

Indonesian trade fair begins on April 26

STAR BUSINESS DESK

An Indonesian trade exposition and festival is set to be held in Dhaka aimed at increasing the visibility of the country in Bangladesh through familiarisation of its products, culture, tourism, and fashion.

The Indonesian embassy in Dhaka will organise the three-day 'Indonesia Fair 2018' at Le Méridien hotel from April 26 to April 28.

Some 45 exhibitors will display Indonesian products and services during the event, the embassy said in a statement yesterday.

The fair will also encourage entrepreneurs and companies to expand their businesses to Bangladesh, said the statement.

Business and networking programmes, trade exhibition, fashion shows, cultural performances, talk-shows, film screening, and a selfie competition will take place at the event. Indonesian jewelry, fashion, handicrafts, beverages, and automobiles will be showcased. The show will remain open to visitors from 10:00am to 9:00pm. Entry is free.

Stocks continue sliding

STAR BUSINESS REPORT

Shares on the Dhaka Stock Exchange fell for the fourth consecutive day yesterday as investors continue booking profit.

The DSEX, the benchmark index of the premier bourse, declined 39.52 points, or 0.68 percent, to finish at 5,773.60.

Turnover fell 42 percent to reach Tk 412.25 crore from what was three sessions ago, when it stood at Tk 710.96 crore. "The morning buoyancy did not sustain as several investors opted for profit-booking," said EBL Securities in its market review.

Khairul Bashar Abu Taher Mohammed, secretary general of Bangladesh Merchant Bankers Association, said, "The government is trying to increase the participation of investors but the expected investment is not coming from institutions."

He said banks are not getting opportunities to invest in the capital market immediately after the cut in the advance-deposit ratio. It will take five to six

months to get an expected result.

Taher said the earnings per share of many companies disclosed in the last few days had not been as good as in the past and this is another reason for the low turnover.

On the day, 10.59 crore shares and mutual fund units changed hands on the DSE, while 85 issues advanced, 219 declined and 33 closed unchanged.

Beximco dominated the turnover chart followed by LafargeHolcim Bangladesh, Northern Jute, Padma Life Insurance, and Brac Bank.

Sonali Aansh was the day's best performer with an 8.73 percent gain. Advent Pharma was the worst loser, shedding 8.05 percent.

Chittagong stocks fell with the bourse's benchmark index, CSCX, declining 65.02 points, or 0.6 percent, to end at 10,772.12.

The Chittagong Stock Exchange traded 79.43 lakh shares and mutual fund units worth Tk 35.04 crore.

Conference of Global Shapers Community Dhaka held

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A four-day conference of the Dhaka Hub of the Global Shapers Community concluded Saturday with participants reiterating commitments to foster regional collaboration.

About 100 young leaders, known as Global Shapers, from 30 countries and 50 cities attend the conference titled "Shape South Asia 2018" at the Lakeshore Hotel in the capital, said the Global Shapers Community Dhaka in a statement yesterday.

The Global Shapers are a commu-

nity of young leaders and change-makers aged 20-30 and curated by the World Economic Forum. The Dhaka Hub was founded in 2014.

Rohingya response, manufacturing, finance, healthcare, climate change, sustainability, and innovations in public and private sectors were the focus of the conference alongside Bangladesh's prospects and challenges in embracing the fourth Industrial revolution, according to the statement.

Shirin Sharmin Chaudhury, speaker of parliament; Zunaid

Ahmed Palak, state minister for ICT; Md Shahidul Haque, foreign secretary; Radwan Mujib Siddiq, governance expert at the UNDP; Sonia Bashir Kabir, managing director of Microsoft Bangladesh; Kamal Quadir, CEO of bKash, and Sohara Mehroze Shachi, curator of the Dhaka Hub, were present.

The conference was supported by United Group, Summit Power, Ha Meem Group, IDLC Finance, bKash Mohammadi Group, Bitopi Group, Masco Group, Dmoney, Microsoft, WE, and Pathao.

US banks eyeing trade spat as earnings rise

AFP, New York

Large US banks reported increased first-quarter earnings Friday on higher interest rates and lower taxes, but cautioned that a trade war could stymie activity.

JPMorgan Chase, Citigroup and Wells Fargo all reported better-than-expected profits, although Wells Fargo said the results did not include costs connected to final resolution on a proposed \$1 billion US regulatory fine that is still being negotiated.

Bank executives said business sentiment remained fairly strong amid positive conditions in major economies. But they acknowledged that the threat of a global trade war had moved into business conversation, even if the effects had so far been minimal.

"There is a lot of noise out there and I think that's having a somewhat dampening effect," said Citigroup Chief Financial Officer John Gerspach.

"It may delay things for a little bit, but I don't think it's having a significant impact."

"Obviously it is part of discussions," said JPMorgan Chief Financial Officer Marianne Lake. "At this point it's not having a material effect."

JPMorgan Chase said net income jumped in the first quarter to \$8.7 billion, 35.1 percent higher than the year-ago period. Revenues increased 10.3 percent to \$28.5 billion.

The biggest US bank by assets saw increases in all its major divisions due in large part to higher interest rates,

which enabled JPMorgan to increase its profits from the spread between its deposits and loans.

At Citigroup, first-quarter earnings rose to \$4.6 billion, up 13 percent from the year-ago period, while revenues were up 2.8 percent at \$18.9 billion.

Citigroup pointed to broad growth in global consumer banking across regions.

Wells Fargo reported a 5.7 percent increase in first-quarter results to \$5.5 billion. However, revenues fell 1.4 percent to \$21.9 billion at the troubled institution.

Regulators from the Consumer Financial Protection Bureau and Office of the Comptroller of the Currency have proposed \$1 billion in penalties over investigations of automobile insurance and mortgage practices. But Wells Fargo said the results did not include an estimate because "we are unable to predict final resolution" of the matter.

The penalty is the latest regulatory problem to befall Wells Fargo, which also came under fire from investors and lawmakers over a fake account scandal. The Federal Reserve, in an unprecedented move, in February ordered the bank to halt its expansion until it improves governance, following "persistent misconduct."

"I'm confident that our outstanding team will continue to transform Wells Fargo into a better, stronger company," said chief executive Tim Sloan. "However, we recognize that it will take time to put all of our challenges behind us."

Results from all three banks were boosted by lower taxes, although bank executives expect a fuller payout from the overhaul with time.

JPMorgan's commercial banking business experienced flat lending despite positive corporate sentiment.

Lake expects lending to pick up as more businesses take action following US tax reform.

"As much as we're all eager, we have to recognize that tax reform is still in the early stages," Lake said in a conference call with reporters. "But optimism continues to be very high."

Citigroup, which reported higher corporate lending, also expects more of a pickup in activity later in the year due to the tax bill.

"The real benefits of tax reform are yet to be felt in the overall economy," Gerspach said.

"While there's a lot of planning going on, I don't think you're going to see a lot of action until the latter part of this quarter and certainly in the second half of the year."

Shares of all three banks fell in late-morning trading, with JPMorgan Chase dropping 2.6 percent at \$110.44, Citigroup losing 2.9 percent to \$70.07 and Wells Fargo tumbling 3.1 percent to \$51.05.

"These stocks have been rallying before the earnings because we expected them to be good," said Tom Cahill, portfolio strategist at Ventura Wealth Management.

"Those numbers had to be extraordinary to continue the rally but they were not."

China to set up Hainan free trade zone by 2020

REUTERS, Shanghai

China aims to establish a free trade zone in Hainan by 2020 and will encourage multinationals to set up their international and regional headquarters there, as part of plans to open up the province's economy to foreign investors.

The guidance, published on the government's official website, was jointly

issued by the ruling Communist Party and State Council. It comes after President Xi Jinping announced on Friday that the country would grant foreign firms greater economic freedom in the southernmost province.

Known for its sandy beaches and resort-lined coast, Hainan is the headquarters of China's aviation-to-financial services conglomerate HNA.



Meah Mohammed Abdur Rahim, a director of Eastern Bank, opens the financial institution's 85th branch at Mouchak in Gazipur. Ali Reza Iftekhar, CEO, was present.

Beximco's shares soar upon rumour

FROM PAGE B1

On April 8, the company denied the existence of any price-sensitive information that has not been disclosed yet.

Contacted by The Daily Star, Beximco reiterated the same, adding that there is no relation between the company and the satellite, which is fully owned by the government.

The Daily Star also contacted a host of brokerage houses, all of whom mentioned the unsubstantiated rumour of the tie-up with the Bangabandhu-1 behind the unusual price hike.

A vested quarter had spread the rumour among small investors that Beximco will be hugely benefitted from sending the satellite to orbit.

Beximco's shares traded at Tk 29 each on the Dhaka bourse yesterday; a total of 1.31 crore shares worth Tk 39.30 crore changed hands.

Beximco's earnings per share for the October-December period of 2017 stood at Tk 0.35. As of December 31, 2017, its net asset value per share was Tk 71.67.

Beximco Group's Vice-chairman Salman F Rahman is the private sector development affairs adviser to Awami League chief Sheikh Hasina, also the prime minister.

Govt to buy rice from blacklisted millers as well

FROM PAGE B1

The government did not purchase anything from the blacklisted millers in the last Aus and Aman seasons, the minister said. "But this time, we don't want to frustrate anybody. A decision in principle has been taken to buy Boro rice from them."

Islam spoke at a meeting with the food officials at the Directorate General of Food, the food ministry said in a statement.

During the procurement drive from May 2 to August 31, the government will pay Tk 38 for each kilogram of rice, a 12 percent year-on-year rise. The food reserve has hit 12 lakh tonnes, a 20-year high, he said.

Directors' disregard

FROM PAGE B1

"We are taking initiatives against these directors who are not holding minimum share as per the directive," said Saifur Rahman, spokesman of the BSEC.

According to a BSEC notification, there will be a casual vacancy of a director if anyone does not hold the minimum 2 percent share.

"DSE will take initiatives to be compliant with the BSEC's directives," said KAM Majedur Rahman, managing director of the DSE, adding that the premier bourse's concerned department is working on the matter.

A senior official of the department said a total of 219 names have been jotted down. The list has already been forwarded to the BSEC, he added.

World shipping industry agrees to halve carbon emissions by 2050

AFP, London, United Kingdom

Members of the UN International Maritime Organisation on Friday struck a deal to halve carbon dioxide emissions from shipping by 2050 in a deal that will force the industry to redesign fleets.

"The initial strategy envisages for the first time a reduction in total GHG (Greenhouse Gas) emissions by at least 50 percent by 2050 compared to 2008," the IMO said in a statement.

Major shipping nations such as Saudi Arabia and the United States had objected to earlier drafts in two weeks of discussion at the 173-member organisation based in London.

Some countries such as the Marshall Islands, which are at risk of rising seas but are also a major flag state, had wanted a stronger commitment and the EU wanted a 70 to 100 percent cut. But the agreement was widely hailed by stakeholders.

"This is a ground-breaking agreement -- a Paris agreement for shipping -- that sets a very high level of ambition for the future reduction of carbon dioxide emissions," the International Chamber for Shipping's secretary general Peter Hinchliffe said.

"We are confident this will give the shipping industry the clear signal it needs to get on with the job of developing zero carbon dioxide fuels so that the entire sector will be in a position to decarbonise completely," he said.

Marshall Islands President Hilda Heine also praised the deal.

"Today the IMO has made history. While it

may not be enough to give my country the certainty it wanted, it makes it clear that international shipping will now urgently reduce emissions and play its part in giving my country a pathway to survival," she said in a statement.

Maersk, the world's largest container shipping company, tweeted: "We were pushing for stronger targets but still a great step that IMO seeks to halve the shipping sector's greenhouse gases by 2050".

Shipping and aviation are two sectors that were not covered by the United Nations climate agreement, a deal struck in Paris in 2015 to cap global warming at "well under" 2.0 degrees Celsius by the end of this century.

The aviation sector reached an emissions plan two years ago but shipping has taken longer because its reliance on long-distance ships that run on bunker fuel makes it harder to cut carbon.

Shipping accounts for around 2.0 percent of global carbon emissions and that share could rise to around 15 percent if left unchecked, according to the World Bank.

The Climate Action Network said Friday's deal was "a welcome first step".

Some environmental groups have warned that a 50 percent cut may not be enough to keep global warming below 2.0 degrees Celsius.

Britain's Shipping Minister Nusrat Ghani said the deal was a "watershed moment".

"We will work with fellow member states to ensure the shipping industry makes the transition to zero emissions ships as quickly as possible," she said.

Halkhata festival brings NBR Tk 375cr in taxes

FROM PAGE B1

The government is implementing a number of big infrastructure projects and increased revenue collection is vital to finance the development schemes.

Celebrations of Pahela Baishakh started from Mughal emperor Akbar's reign. It was customary to clear up all dues on the last day of Chaitra.

On the next day, or the first day of the Bangla New Year, landlords would entertain their tenants with sweets.

The occasion was marked by fairs and other festivities. In due course the occasion became part of domestic and social life and turned into a day of merriment.

The main event of the day was to open a Halkhata or updated book of accounts. This was wholly a financial affair.

In villages, towns and cities, traders and businessmen closed their old account books and opened new ones on Pahela Baishakh.

They used to invite their customers to share sweets and renew business deals with them. This tradition is still maintained, especially by jewellers and grocers, according to Bangladesh.

"Land office does not hold such an event. We have been organising the festival since last year to create

awareness," said NBR Member for VAT Policy, Md Rezaul Hasan, at a gathering of taxpayers at Customs Excise and VAT Commissionerate in Dhaka East, yesterday.

The VAT Commissionerate Dhaka East logged Tk 5.82 crore in VAT yesterday.

"Tax should be collected by encouraging taxpayers and not by harassing them," said NBR Chairman Bhuiyan at the event that was attended by singers, artists and a number of taxpayers of Tax Zone 12.

Tax Zone 12 logged Tk 7.75 crore taxes yesterday.

"We, the taxpayers, will be happy if you (taxmen) look at us with a positive attitude," said Mustafa Zaman Abbasi, a prominent musician, writer and television personality.

At the Tax Zone-5, five firms paid a total of Tk 10.06 crore in taxes, marking the Halkhata and Baishakhi festival.

Mohammad Ibrahim Khalil, chief financial officer of Bank Asia, wanted cooperation and support from Large Taxpayers Unit (LTU) so that taxpayers can pay tax without hassle.

The LTU fetched Tk 34.48 crore in taxes yesterday, while the LTU VAT office got Tk 3.31 crore through the Halkhata festival.

The festival was also celebrated at the Benapole Customs House, our correspondent reports.

The customs house collected Tk 15.12 crore until 4pm yesterday.



Anis A Khan, CEO of Mutual Trust Bank, launches "MTB Student Banking" services at MTB Tower in the capital's Kazi Nazrul Islam Avenue yesterday. Story on B1

Banks have no deposit crisis

FROM PAGE B1

The accountholders will get Tk 5,000 per month for 60 months after the accidental death of the paying parent.

The bank also introduced a loan scheme to enable parents to bear the expense when the accountholder goes for higher education.

The MTB Edu Finance product is a specially designed product with an unsecured loan facility of up to Tk 20 lakh, according to a statement of the bank.

The accountholders will receive 4.5 percent interest on savings and can get a loan at 10-11 percent interest.