

DSE chief urges Ctg firms to go public

STAR BUSINESS REPORT

The Dhaka Stock Exchange has urged Chittagong-based businesses to list their companies on the capital market.

Many business personalities might feel that it will lead to a loss in ownership or control of their businesses they have built through their hard work, said Swapan Kumar Bala, managing director of DSE.

"The businesses should not think like that. Getting listed on the bourse is an opportunity for them to take their brand's reputation and business image to the masses," he said.

Bala made the request at a meeting with top officials of KDS Group, PHP Group and Mostafa Group of Industries in Chittagong on Friday, according to a statement.

Of the conglomerates, a unit of KDS Group -- KDS Accessories -- is waiting to make its share trading debut on the bourses, while KDS Accessories has

already raised Tk 24 crore through its initial public offering.

A delegation of the premier bourse, led by Bala, was visiting the port city to attend a two-day capital market fair, which ended Friday. Chittagong Stock Exchange organised the fair, aiming to spread financial literacy among investors.

"As part of our business development plan, we met the chairmen, managing directors and high officials of these conglomerates to encourage them to get listed on the market," the DSE managing director said.

He also made a presentation about the post-demutualisation reforms and developments of the country's stock market and the capital market's role in industrialisation.

Bala also outlined the processes of getting listed to the companies' top policy-makers. The officials of the companies also highlighted their corporate profiles in separate presentations and showed their interest to go public.

Better logistics a must for better business: DHL

STAR BUSINESS DESK

Leading players in the chemical industry could significantly increase their competitive advantage if they start leveraging logistics as well as other global industries do, a research commissioned by DHL has found.

DHL's whitepaper, Supply chain in the boardroom - 5 levers to boost a chemical company's bottom line, highlights opportunities to boost performance and overcome challenges such as commoditisation by getting logistics onto boardroom agendas in the chemical industry.

According to the report, the five levers that can help chemical companies increase performance and competitiveness are: optimising logistics costs, better inventory management to free up capital, smart investment in logistics assets, increased focus on end-to-end safety and security processes and differentiated logistics services.

"Logistics in the chemical industry is expected to run smoothly and reliably with senior executives usually only paying attention when something goes wrong and rarely regarding logistics as an opportunity," explains Michael O'Hara, global head of chemicals sector at DHL Global Forwarding.

"Logistics and supply chain management should be key elements in a formula for success for global chemical companies in today's complex interconnected marketplace where products are fast being commoditised."

"The research has identified five levers that when applied strategically at board level, can restore competitive advantage, increase liquidity and turn a standardised approach to safety and security from a cost into a benefit that adds value and attracts new customers."

With a worldwide sales value of Euro 3,000 billion, the chemical industry is one of the world's largest and most important sectors, generating international trade volumes above 700 million tons of freight annually, DHL said in a statement.

The industry is exceptionally diverse with complex supply chains challenged by the variety of products, highly specialised transportation and storage requirements, and growing safety issues. With the ongoing globalisation of the supplier and customer base, chemicals are fast becoming commodities, and as a result, competitive advantages are getting harder to find, it said.

"It is essential that industries understand the benefits of a well-managed logistics and supply

chain. This new research will help companies in the chemical sector re-assess and optimise their logistics operations," Nouruddin Chowdhury, country manager of DHL Global Forwarding Bangladesh, said.

To meet these challenges, senior management must change its perception and see logistics as a strategic asset rather than a transport and delivery service, the report suggests.

Thomas Krupp, professor at Cologne University of Applied Sciences; Carsten Suntrup, of CMC² GmbH/European University of Applied Sciences, and Uwe Veres-Homm, of Fraunhofer Centre for Applied Research on Supply Chain Services SCS, executed the research.

They found that a holistic end-to-end approach to logistics can achieve: greater logistics value through cost optimisation, increased supply chain liquidity, smart investments in logistics assets, standardised safety across the supply chain, and differentiated logistics services, DHL said.

"The five levers we outlined provide executives with insights and recommendations on how to improve their company's capability for better performance and increased competitiveness," Thomas Krupp said in the statement.



Niaz Rahim, chairman of the Centre for Zakat Management, receives the Islamic Economy Award as recognition of its initiatives in Waqf and Endowment category by the Global Islamic Economic Summit from Sheikh Mohammed bin Rashid al Maktoum, prime minister of the United Arab Emirates, at an event in Dubai.

Canada jobless rate rises to 7.1pc in September

AFP, Ottawa

A key driver of voting intentions in upcoming legislative elections, employment in Canada has seen little change in the past four months, the government statistical agency said Friday.

About 12,000 new jobs were created from August to September, bringing the total number of Canadians employed last month to nearly 18 million.

Canada's unemployment rate, however, increased by 0.1 percentage points to 7.1 percent in September as more Canadians joined the labor market.

Analysts had expected the rate to remain flat, and a small uptick in new jobs.

Prime Minister Stephen Harper's Conservatives, who have made the economy and job creation their main plank, are neck and neck with the Liberals and New Democrats ahead of the October 19 election, polling shows.

According to Statistics Canada, part-time employment rose by 74,000 in September, which was largely offset by a decline of 62,000 in full time jobs.

Employment increased among people aged 55 and older, the agency said.

Yunus Social Business Japan to be launched next month

STAR BUSINESS REPORT

A group of young Japanese entrepreneurs plan to initiate Yunus Social Business Japan to promote the ideas of Nobel laureate Prof Muhammad Yunus in the country and other parts of the world.

The move is aimed at joining the global network of companies around the world set up on the philosophies of the founder of Grameen Bank.

On October 8, Prof Yunus attended a meeting of the members of the board Tomoni Corporation, a social business company established by a group of young Japanese entrepreneurs, according to a statement from Yunus Centre in Dhaka yesterday.

At the meeting, the entrepreneurs disclosed their plan to launch Yunus Social

Business Japan.

The signing with the parent company for launching Yunus Social Business Japan will be held in Berlin at the upcoming Global Social Business Summit slated for November 4 to 6.

Top executives of Japan International Cooperation Foundation also met with Prof Yunus to work out the conceptual framework of a joint venture agricultural company with Yunus Social Business Uganda.

The microcredit pioneer also attended Social Business Design Contest 2015 at Roppongi in Tokyo. The competition was organised by Yunus & Shiiki Social Business Research Centre at Kyushu University.

Eight top projects were presented at the contest. Winning teams were given trophies and scholarships to attend the Summit.

Cement makers eye a turnaround

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The elevated expressway, metro rail, several flyovers, a tunnel in Chittagong and seaports will boost demand for cement, they added.

"I believe the business will turn around next year," said Md Shahidullah, managing director of Metrocem Cement.

Political unrest in 2013 and 2015 affected growth of the industry; sluggish demand pushed down cement prices to Tk 400-Tk 420 per 50-kilograms (kg) this year from Tk 480-Tk 500 in 2013, he added.

"The demand for cement in the south-western districts will increase significantly once the construction of the Padma bridge is completed."

Bangladesh is one of the lowest consumers of cement in the world with its per capita consumption being 105 kg, while it is 217 kg in India, 265 kg in Pakistan and 310 kg in Sri Lanka. The per capita cement consumption is 705 kg in South Korea and 1,700 kg in China.

Shankar Roy, general manager of Holcim Bangladesh, said the industry has

become saturated as the production capacity is double the market demand.

"Apart from political unrest, sluggish business in the real estate sector hit demand for cement this year," Roy said.

He expects the market would grow by 4-5 percent in 2015, but the demand will rise next year.

Bangladesh used to meet its demand for cement till 1995 through imports. After that, local entrepreneurs started setting up factories and over 100 factories were incorporated as cement manufacturers till 2010.

Currently, only 32 factories are in operation, including five multinational companies. Many small factories were shut down amid fierce competition.

Four leading global cement producers -- Lafarge, Holcim, Cemex and Heidelberg Cement -- also have operations in Bangladesh. But their share is gradually falling as local makers, such as Shah, Bashundhara, Seven Circle, Fresh, Premier, and Crown have significantly expanded their capacities.

Regent to resume flight on Dhaka-Cox's Bazar route

STAR BUSINESS DESK

Regent Airways is set to resume its Dhaka-Cox's Bazar flight from October 15, the airline said in a statement yesterday.

The daily flight will be operated with a 50-seat Dash-8-Q 300 aircraft.

The flight will take off from Dhaka at 11am and reach Cox's Bazar at 12pm every day and will leave Cox's Bazar at 12:20pm and reach the capital at 1:20pm.

Atiur honoured as central bank governor of the year for Asia

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"The award signals the confidence you have inspired in your key stakeholders and reflects their faith in central bank policy under your stewardship," said Toby Fildes, managing editor of Emerging Markets.

Central to Rahman's work is financial inclusion. He launched a number of programmes and approaches, from empowerment of women through to getting street children into the financial system. One of the most powerful examples was an attempt to reach the one million tenant farmers who had never been covered by finance before, whether mainstream banking or microfinance lending.

"Money needs to touch the ground," Rahman said in an interview with Emerging Markets. "You can throw money in the air, but it will only create bubbles and inflation."

Once a year, during the annual meetings of the World Bank-International Monetary Fund, Emerging Markets recognises the achievements of leading policymakers.

Raghuram Rajan, governor of India's central bank, won the award last year, and Zhou Xiaochuan, China's central bank governor, the year before.

The award is based on nominations from public and private sector economists, analysts, bankers, investors and other experts, according to Fildes.

Rahman was given the award yesterday in a reception held in the Peruvian capital of Lima where the WB and the

IMF are holding their annual meetings.

"What's interesting about Rahman's approach, which has really started to visibly bear fruit over the last year, is that it appears to be generating considerable strength and resilience in the Bangladesh economy," Emerging Markets said.

Bangladesh is forecast to grow at 6.5 percent this year; Rahman reckons more than 7 percent is feasible next year. At the same time inflation has come down from 12 percent to 6.5 percent, the exchange rate has remained stable for three years when other emerging market currencies are falling, and reserves have quadrupled under his tenure.

Bangladesh has become something of an outlier in emerging markets, holding firm while others are in decline, according to Emerging Markets.

"I have a pleasant challenge of addressing surpluses, not deficits," Rahman said.

Partly, like the Philippines or Lebanon, this is a function of remittances from overseas workers and partly exports in textiles and agriculture; if anything, it has caused a challenge in keeping the exchange rate stable.

Rahman dedicated the award to Prime Minister Sheikh Hasina, he told The Daily Star by phone from Lima. He said he was able to do this work for the poor as she gave him the opportunity in the first place to serve as the central

bank governor.

Rahman was appointed the tenth governor of Bangladesh Bank on May 1, 2009 for a four-year tenure, which was extended last year for another term.

The award is the second for Rahman this year in recognition of his role in promoting socially responsible financing, financial inclusiveness and green funding.

Earlier in January, another London-based publication, The Banker, felicitated Rahman as the best central bank governor from the Asia Pacific region for 2015.

In November last year, Rahman received the "GUSI Peace Prize International 2014" award for his contribution to establishing peace by reducing poverty in Bangladesh.

The BB governor also received the prestigious "Indira Gandhi Gold Plaque for 2011" for his contribution to international cooperation towards human progress.

Ever since assuming office as the central bank governor in 2009, Rahman has been spearheading initiatives of ingraining socially and environmentally responsible financing ethos, with multi-pronged facilitation and policy support for inclusive, green financing.

At the same function in Lima, Indian Finance Minister Arun Jaitley was accorded a reception for winning an award as the best finance minister of Asia, a BB official said.

Taskforces to be formed to boost Saarc connectivity

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The taskforces will examine the key areas for regional cooperation to greater depth, said Chandrajit Banerjee, director general of the CII.

"Our partners in various countries will lead the taskforces in areas."

The five taskforces are: foreign direct investment, people-to-people connect, trade infrastructure, trade facilitation and energy cooperation.

An institutionalised mechanism to take these deliberations forward is required as South Asia needs a whole new approach, he said, while calling the customs authorities of all the countries need to incorporate and adopt international norms and standards.

At the conference, the WB said it would provide support so that the follow-up actions become fruitful.

Onno Ruhl, the WB's country director for India, said the multilateral lender will play an active part in catalysing South Asian economic integration.

Regional economic integration is a drawn-out process, he said. For instance, it took perhaps 300 years for the European Union to take its present shape.

Annette Dixon, the WB's vice-president for South Asia, said the Washington-based lender has been working with determination for the last five years toward the goal of

regional cooperation with its partners.

The WB's portfolio of regional projects includes policy and analytical work and on-the-ground initiatives for wildlife and environmental protection, energy and improving trade and transport connectivity, Dixon said.

For instance, the Mizoram Roads Regional Connectivity project is designed to increase transport connectivity along regional trade corridors and to provide quicker and safer access to all parts of the state and to the neighbouring ones as well as to Bangladesh and Myanmar, she said.

"This brings us to the very important role that the private sector must play in providing the nuts and bolts that help integrate economies."

It is the private sector, big and small entities alike, that must increase regional investment, she said.

Less than 2 percent of the total foreign investment in South Asia is intra-regional, denoting a historical mindset that has missed investment opportunities and kept the region poor despite its innate wealth.

Naushad Forbes, president designate of CII and the director of Forbes Marshall Pvt Ltd, said greater people-to-people contacts will go a long way toward deepening regional cooperation.

He said visas to travel across the region should be more easily available to its natives.

Forbes went on to call for due measures to help businesses to set up their operations in each other's countries.

Stronger economic cooperation between the South Asian countries will not only help the governments in meeting the inclusivity goals but also bring about sustained peace and security across the region, said Piyush Goyal, Indian state minister for power, coal and new and renewable energy.

He said that such a concerted effort will resonate with Indian Prime Minister Narendra Modi's vision of South Asian "oneness".

Modi has sent out a clear message to the heads of states of Saarc nations that India will become a partner and not a big brother, Goyal said.

At the conclave, the problems regarding sharing of water of common rivers were also raised.

He acknowledged the grave concerns expressed over water management and said all efforts have to be directed to conserve the region's water resources.

Several ministers from the region -- Bangladesh, India, Nepal, Bhutan, and the Maldives -- participated in the three-day event.

The business leaders from all eight countries, including Afghanistan and Pakistan, representatives of the think-tank organisations, economists and the government officials also attended.



Manjur Ahmed, managing director of Rajshahi Krishi Unnayan Bank, attends a business performance meeting at Safa Wang Community Centre in Rajshahi yesterday. Md Emdadul Haque, general manager of the bank's Rajshahi division, was also present.

Correction

Swedish retail giant H&M said it was misquoted in a report headlined "H&M praises progress in Bangladesh factory safety" published on October 9.

The report quoted the company as saying it is correct that the other buyers within Accord are experiencing some delays in factory remediation.

But the actual quote from the retailer was: "It is correct that we and the other buyers within the Accord are experiencing some delays to work being carried out to initial timelines."