

| STOCKS | | COMMODITIES | | ASIAN MARKETS | | | | CURRENCIES | | | |
|----------|----------|-------------|--------------|---------------|-----------|-----------|----------|---------------|-------|--------|------|
| DSEX | CSCX | Gold | Oil | MUMBAI | TOKYO | SINGAPORE | SHANGHAI | USD | EUR | GBP | JPY |
| 0.04% | Flat | \$1,315.70 | \$43.42 | 1.20% | 0.04% | 0.53% | 0.13% | BUY TK 77.80 | 84.35 | 101.03 | 0.71 |
| 4,549.18 | 8,518.05 | (per ounce) | (per barrel) | 26,791.93 | 16,620.29 | 2,929.85 | 3,016.80 | SELL TK 78.80 | 87.75 | 104.43 | 0.75 |

আপনার বিআরটিএ ফি এবং সকল ইউটিলিটি বিল এসআইবিএল এর যে কোন শাখার মাধ্যমে জমা দিন

* ফ্রি অনলাইন সেবা
যে কোন প্রয়োজনে ০৯৬৯২০০৯৯২২

Star BUSINESS

DHAKA TUESDAY JULY 26, 2016, SHRABAN 11, 1423 BS

BB to set higher credit growth target

New governor will place his maiden monetary policy statement today

REJAUL KARIM BYRON
Bangladesh Bank may set the private sector credit growth target at 16.5 percent in the monetary policy for the first half of the fiscal year, in keeping with the present momentum. Governor Fazle Kabir is set to announce the monetary policy today for the first half of fiscal 2016-17 in what will be his first big policy statement since he took over

the reins from Atiur Rahman in March. In June last year, the BB set the private sector credit growth target for fiscal 2015-16 at 14.8 percent, but the mark was crossed in May and it stood at 16.4 percent at the end of the fiscal year. "The private sector credit growth target for the current fiscal year will be set keeping in line with the present trend," said a BB official.

The government forecast the economic growth pace to be 7.2 percent for the current fiscal year, while it set the goal of containing inflation within 5.8 percent. In the monetary policy, the inflation target may be set at 5.5 percent, lower than the government target. However, no change will be brought to the policy rates as they were cut by 50 basis points in January. The BB official said after the Eid

vacation, they held a stock-taking meeting with the former central bank governors and economists. Most of them recommended taking slightly moderate expansionary monetary policy. After the recent militant attack in Bangladesh, businesses are going through a sluggish phase. "Keeping this in mind, we have raised the credit growth target slightly."

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Apps and games development institutes on way

MUHAMMAD ZAHIDUL ISLAM
The government is set to establish mobile applications and games development institutes across the country with a view to grabbing a share of the \$100 billion global games market. "This is a huge market and we should enable our talented youth to capture it. This is why the ICT division initiated the project," said Zunaid Ahmed Palak, state minister of the ICT division. "If Bangladeshi developers can grab even a small portion of the market, it will be a huge sum of money." The 'Skills Development for Mobile Game and Application Project' will cost the government Tk 281.97 crore and will be implemented by 2018. The institutes will be set up in divisional cities in partnership with universities. "The government will not need to build any infrastructure -- this will save us time and money." Besides, the ICT division will set up 30 mobile apps laboratory, training and testing points at the district level. Some 525 trainers, 8,750 app developers and 2,800 game animators will get training under the project; marketing and content experts will also be given high-level training. The project will create more than 2,000 new digital jobs in the market, according to

PROSPECTS

Project cost is Tk **281.97**cr
It will be implemented by 2018
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Global apps and games market is worth **\$100b**

the ICT division's proposal. "Actually we have taken this project to serve our local market of 13 crore mobile users initially -- this is a huge market. Then we will target the international market," Palak said.

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Consortium to invest \$12m to make LPG cylinders

STAR BUSINESS REPORT
A consortium of 16 local and foreign companies yesterday announced a plan to invest about \$12 million to manufacture LPG-carrying cylinders, bullet trucks and industrial tanks. The consortium, called Star Infrastructure Development Consortium Ltd, signed a deal with Servigas Co of Iran for technical support. Three sites have primarily been shortlisted for the plant: Sonargaon

in Narayanganj, Kishorganj and near Mongla seaport. The final site selection depends on Servigas's technical report, said Abdul Matlub Ahmad, chairman of Nitol Niloy Group, a member of the consortium, at the deal signing ceremony held at the capital's Westin hotel. Ahmad; Mohd Noor Ali, chairman of the consortium and the managing director of Unique Group; Sh Rabiee, MD of Servigas; and MH Mohajerani, sales and

marketing manager of Servigas, signed the deal. Production will start in the next one year, Ahmad said, adding that customers will get quality products at affordable prices. Currently, there are 60 household gas distributing companies that can use cylinders, bullet trucks and industrial tanks. "Their service quality will improve by using our products," said Ahmad, also the president of the Federation of Bangladesh Chambers of Commerce

and Industry. Servigas is a subsidiary of Butane Group, the first liquefied petroleum gas distribution company in Iran. It now exports gas and other related equipment to Europe and some other countries in Asia. The consortium's initiative will play an important role in the government's efforts to diversify its power sources, said Tawfiq-e-Elahi Chowdhury, the prime minister's energy adviser.

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WB gives \$10m to set up data centre

STAR BUSINESS REPORT
The World Bank is set to provide an additional \$10 million to its public procurement project in Bangladesh to set up a modern data centre with 200 terra-byte storage capacity. An agreement for the loan was signed yesterday between the Economic Relations Division and the Washington-based multilateral lender in Dhaka. With robust security features and 180 times more capacity, the new centre will offer storage for 8.6 million tenders and support about 325,000 registered bidders, the WB said in a statement. Bangladesh has made a gradual improvement in its public procurement system by shifting from traditional procurement practices to international standards through digitisation, said Rajashree Paralkar, the acting country director of the WB. The additional financing will contribute to further strengthen the capacity of the procurement system and meet the growing demand of the procurement entities. "This in turn will improve the country's investment climate and accelerate the pace of poverty reduction." The financing will also continue to support professional certification and training on public procurement. The public procurement project has so far helped 89 officials receive member status and professional diplomas at the Britain-based Chartered Institute of Procurement & Supply, while 84 have completed their masters' degrees in procurement. The project has facilitated training on public procurement for about 2,700 participants, ensuring that over 85 percent of the four key procuring entities have at least one trained staff.

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Honda may invest \$60m in motorcycle plant

REFAYET ULLAH MIRDHA
Bangladesh Honda Private Ltd, a concern of Honda Ltd of Japan, has expressed its interest in investing \$60 million in motorcycle manufacturing at a special economic zone in Bangladesh. The company is currently manufacturing motorcycles under a joint venture with Bangladesh Steel and Engineering Corporation (BSEC), a state-run company, at a rented factory in Sreepur, Gazipur. The factory was set up at an investment of Tk 58 crore in 2013. "During a visit to our office, Yuichiro Ishi, managing director of Bangladesh Honda Private Ltd, demanded 25 acres of land at any special economic zone near Dhaka," said Paban Chowdhury, executive chairman of Bangladesh Economic Zones Authority (Beza), which has been working to develop 100 SEZs across the country. Ishi said they would initially invest \$15 million and the rest of the amount would come in phases, according to Chowdhury. Ishi has already visited two private

MOTORCYCLE MARKET

Honda will initially invest **\$15m**; the rest of the amount would come in phases
Honda sought **25** acres of land at any special economic zone near Dhaka
Bangladesh is a good market as sales are higher due to a growing middle class
Motorcycle exports enjoy zero-duty benefit
Sales now stand at **150,000** units a year

special economic zones -- Abdul Monem Economic Zone and Meghna Economic Zone -- both of which are close to the capital, Chowdhury said. Ishi is scheduled to visit Keraniganj SEZ in Dhaka on

Thursday to select a site to set up the motorcycle manufacturing plant, Chowdhury said. "If they can decide on a site, we will sign a deal as soon as possible." Japanese motorcycle companies are interested in investing in Bangladesh for two reasons -- first, Bangladesh is a good market for them as sales are higher due to a growing middle class. And second, there is a zero-duty benefit on exports, said Chowdhury. Beza has been working to develop a separate SEZ for Japanese investors, as per a commitment of the Bangladesh government. During his visit to Bangladesh in September 2014, Japanese Prime Minister Shinzo Abe was assured of a separate SEZ for the Japanese investors in Bangladesh. "We have already selected 500 acres of land at Araihasar in Narayanganj for a SEZ for Japanese investors. We will gradually expand the area as the number of Japanese investors in Bangladesh is higher compared to other nations," Chowdhury said.

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BB reminds banks not to park gratuity funds in savings certificates

STAR BUSINESS REPORT
State and private banks and non-banks are not allowed to invest their gratuity funds in government savings certificates, according to the central bank. Under the Savings Law 1997 (amended 2002), firms and companies do not have the opportunity to put their gratuity funds in the five-year savings instruments, Bangladesh Bank said in a statement. In recent months, companies may have moved their gratuity funds into savings certificates, as they offer higher interest rates, compared to banks and non-bank financial institutions. The weighted average interest rate on deposits in banks dropped to 5.67 percent in May from 6.99 percent a year earlier. It averaged more than 8.21 percent in 2014. On the other hand, the rate for savings instruments is close to 12 percent.

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