

Ctg Port yet to reap full benefit of 24/7 service

STAFF CORRESPONDENT, Chittagong

Chittagong Port users yesterday urged all stakeholders to play their due role as the recent initiative to keep the seaport functioning round-the-clock is failing to yield full benefit.

They said some government and private organisations are not remaining open on weekends as decided in July this year when the 24/7 service was initiated to decongest the port. The comments came at a view-exchange meeting of stakeholders at the port's training centre. The Chittagong Port Authority (CPA) organised the discussion.

Shipping Secretary Md Abdus Samad said it was found that some organisations are still enjoying holidays on weekends.

CPA Chairman M Khaled Iqbal said delivery of cargoes from the port is not still up to the mark on weekends.

He urged importers and their clearing and forwarding agents to increase the delivery on weekends.

Iqbal also said bank branches located in Agrabad commercial area do not remain fully operational on Fridays and Saturdays.

Mahfujul Hoque Shah, a former director of the Chittagong Chamber of

Commerce and Industry, said the port is failing to provide expected service because of the shortages of required jetties, yards and equipment. Nurul Qayyum Khan, president of the Bangladesh Inland Container Depot Association, said importers are not taking delivery from the port timely causing the congestion.

Ahsanul Huq Chowdhury, chairman of the Bangladesh Shipping Agents Association, said shipping agents are keeping their offices open on weekends but are not getting expected demands from clearing and forwarding agents.

In reply, AKM Akther Hossain, president of the Chittagong Customs Clearing and Forwarding Agents Association, said they have already started working on weekends and the scenario would improve gradually.

AFM Abdullah Khan, commissioner of the Chittagong Customs House, called for ensuring the round-the-clock service at different government offices such as the Bangladesh Standards and Testing Institution, the Bangladesh Atomic Energy Commission and the quarantine department as samples of some cargoes are sent to these offices for laboratory test.

Benapole port to expedite operation

OUR CORRESPONDENT, Benapole

Officials of Benapole and Petrapole ports yesterday decided to expedite paperwork to ensure that at least 700 trucks carrying exports from the neighbouring country enter Bangladesh daily.

The aim is to get across at least 200 trucks carrying perishable goods, including rice, 400 general goods and 100 truck chassis.

The decision was taken at a bilateral meeting of customs, police and border guards officials of the two countries at the Petrapole camp of India's Border Security Force, sources said.

The number of goods-laden trucks entering Bangladesh has fallen recently

Budget airlines to drive plane demand in next 20yrs: Boeing

AFP, Singapore

Smaller planes will dominate aviation orders worldwide in the next 20 years, driven by the needs of budget airlines in emerging markets like Southeast Asia, Boeing said Friday.

Nearly three in four of the 41,030 new commercial planes expected to be delivered in the period at a cost of \$6.1 trillion will be single-aisle, according to the US aircraft maker.

"As you would expect because of the dominance of (low cost carriers) and requirements to connect shorter ranges, 72 percent of units will be in the single-aisle category," Dinesh Keskar, Boeing's senior vice president for Asia-Pacific and India sales, said at a briefing in Singapore.

Citi holds belt, road client forum in Beijing

The bank serves clients in 58 of the 65 Belt and Road countries

STAR BUSINESS DESK

Citi has recently hosted over 220 clients at the bank's Belt and Road Forum event in Beijing, underlining the bank's commitment in supporting Chinese and global clients with the opportunities offered by the Belt and Road Initiative (BRI).

The day included overviews and updates from Citi's team of senior executives from many of the 58 markets the bank covers across the Belt and Road.

The BRI's 65 markets account for close to 40 percent of global trade and 30 percent of GDP, the bank said in a statement yesterday.

"It is home to more than 4.6 billion people, or over 60 percent of the world's population."

Francisco Aristeguieta, CEO of Citi Asia-Pacific, who opened the conference said: "The BRI is a transformational global project that enables economic growth and progress."

"Citi is ideally positioned to be the partner of choice for our clients with unparalleled in country capabilities, local expertise and an unrivalled global network across the Belt and Road."

Sajedul Islam, director and acting Citi country officer for Bangladesh, said: "In line with the global initiative, Citi Bangladesh is also participating in this endeavour to bring local and global investors in one platform for deeper integration."

In the 1860s, the bank supported the laying of the first transatlantic cable, in the 1900s the opening of the Panama Canal that brought trading nations closer together, according to the statement.

The event also highlighted an overview of Citi's capabilities across the Belt and Road initiative from areas such as corporate and investment banking, treasury and trade, lending and local markets, including foreign exchange and hedging.

Citi has over 100 years of history of operating across the countries along the Belt and Road.

Citi commenced operations in 1902 across Asia, including China and in Central Asia.

The bank was among the first international banks to commence operations in Kazakhstan, opened in Russia in 1916 and the bank's history in countries across the Middle East and Africa stretches back to the 1950s.



US-BANGLA AIRLINE

Imran Asif, chief executive officer of US-Bangla Airlines, attends the reception of Boeing 737-800 with officials of the carrier at the Hazrat Shahjalal International Airport in Dhaka yesterday. The airline now has seven aircraft in its fleet including four Boeing 737-800.

India eases foreign investment rules for corporate debt

REUTERS, Mumbai

The Reserve Bank of India (RBI) on Friday eased rules governing foreign investment in corporate bonds by excluding rupee-denominated securities from its overall debt limit.

The move potentially freed up 440 billion rupees (\$6.79 billion) of debt available to offshore investors.

Access to the corporate bonds by foreign investors will be phased in over the next two quarters -- 270 billion rupees during October-December and 170 billion rupees in January-March, the Reserve Bank of India said in a

circular.

Rupee-denominated bonds -- more widely known as masala bonds -- will now come under rules for external commercial borrowings and issuers will have to take prior permission from the RBI to raise the paper.

Earlier these masala bonds used to be classified under the foreign portfolio investment limit for corporate bonds that stands at 2.44 trillion rupees. This total limit has been fully taken up following massive foreign inflows.

So far this year India has attracted \$23.7 billion in debt investment and

\$6.08 billion in equity purchases, helping the rupee rise 4.8 percent.

"It is in a way further liberalisation for foreign investors," said one official, adding that India's external debt is in comfortable shape.

India's total external debt stood at \$471.9 billion as of the end of March, of which external commercial borrowings stood at \$124.5 billion according to the RBI data.

Interest in Indian debt has been very steep among foreign investors. This is seen from the high cut-off fees they paid to buy the marginal limits available under corporate debt on Friday.

Operators selling SIMs to Rohingyas to face action: govt

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However, on humanitarian grounds the government will set up several service points of state-owned mobile operator Teletalk at the refugee camps within three days to facilitate communication, she said.

From the service points, the Rohingya refugees, who entered Bangladesh to escape genocide in Myanmar, will be able to make local calls at a cheap rate.

"We took the step on humanitarian ground but at the same time our own security issue should not be compromised."

Until further notice, no SIM cards will be sold to the Rohingya refugees, she said.

"We have brought the use of mobile phones under a system by biometric registration to prevent all kinds of criminal activities."

Earlier this month, different local news media published reports that retailers and distributors of mobile operators were using loud speakers near the refugee camps advertising their pre-activated and biometrically verified SIM cards.

"We also learned that people are giving their biometric fingerprints to register SIM cards in exchange for some money."

Those people are disregarding the fact that if any crime is committed with the mobile connections he/she will be liable, Tarana said.

The government will conduct aware-

ness campaigns on the matter and also operate mobile courts against the offenders and the mobile operators will also be fined if found involved in such acts, Tarana added.

She said they are also initiating a process to detect the SIMs being used by Rohingyas.

"We will collect the data of the SIMs activated since July 1. We have the list of retailers, so we can easily detect the actual number of SIMs."

However, the government is also working on a process to sell SIM cards to the Rohingyas.

The Department of Immigration and Passports has already started a process to biometrically register all the Rohingya refugees who entered Bangladesh. About 10,000 refugees have been registered so far.

The Rohingyas are given a card loaded with their biometrics, and the BTRC plans to allow them to buy SIM cards with six months validity with that ID card.

The telecom regulator last week wrote to the government for its nod, said a top official of the telecom division requesting not to be named.

"Once all the Rohingya refugees are biometrically registered, we will decide whether to sell temporary SIM cards to them," Tarana said at the press conference held at the BTRC headquarters.

US says Nafta helps Chinese goods reach American market

AFP, Washington

An increasing amount of Chinese-made components are reaching the US market through Mexico and Canada, at the expense of American manufacturers, Commerce Secretary Wilbur Ross said Friday.

On the eve of the third round of talks aimed at revamping the 23-year-old North American Free Trade Agreement -- which US President Donald Trump has vilified and repeatedly threatened to abandon -- the US released figures showing how China is benefiting from the pact, replacing American-made material.

"That to me is the scariest part, the sharp growth is in parts coming in from outside Nafta, from China, from Southeast Asia, from all those places," Ross said on CNBC.

The share of US-produced content in manufactured goods imported by the United States from Mexico was only 16 percent in 2011, a sharp decline from 26 percent in 1995, the Commerce Department said in a statement.

But Chinese content in Mexican products imported into the US surged to six percent in 2011 from 0.3 percent in 1995, Commerce said, citing OECD trade data. At the same time, the share of content from all non-Nafta sources doubled to 27 percent from 14 percent.

"When you think about it, the fundamental purpose of a trade agreement is to help countries inside not to make an easier market for countries outside," Ross said.

US Trade Representative Robert Lighthizer is pushing for increased US content in NAFTA manufactured goods trade in the negotiations, which resume Saturday in Ottawa with Canadian Foreign Minister Chrystia Freeland and Mexican Economy Secretary Ildefonso Guajardo.

The share of US parts and components in imports from Canada fell to 15 percent in 2011 from 21 percent in 1995. Meanwhile, the share of Chinese content increased to three percent from 0.3 percent, and the share of content from all non-NAFTA sources jumped to 21 percent from 12 percent.

China hits back at S&P's mistaken credit downgrade

AFP, Beijing

China on Friday lashed out at the decision by Standard & Poor's to downgrade the country's credit rating, calling the warning against ballooning debt "mistaken" and based on "cliches" about its economy.

The agency slashed China from AA-minus to A-plus on Thursday, a move that followed a similar decision in May by Moody's stemming from concerns that the world's second largest economy is increasingly overleveraged.

"Standard & Poor's downgrade of China's sovereign credit rating is a mistaken decision," the finance ministry said in a statement, adding that the move was "perplexing."

It went on to scold the company for making a decision based on "cliches" about China's economy.

The rating "ignores the unique characteristics of the capital raising structure of China's financial markets", it said.

"Most unfortunately, this is inertial thinking that international ratings agencies have held for a long time and is a misreading of China's economy based on the experiences of developed countries," the ministry said.

"This misreading also overlooks the good fundamentals and development potential of China's economy."

S&P followed the move on Friday by cutting the top-notch credit rating of Hong Kong citing the city's close links to the mainland economy.

Debt-fuelled investment in infrastructure and property has underpinned China's rapid growth, but there are widespread concerns

that years of freewheeling credit could lead to a financial crisis with global implications.

Beijing has been clamping down on bank lending and property purchases, but those efforts are complicated by the government's determination to meet its full-year growth target of around 6.5 percent.

That compares with last year's pace of 6.7 percent, which was the slowest in more than a quarter of a century.

Premier Li Keqiang said in June that China could meet its target.

Despite the downgrades, analysts have said China's efforts to deal with the explosion in credit growth have been effective.

"In our view, China's debt situation has actually improved," ANZ Research said in a note Friday, adding "we do not expect much financial market impact from the ratings action."

When Moody's downgraded China to A1 in May, it was the first time in almost three decades that the country's credit rating was cut.

China posted better-than-expected second quarter growth as the economy expanded by 6.9 percent, but analysts have warned that the momentum may not last.

S&P said it "may raise" its rating on China if debt growth slows significantly while the country maintains economic expansion at "healthy levels".

However, it warned another downgrade "could ensue if we see a higher likelihood that China will ease its efforts to stem growing financial risk and allow credit growth to accelerate to support economic growth".

Eurozone private business growth picks up

AFP, Brussels

Business activity across the eurozone picked up in September, a key survey showed Friday, growing by the fastest monthly rate since May and showing economic recovery well underway.

A purchasing managers' index (PMI) compiled by Markit ticked up to 56.7 in September after 55.7 in August, the group said in a statement.

Analysts said the reading points to a sustained recovery, with some saying they may now need to upgrade their forecasts for economic growth in the single currency area.

Florian Hense at Berenberg said the September index level came in more than a full point higher than his bank's forecast, which had been in line with the overall market consensus.

Rangs opens automotive assembly plant

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Rangs Motors Managing Director Sohana Rouf Chowdhury said customers would get vehicles at 10-15 percent reduced cost compared to imports.

"With this local assembly unit, we will now be able to deliver products in short time and at more affordable prices," she said.

She said the new facility would create 500 jobs and has been set up to meet the increasing demand for vehicles in the country.

Sohana said the plant would initially assemble Mahindra branded pick-ups and human haulers and gradually assemble different types of vehicles of different brands.

The plant would also help in ensuring total quality control, she said.

"As a result, our service delivery will be fast compared to other companies as we have modern technologies and talented technical personnel."

Arvind Mathew, chief of international operations at Mahindra & Mahindra Ltd, said: "It is a proud moment for us as we start our local assembly unit in Bangladesh together with our partner Rangs Motors Ltd."

"The setting up of our assembly plant in the country is a testimony of our commitment to 'Built in Bangladesh' products," Mathew said.

"With its advanced technological processes, large-scale assembly set-up

and eco-friendly focus, this new facility will not only add to industrial growth in the country but will also generate significant employment opportunities for local residents."

Over the decades, Rangs Group has been offering brand new vehicles of the world's top and renowned brands such as Mercedes-Benz, Mitsubishi, Eicher and Suzuki.

The group has 64 companies where thousands of people are employed, said Rangs Group Chairperson A Rouf Chowdhury.

Rangs Motors CEO Dileep Banerjee said the plant is equipped with all types of modern facilities and cutting edge technologies.

Social Islami Bank buys into IDB's real estate fund

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At present, nine member countries of IDB have representatives in the APIF board: Saudi Arabia, Kuwait, Egypt, Iran, Bahrain, Jordan, Palestine and Malaysia.

The central bank allowed SIBL to invest in the welfare fund considering its financial capability, said a senior official of the BB. "Moreover, this is the first bank to represent Bangladesh in any international body -- this will enhance the country's image."

SIBL shares gained 40 percent in the last one and a half months. On Thursday last week, the bank's shares closed at Tk 33.20.