late on Tuesday the strike, affecting departures across Germany, would run from 2300 GMT on the night of Wednesday Feb. 11 until 2259 GMT on Friday, Feb. 13.

VC said attempts to reach agreement had failed. "Lufthansa thus demonstrates again that it does not want an agreement and is therefore responsible for more strikes," said Joerg Handwerg, a spokesman for VC.

Germanwings said it expected to operate more than 60 percent of the 900 flights normally scheduled for the strike period by using volunteer pilots or chartering planes from other airlines. It expects to be able to fly 80 percent of all its customers.

The row between pilots and management concerns early retirement benefits that Lufthansa wants to change for new starters.

The current scheme enables pilots to retire at 55 and still receive a portion of their pay until regular state pension payments kick in. Lufthansa wants to increase the earliest age at which its new pilots can retire to reflect increasing life expectancies and cut costs.

Lufthansa said almost all points of contention for the early retirement scheme had been resolved and that a mediator could have easily resolved the outstanding issues.

Shares in Lufthansa were up 0.1 percent at 1425 GMT, in line with a 0.1 percent stronger Dax blue-chip index.

"The positive side of the story is that Lufthansa is driving a hard bargain for its cost reduction efforts, which might succeed in the long term," Equinnet analyst Joachen Rothenbacher wrote in a note.

The pilots have also requested that management enter mediation talks on plans for the expansion of low-cost flights, which Lufthansa has refused.

The pilots oppose the way in which Lufthansa is pushing through the expansion by using a small business that is not subject to the same collective labour agreements as pilots at its Lufthansa and Germanwings brands.

Like rival Air France-KLM, Lufthansa wants to increase low-cost operations to win back market share lost to the likes of Ryanair and easyJet, which are expanding in its home market.



Md Shahidul Islam, commissioner of Customs Bond Commissionerate, and Kazi Roushan Ara, executive director of Leather Goods and Footwear Manufacturers and Exporters Association of Bangladesh, pose during a training on customs and VAT policy and procedure, organised by the Centre of Excellence for Leather Skill Bangladesh in Banani, Dhaka on Saturday.

Oil prices rebound in Asia after heavy selloff

AFP, Singapore

Oil prices rebounded in Asia on Wednesday following a sharp decline in the previous session, analysts said, as investors await a weekly US stockpiles report later in the day.

US benchmark West Texas Intermediate (WTI) for March delivery rose 44 cents to \$50.46 a barrel while Brent crude for March rose 16 cents to \$56.59 in afternoon trade.

Nicholas Teo, market analyst at CMC Markets in Singapore, said the downbeat market outlook from the International Energy Agency had pushed both contracts down between three and five percent in the previous session.

Beximco Pharma to spend Tk 700cr on expansion

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The existing production capacity of the liquid, cream and ointment unit is six crore pieces a year, which will reach 10 crore pieces.

Beximco has set a target to achieve 25 percent year-on-year export growth this fiscal year. It exported Tk 80 crore worth of medicines last fiscal year to the European nations, Central American countries, Australia, Sri Lanka, Myanmar, Kenya and South Africa.

The drug maker's total sales grew 6.8 percent year-on-year to Tk 1,120 crore in 2014. Each share of the drug maker, listed on the stockmarket in 1986, traded between Tk 58.6 and Tk 61.7, before closing at Tk 60.9 on the Dhaka bourse yesterday.

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FROM PAGE B1

The company that employs 70 people directly and 150 as freelancers is also working to include CNG-run three-wheelers in its services category within the next six months.

Sharun is showcasing his company at the ongoing Digital World, a technology show, at the Bangabandhu International Conference Centre in Dhaka. "I am getting plenty of positive responses at the fair, particularly from housewives," said the 30-year-old.


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NBR seeks proposals on how to make tax measures friendlier

FROM PAGE B1

Earlier, the FBCCI issued a notice to all its members to send their proposals for the upcoming national budget so that the trade body can place a comprehensive proposal to the government on behalf of the private sector.

Associations and chambers that are not members of FBCCI can also e-mail such proposals to nbrbudget2015@gmail.com, according to the statement.



PUBALI BANK LIMITED

ESTABLISHMENT DIVISION
HEAD OFFICE, 26 DILKUSHA C/A, DHAKA-1000.

INVITATION FOR TENDERS

Sealed Tenders are hereby invited from the eligible Tenderers who can participate in any of the following tenders or all but in separate envelope as defined in the tender documents of the under mentioned works as per terms & conditions stated below.

1.	Procuring Entity	Pubali Bank Limited, Establishment Division, Head Office, 26 Dilkusha C/A, Dhaka-1000.
2.	Tender Name	i) Civil, Electrical, Networking & Air cooler works at Present Premises of our Kurigram Branch, Kurigram. ii) Civil, Electrical, Networking & Air cooler works at Proposed Premises of our Station Road Branch, Rangpur.
3.	Time for completion of the work	30 (Thirty) Calendar days for Sl. No.(i) and 20 (Twenty) Calendar days for Sl. No. (ii) (who are not capable to do the works in the schedule time need not participate)
4.	Eligibility of Tenderers	i) Minimum work experience of 3(Three) years in building renovation/interior works. ii) The tenderer must have experience during last 3(Three) years in completion of work(s) in same nature costing minimum Tk. 15.00(Fifteen) Lac. iii) Having valid trade license, up to date Income Tax clearance certificate and VAT registration certificate. iv) Must be financially solvent.
5.	Price of Tender Document	Tk.1500.00(Tk. One thousand Five hundred) only (non-refundable)
6.	Amount of Tender security	2.5% of total bid amount in the form of Payment Order favouring Pubali Bank Limited, Head Office, Dhaka - 1000. "No tender will be considered without genuine experience certificate, Earnest money and non fulfillment of the above criteria (i to iv)".
7.	Name and address of the office from where tender documents will be obtained & to be dropped.	Pubali Bank Limited, Establishment Division (12th floor), Head Office, 26 Dilkusha C/A, Dhaka - 1000.
8.	Last date & time for selling tender document.	Up to 6.00 PM (BST) on 19.02.2015
9.	Last date & time for tender submission	Up to 11.00 AM (BST) on 22.02.2015
10.	Date and time for tender opening	At 11.30 AM (BST) on 22.02.2015 in presence of bidder (if any)
11.	Special Instructions	i) Tender document in MS Excel format to be submitted in sealed envelope. ii) Pubali Bank Limited reserves the right to accept partly or fully any quotation or reject any or all quotations without assigning any reason whatsoever and is not bound to accept the lowest quotation. iii) Lowest price is not the only criteria to accept the bid. Quality job with competitive price shall be appreciated.

Sk. Golam Mohammad
General Manager