

Yunus expands social business in Uganda

STAR BUSINESS REPORT

Social businesses are gathering steam in Uganda thanks to collaboration between the country's government and Yunus Social Business.

It became evident when Nobel laureate Muhammad Yunus went to the African country for a four-day visit at the end of last month.

During his visit, which started on July 27, the founder of Grameen Bank was received by Uganda President Yoweri Museveni at the Presidential Palace, according to a statement from Yunus Centre.

He had an hour-long meeting with the president, who was joined by the finance and agriculture ministers, among others.

Museveni particularly took interest in a new social business software outsourcing company.

The joint venture with a

European company will be rolled out next year and will create thousands of IT jobs for the unemployed youth of Uganda, particularly young women.

Yunus called on Edward Ssekandi, vice president of Uganda, at his office. The vice-president inaugurated the National Social Business Conference of Uganda.

In his speech, Ssekandi announced his government is very happy to put the seal of approval to all social business initiatives in the country and will support them in all possible ways.

Yunus Social Business has started its work in Uganda through its office since 2013.

During his visit, Yunus had separate meetings with senior officials of the African Development Bank, the USAID and the United Nations High Commission for Refugees.

He signed an agreement with the UNHCR to undertake joint venture social businesses in Ugandan refugee camps.

Prior to his visit to Uganda, Yunus visited Washington and attended the 35th anniversary celebration of RESULTS International as chief guest.

On July 24, Yunus delivered a public lecture on social business and microcredit for the end of poverty at the World Bank's headquarters in Washington.

"The present civilisation that we have created is on an irresistible path of self-destruction. Before it destroys itself we have the opportunity to lay the foundation of a new civilisation which will be progressive and sustainable," he told the audience.

During his stay in Washington, he also met US Senator Dick Durbin, Senator Barbara Boxer and Congressman Joseph Crowley.

Iran wants to buy 90 planes a year to renovate fleet

AFP, Tehran

Iran plans on buying 80 to 90 Airbus and Boeing passenger planes per year until 300 are in place to replace its ageing fleet, media reported Sunday quoting a civil aviation official.

Civil Aviation Organisation (CAO) deputy chief Mohammad Khodakarami said the July 14 nuclear deal struck with Western powers lifts a ban preventing Iran from purchasing new planes and spare parts.

"We must add 80 to 90 planes to our fleet each year in order to have 300 new and operational ones," Khodakarami was quoted as saying.

He said the CAO would renovate the national fleet by purchasing an equal number of Airbus and Boeing planes at an estimated cost of \$20 billion (18.2 billion euros).

An embargo dating from 1995 prevents Western manufacturers from selling equipment and spare parts to Iranian companies.

The restrictions, which have been blamed for crippling the industry, were partially lifted by an interim agreement on Iran's nuclear programme that came into force in January 2014.



EXIM BANK

Md Nazrul Islam Mazumder, chairman of Exim Bank, speaks at the bank's half yearly business development conference at BGMEA Complex in Dhaka on Saturday. Mohammed Haider Ali Miah, managing director, was also present.



IBBL

Mustafa Anwar, chairman of Islami Bank Bangladesh, speaks at the inaugural session of the half-yearly business development conference of the bank at Muhammad Yunus Auditorium of Islami Bank Tower in Dhaka on Saturday. Mohammad Abdul Mannan, managing director, was also present.



UCB

MA Hashem, chairman of United Commercial Bank, and Muhammed Ali, managing director, attend the financial closing ceremony of the UCB Second Subordinated Bond Tk 500 crore, in Dhaka on Thursday. UCB, IDLC Finance and Trust Bank are the issuer, arranger and trustee of the bond respectively.

SCB felicitates agricultural trailblazers

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A group of farmers from Satkhira were awarded in the Farmer of the Year (Subsistence Market Farmer Group category) for their combined efforts to overcome difficulties and lift themselves out of poverty through cultivating.

Mahbub Anam, managing director and Tajwar Awal, director, of Lal Teer Seed; Sudhir Chandra Nath, programme head of seed and agro enterprise of Brac, Iqbal Ahmed, chairman and chief executive of Seamar Group, and Nurur Rahman Khan, chairman of Amar Desh Amar Gram, received the awards on behalf of their organisations.

The winner in each category received a crest and a certificate. The three winners in the Farmer of the Year categories were handed over prize money of Tk 5 lakh, while those with the honourable mentions got Tk 50,000 each.

Speaking at the ceremony, Matia Chowdhury said the AGROW Award has lived up to its promise to recognise individuals and organisations. The winners have played exemplary roles in agriculture through hard work and innovation, she said.

"We expect the AGROW Award and this year's winners and nominees to continue their commitment and inspire the millions of farmers across the country to take the sector to the next level," Chowdhury said.

Atiur Rahman, governor of Bangladesh Bank, said he hopes the award will inspire the grassroots farmers, dairy, crops and livestock distributors and marketers and support research and logistics industries to enhance their commitment towards further development of the sector.

"I hope through this humble initiative we will be able to motivate thousands of farmers around the country to come up with exemplary contributions and help build a sustainable agriculture sector," said Abrar A Anwar, chief executive of Standard Chartered Bangladesh that introduced the award last year.

He said his bank has reached the farm loan disbursement target set by the central bank in the last few years and is confident of repeating the success this year too.

Bitopi Das Chowdhury, head of corporate affairs of Standard Chartered Bangladesh, and Shariful Islam, managing director of Bangladesh Brand Forum, the

Stocks end slightly up on week's first day

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Of the traded issues, 141 advanced and 149 declined with 29 securities closing unchanged on the premier bourse.

Lafarge Surma Cement dominated the turnover chart with 23.39 lakh shares worth Tk 29.78 crore changing hands, followed by Khulna Power Company, Beximco Pharma, Desco and FAR Chemical Industries.

Among the major sectors, engineering stocks gained 2.24 percent in market capitalisation, followed by banks that increased 0.78 percent, pharma 0.71 percent and textile 0.7 percent.

Conversely, telecom lost 1.43 percent, followed by cement with 0.44 percent and non-banking financial institutions at 0.2 percent.

First ICB Mutual Fund was the day's best performer with 19.5 percent gain, while Meghna Life Insurance was the worst loser with an 18.76 percent fall. Chittagong stocks rose marginally with the bourse's benchmark index, CSCX, increasing 18.4 points to close at 8,977.99.

However, losers beat gainers 133 to 100, while 28 others finished unchanged on the Chittagong Stock Exchange.

The port city bourse traded 1.64 crore shares and mutual fund units worth Tk 60.76 crore in turnover.

Tidal surge shuts commodity hubs in Ctg

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Jamal Hossain, a trader, said shop owners could not save their goods as the tidal surge was unusually strong and most shops were closed on Friday.

"We later shifted some of the goods, but we could not dry those in time as the tidal surges returned the next day."

Syed Sagir Ahmad, general secretary of Khatunganj Trade and Industries Association, said water has entered almost 70 percent of all the shops at Khatunganj and Chaktai and traders are still busy trying to salvage their goods.

There are over 7,000 big and small shops and warehouses in the area, he added.

The tidal surge is occurring as a result of the storm that crossed the coastal areas in Chittagong Thursday night.

Sagir blamed a lack of renovation and regular dredging of Chaktai canal as major reasons for such inundation in these areas.

Ease rules to attract more foreign funds in telecom

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According to the report, action needs to be taken to connect all schools via internet broadband by 2017 and the telecom industry needs to donate five million free internet hours by the time.

The use of mobile internet technology can also play an important role in socio-economic development, the report said.

The study will help the government plan its own map for digitisation, said Hasanul Haq Inu, information minister.

Zunaid Ahmed Palak, state minister for ICT, said they are taking these recommendations seriously and will take necessary steps soon. Samarajiva of LIRNEasia recommended establishing a joint taskforce to rationalise the telecom and ICT tax system.

Anir Chowdhury, policy adviser of a2i

under the Prime Minister's Office, shared the same views as Samarajiva's.

The National Board of Revenue, the telecom regulator and the telecom division see the sector from their own perspectives and set taxes and telecom charges separately, said Chowdhury. The charges should be fixed from a general point of view, he said.

Bangladesh is doing well on freelance software development platform oDesk, where it is placed just behind India and the Philippines, he said.

Without any marketing or corporate backing, over three lakh freelancers reported to have billed over \$21 million in 2013, according to the report. The report suggested that all specialised and medical college hospitals be fully equipped with adequate broadband capacity by 2016.

BMW CEO hints there is space for more electric models

REUTERS, Vienna

The chief executive of BMW hinted in a German paper that there was potential for another of its "i" electric car models.

"Between the i3 and the i8, there is space if you look at it from the number point of view," Harald Krueger told Frankfurter Allgemeine Sonntagszeitung, when asked if he was planning new models.

He added that he could not give any more details at present. Krueger also said BMW was in regular contact with major technology companies, including Apple, over connected cars.

Reuters reported on Friday that BMW and Apple may rekindle a courtship put on hold after an exploratory visit by executives of the world's top maker of electronic gadgets to the headquarters of the world's biggest seller of premium cars.

Bank borrowing by govt jumps five times

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In this regard, the central bank's Monetary Policy Statement (MPS) said the government is likely to take more money from the banking system as reflected in the last budget and the BB has kept sufficient provisions for that.

It said the credit growth figures in the public sector have always been volatile based on the actual financing needs of the government.

It registered a negative figure of 2.5 percent last fiscal year, whereas the BB projects a positive growth rate of 23.7 percent for the current fiscal year.



BIKROY.COM

Officials pose with placards displaying pledges made by Bikroy.com as part of the United Nations' HeForShe gender equality campaign recently. Bikroy.com has pledged to create a 60:40 male-female employee ratio by the end of 2016, make training on gender equality in workplace mandatory and provide late night transportation to ensure security of women employees.



PUBALI BANK

Md Abdul Halim Chowdhury, managing director of Pubali Bank, attends the opening of a two-day workshop on sanction screening, FATCA, remittance, clearing and correction of data, organised by the bank at its head office in Dhaka recently. Safiul Alam Khan Chowdhury, deputy managing director, was also present.

US job market set for more than just "some" attention

REUTERS, London

Now that US Federal Reserve chief Janet Yellen has made it clear she's looking out for "some" improvement in the job market before voting for the first Fed interest rate rise in nearly a decade, so is everyone else.

The challenge is that the US economy is generating very little inflation - not to mention disinflation coming from China and nearly no inflation in Europe - leaving many questioning whether the Fed even should be considering a rate rise.

The US economy only grew by 1.5 percent in the first half of the year, slower than the average 2 percent pace over the previous three years and less than half the speed of past boom times in 2004-2005.

Yet the unemployment rate continues to fall, with first time claims for jobless benefits near a 40-year low. That, say some economists, is a cause for concern given rates are still at zero and would normally be much higher at this stage.

"The pace for growth remains extremely weak by past recovery standards, but with potential growth weaker as well it appears to be more than sufficient to keep the unemployment rate coming down," notes Jim O'Sullivan, chief US economist at High Frequency Economics in Valhalla, New York.

If the potential growth rate is much lower, then spare capacity in the economy may be close to nil, which means that not only is the business cycle at a mature stage, interest rates may have to move up more quickly than most currently expect.

But there are different warning signs, too, not least the strong dollar, which has been

keeping down the price of imported goods and has hurt US businesses trying to sell their goods and services abroad by making them more expensive.

The latest gross domestic product data also showed a sizeable buildup of inventories in the first half of the year, which at some point will need to be drawn down, likely slowing production in the process, and with it, economic growth.

Next Friday's jobs data is expected to show the US economy created 225,000 new jobs in July, just a tad more than in June, what was deemed a fairly disappointing report, according to economists polled by Reuters. The unemployment rate is expected to hold steady at 5.3 percent.

Better figures, sustained in August, might just be enough to meet Yellen's "some" improvement tag. For a Federal Open Market Committee that appears predisposed to get on with a much-awaited first rate rise, the bar does seem to be set fairly low.

"Keep an eye on the pay growth numbers too, for a possible edging up, after the slippage seen in June," warned Victoria Clarke, economist at Investec. "This would certainly do no harm for Fed lift-off prospects for the September FOMC."

Employment costs data for the second quarter implied there still has been no acceleration in pay, with a sudden slowing canceling out a stronger set of figures in January-March.

One thing is certain: once the Fed does begin hiking, the expected path of future rates and what that does to the dollar may have major repercussions for the world economy.



AIBL

Badiur Rahman, chairman of Al-Arafah Islami Bank, inaugurates the 123rd branch of the bank at Banari Para in Barisal yesterday. Md Habibur Rahman, managing director, was also present.