

Stock turnover hits 8-month low

STAR BUSINESS REPORT

Turnover on the Dhaka Stock Exchange plunged to an eight-month low yesterday mainly due to a thin participation of investors.

The turnover stood at Tk 221.85 crore, sliding 27 percent from the previous day.

A total of 6.39 crore shares and mutual fund units changed hands on the day.

The turnover on the premier bourse was Tk 166.61 crore on March 19.

DSEX, the benchmark index of the Dhaka bourse, also fell slightly, by 9.36 points or 0.21 percent, to 4,424.2 points.

The turnover fell as investor confidence remained battered amid steep correction in the index, LankaBangla Securities said in its regular analysis.

Stocks firmed up in morning trade backed by promising quarterly earnings declaration by a few good consumer stocks. But the sell pressure in the middle of the session took away the liveliness of the market, it said.

Of the traded issues, 108 advanced and 158 declined, while 42 closed unchanged on the premier bourse.

Titas Gas dominated the turnover chart with 28.58 lakh shares worth Tk 14.95 crore changing hands, followed by BSRM, Quasem Drycells, Olympic Industries and Saif Powertec.

Among the major sectors, engineering rose 0.81 percent in market capitalisation, followed by food and allied that rose 0.68 percent, bank 0.19 percent and telecom 0.12 percent.

Conversely, fuel and power sector lost 1.22 percent, followed by cement 1.1 percent and textile 0.77 percent.

Atlas Bangladesh was the day's best performer, advancing 9.97 percent, while Sonali Aansh was the worst loser, slumping 13.47 percent.

Chittagong stocks closed marginally lower with the bourse's benchmark index, CSCX, declining 3.74 points or 0.04 percent to stand at 8,228.52.

Losers beat gainers 106 to 82, while 30 remained static on the Chittagong Stock Exchange.

The port city bourse traded 57.75 lakh shares and mutual fund units, generating a turnover of Tk 16.68 crore.



Citi's Asean business head in town

STAR BUSINESS DESK

Michael Zink, head of Citi's businesses in Asean and Citi country officer for Singapore, arrived in Dhaka for a two-day visit, Citi said in a statement yesterday.

Zink will meet senior Citi officials, key clients, senior governmental officials, and review Citi's potential for further growth in Bangladesh during the visit.

A 27-year Citi veteran, Zink's coverage of Citi's businesses in Asean includes Singapore, Indonesia, Malaysia, the Philippines, Vietnam and Thailand, as well as Bangladesh and Sri Lanka. He was appointed to the role in February 2012.

Le Meridien marks first night

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Le Meridien Dhaka, a concern of Starwood Hotels and Resorts Worldwide, yesterday marked its first night.

The hotel in the capital's Nikunja 2, near the international airport, offers 304 guestrooms and suites, the upscale hotel said in a statement.

It has a host of dining options, like Latest Recipe, an interactive all day dining restaurant with a live-kitchen setup; Favola, an Italian specialty restaurant; and Olea, which serves the Mediterranean cuisine.

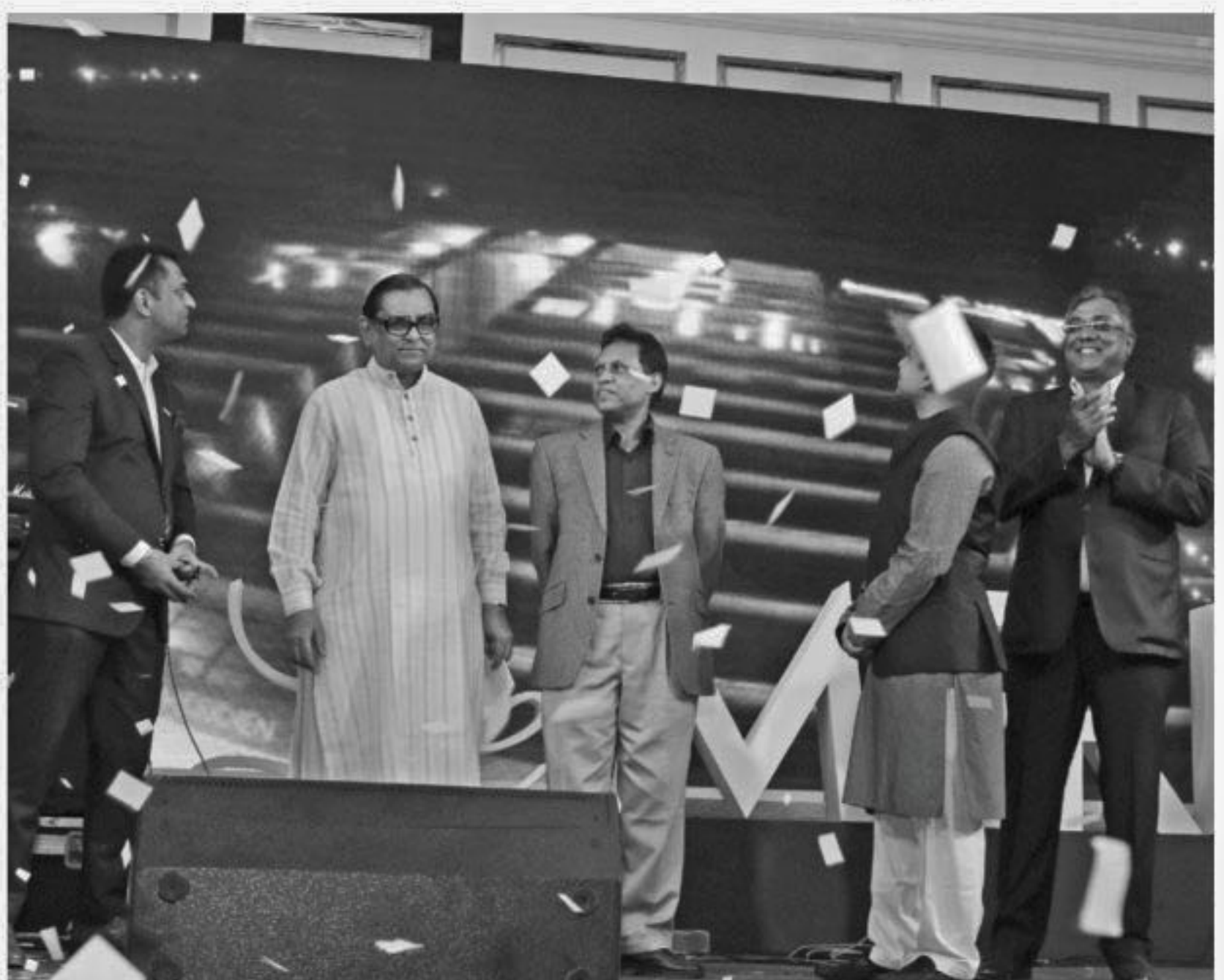
Le Meridien also has 15 Above, a lounge bar offering stunning views, and Latitude 23, a casual coffee house.

The hotel also features the signature Explore SpaSM, a fitness centre as well as the highest skyline infinity pool on the 16th floor, according to the statement.

"We are excited to unlock the latest destination of Le Meridien in Dhaka through the First Night celebrations, bringing a passion for contemporary arts to life amid a bustling city," Dilip Puri, managing director for India and regional vice president for South Asia of Starwood Hotels and Resorts Worldwide.

"We are honoured to partner with Starwood Hotels and Resorts for the first Le Meridien hotel in the country," said Amin Ahmad, chairman of Best Holdings, which owns Le Meridien Dhaka.

Starwood is associated with crisp professional hospitality, while Le Meridien is a brand that personalises



Rashed Khan Menon, civil aviation and tourism minister; Amin Ahmad, chairman of Best Holdings and owner of Le Meridien Dhaka; Dilip Puri, managing director for India and regional vice president of Starwood Hotels and Resorts India for South Asia; and Ashwani Nayar, general manager of Le Meridien Dhaka, attend the official launch of the hotel in Nikunja 2, Dhaka yesterday.

the experience for guests by enhancing the elements of local hospitality, Ahmad said.

"The combination seemed right for Bangladesh where the industry is now on the cusp of evolution."

The hotel combines chic modern design with a focus on the arts, creative cuisine and inspiring local culture,

elements that are integral to Le Meridien as a brand, said Ashwani Nayar, the hotel's general manager.

The hotel will create uniquely memorable experiences and strengthen guest loyalty, Nayar said.

Rashed Khan Menon, civil aviation and tourism minister, attended the event as the chief guest.



Ahmed Kamal Khan Chowdhury, managing director of Prime Bank, and Tarikul Islam Palash, chief executive of Action In Development (AID), pose with a dummy cheque for Tk 4 crore as agriculture loan to AID for onward lending to farmers for crop cultivation, livestock rearing and fish farming.



Nazeem A Choudhury, head of consumer banking at Eastern Bank, and Amit Bhattacharjee, operative director of Navana-Mahindra Two Wheelers, the motorcycle unit of Aftab Automobiles, pose at the signing of an agreement. The bank's customers can now buy Mahindra Scooty under ZIP/debit EMI programme.

US consumers pay more compared to Europe for mobile data

AFP, Paris

Perhaps everything's bigger in America, as the old saw goes, but when it comes to mobile phone calls and data usage, US consumers are certainly paying big, sometimes nearly as 20 times as much as Europeans.

If you live in France, you can pay as little as 20 euros (\$21.50) per month for a monthly package featuring 50 gigabytes of data, unlimited domestic and international calls to over 100 countries and unlimited text messages.

In the United States, that much data could cost you \$390 per month from one national operator.

While the above comparison may be the extreme, it dovetails with an International Telecommunications Union report last year which found US data to be up to 19.5 times more expensive than in Europe when corrected for purchasing power of consumers.

The result is that while US companies may be the pioneers with online video streaming services like Netflix and Hulu, Americans have been asked to pay much more for what it takes to use them on a smartphone, which is rapidly becoming a popular platform for catching the latest episode of your TV show.



Atiur Rahman, governor of Bangladesh Bank, attends a seminar on banking, organised by the Association of Bankers, Bangladesh (ABB) at Radisson hotel in Dhaka on Saturday. Ali Reza Iftekhar, chairman of ABB, was also present.

Focus more on aid utilisation

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Bangladesh can easily be connected with its neighbours such as Bhutan, India, Nepal, China and Myanmar, he said.

"We have a lot of opportunities, but we will have to know how to use those."

Rahman said Bangladesh was supposed to have a strong ombudsman, but there is no such institution to check corruption and anomalies. He suggested immediate reforms to the local government system as development of the country largely depends on it.

"The most important challenge for Bangladesh is to maintain the current macro-economic stability."

Pierre Mayaudon, ambassador and the head of delegation of the EU in Bangladesh, said development partners will continue supporting the government's efforts to be active in the implementation of the global partnership for sustainable development.

He also stressed formation of specific policies for mobilisation and use of finance and more targeted sector-based programmes.

Development partners are ready to assist the government in mobilising various sources of financing for development, using overseas development aid as a catalyst for leveraging and maximising the impact of other means of implementation, he said.

In another session, Md Abul Kalam Azad, principal secretary to the prime minister, said regional cooperation in energy, road and rail should be strengthened.

He said more electricity should be generated from coal.

"We need to offer more incentive to international companies for gas exploration," he said, adding that price of gas would be adjusted upward in the next three-four months. He also recommended privatisation of railway.

Prof Jamilur Reza Choudhury, vice chancellor of University of Asia Pacific, said latest technologies are being used to construct the Padma bridge. He said the government should make all issues related to the establishment of coal-based power plants transparent, as there are environmental concerns.

AIIB looks to bankroll projects in Bangladesh

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Sceptics see the AIIB as China's bid to create a rival to the WB and the ADB. But Liqun said the new bank would complement the efforts of the Washington-based and the Manila-based lenders.

About the plan to roll out its lending programme, he said the bank's officials have already started to prepare a pipeline.

The bank will not provide any concessional lending. In terms of non-concessional lending, the lending charges will be -- more or less -- in line with the charges levied by the WB's the International Bank for Reconstruction and Development (IBRD) or the ADB's Ordinary Capital Resource (OCR).

The IBRD carries interest rates of LIBOR plus 1.35 percent and the OCR about 4.5 percent.

"Even though we do not give you the so-called concessional funding the terms and conditions are far more favourable than you can possibly get from the market," he said, adding that the maturity period will be up to 30 years and the cost is much lower.

About the AIIB's focus on infra-

structure, Liqun said the bank believes infrastructure investment is most important for sustainable development, which in turn reduces poverty.

From the experiences from Bangladesh, China and many other developing countries, the AIIB believes that infrastructure development is crucial for the region, he said.

The AIIB aims to be a lean institution, in terms of organisational structure, and will try to create only those positions which are absolutely necessary for smooth operations, he said.

A lean structure would help keep the red-tape to a minimum, allowing faster project approval processes and disbursement, he added.

"We believe efficient processing of the project will be very good for the client country."

"On the other hand, we have to make sure that the bank is free from corruption and bureaucracy. We are designing the bank in such a way the bank will be very efficient."

In the early years of operations, the bank will not open country offices in order to retain cost effectiveness, and decision-making will be centralised, he said.

With expansion in programmes it will gradually become necessary for the bank to put in place regional hubs for some countries, but it will not take too long to set up liaison offices and for them to coordinate with the headquarters, Liqun said.

The bank will also set up departments to balance the available resources for fair allocation across all countries, and an independent department will oversee allocations to make sure that no countries are neglected.

Liqun said professionals will monitor and assess the progress of each project's implementation, disbursement and procurement processes even if there is no country office.

However, it is very important for multilateral development banks not to be nannies and do micro-management, he added.

He said the AIIB would encourage project sponsors, local government agencies and communities to play a big role in implementing projects.

"If you keep people in the field it costs the borrowers and project sponsors a lot. It also looks like you do not trust these people and they cannot do the job without your

nanny. I don't like that way."

"If you do a good job we would minimise this checking on spot. I think we need to encourage project sponsors and owners to do their job on their own to the extent possible."

There will however be post-implementation assessment to see whether development objectives were achieved, Liqun said.

He said there will be no overlapping of lending activities with other development partners. "We need co-financing as infrastructure projects cost a huge amount of money normally."

Co-financing will become the norm in the future, when all development partners try their best to promote infrastructure investment, he said.

Meanwhile, at a meeting with Liqun, Finance Minister AMA Muhith has sought financing from the AIIB for the government's large and transformative infrastructure projects.

"In such projects billions of dollars will be required which is difficult to finance from within the regular budget," Muhith told reporters after the meeting with Liqun on the sidelines of the BDF conference.



Ahasanul Islam Titu, president of DSE Brokers Association, attends the first annual general meeting of the association in Dhaka on Saturday.

Telekomasia to invest \$1b in hi-tech park

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They also want to establish an IT academy at the hi-tech park.

TechShed is likely to invest \$5 million initially and will manufacture computer, officials said.

PayZaBD will create a platform for freelancers and provide an online payment solution in Bangladesh, but they did not disclose an investment figure.

In a press release, the ICT division said these four companies will invest more than \$2 billion as foreign direct investment in Bangladesh.



Nazmul Ahsan Khaled, managing director of Nourish Poultry and Hatchery, poses with the dealers of the company at a conference, at Bashundhara International Convention City on Saturday.