



MONTE DEI PASCHI BOLSTERS EUROPEAN STOCKS



DHAKA: Bangladeshi worker Russel, and who says he will turn 14 next year, works in a garage in Dhaka yesterday. Bangladeshi child laborers who live in slums work for an average of 64 hours a week, many of them in textile factories making clothes for top world brands, a major study said. — AFP

BANGLADESH CHILD LABORERS TOIL 64 HOURS A WEEK

DHAKA: Bangladeshi child laborers who live in slums work for an average of 64 hours a week, many of them in textile factories making clothes for top world brands, a major study said yesterday. The new report from the London-based Overseas Development Institute has found that 15 percent of Dhaka slum-dwellers aged between six and 14 did not go to school and worked full-time.

The report, entitled "Child labor and education - a survey of slum settlements in Dhaka", found that two-thirds of girls from slum areas who are working full-time were employed in the booming garment sector. The findings raised concern over Bangladesh's \$30 billion clothes manufacturing industry, which is one of the world's biggest despite a dreadful safety record. The manager of one unnamed garment factory told researchers that while he was aware children aged 11-14 should not be working, he did

not regard their employment as illegal. He also admitted that many of his employees did not carry identification cards which would verify their age. There was no immediate comment from Bangladesh authorities or its powerful garment manufacturers, but union leaders said child labor in factories was rampant. The extent of child labor in Bangladesh's textile industry was laid bare in July when a nine-year-old boy was brutally

killed at one of the largest spinning factories. Police probing the factory said they found a quarter of the workforce at the factory outside Dhaka were children. The ODI report, one of the largest surveys on child work and education conducted in Bangladesh, found that by the age of 14 almost half of the children living in Dhaka's slums were working. The report's co-author Maria Quattri said researchers found many

children wanted to go to school. "But poverty was driving parents to find jobs for their children, even though they could see that it would jeopardize their long-term future," she wrote. The study also found that child labor levels rise from around eight percent at the age of 10 to 45 percent at the age of 14, with 36.1 percent of boys and 34.6 percent of girls saying they had experienced extreme fatigue. — AFP

UAE OUTPERFORMS MIDEAST STOCK MARKETS

DUBAI: Stock markets in the United Arab Emirates outperformed the region yesterday while investors booked profits in Saudi Arabian petrochemical shares and Egyptian blue chips. Dubai's main index closed 1.3 percent higher in healthy volume as some large and mid-sized shares, which had been relatively quiet so far this week, gained. Emaar Properties rose 2.4 percent.

A Dubai-based stock broker said she was seeing significant buy orders from foreign investors. In Abu Dhabi, investors bid up two banks that were expected to obtain shareholder approval yesterday for their previously announced merger. First Gulf Bank rose 5.4 percent and National Bank of Abu Dhabi rose 2.8 percent. The main Abu Dhabi index added 1.8 percent. Real-estate related shares were the top gainers in Qatar's main index which added 0.1 percent. United Development and Mazaya Qatar each rose 2.1 percent. Activity in other shares was quiet.

Saudi, Egypt

In Saudi Arabia, the general stock index pulled back 0.4 percent as the petrochemical sector, which had lifted the market higher over the last several days, weakened. Investors booked profits in most oil producers, suggesting the market had fully factored in last week's OPEC deal to curb oil output and prop up crude prices. Heavyweight Saudi Basic Industries lost 1.6 percent. Zain Saudi fell 0.6 percent after the company said its chief executive Hassan Kabbani had resigned and it had appointed Peter Kaliaropoulos as his successor.

But Saudi Investment Bank added 1.0 percent after the company said its board had recommended an increase of the bank's capital through bonus shares, to be paid for through the transfer of retained earnings. Egypt's index main retreated 1.3 percent as trading volume jumped by roughly 50 percent from the previous session. Ninety percent of the 30 most liquid shares closed down. Orascom Telecom, which has been hammered since Sunday's news that its chief executive will step down next month and it would wind up a North Korean bank affiliate, fell a further 7.2 percent and was the most heavily traded stock.

"Shares in OTMT have almost doubled since October, so this sell-off is not only specific to this week's news, it's part of the overall sell-off seen across the broader market today," said Allen Sandeep, director of research at Cairo's Naeem Brokerage. Shares in most Egyptian stocks have enjoyed spectacular performances since authorities ditched the Egyptian pound's US dollar peg on Nov 3. Foreign institutional funds, which have been net buyers of Egyptian shares since the float, remained buyers yesterday, exchange data showed. "Sentiment has not shifted, the market is simply taking a breather," said Sandeep. — Reuters

FREE WEDDINGS, GRAVESTONES IN TURKS' PLAN TO BOOST LIRA

ANKARA: Convert your hard currency to Turkish lira and you could enjoy a free wedding package, a meal and a loaf of bread. Or even a gravestone. These incentives are being offered by Turkish businessmen to customers who respond to a call from President Recep Tayyip Erdogan to buy lira and prop up the ailing national currency. His plea has met with a huge response from kebab shop owners to the defense industry-although economists doubt the campaign will have any lasting impact.

Gokhan Kuk, a baker in Istanbul said he started offering free bread to those changing \$250 into Turkish lira. "With the help of God, we will raise the lira and annihilate the dollar," he said, sitting in his office decorated with several portraits of Erdogan. "I do not win anything with this initiative... The only interest is to support our country as the president asked." A few shops away, Bulent Baydeniz, who sells Turkish meat patties, offers a free meal for every \$250 changed. "After I heard the president of the republic, I understood that this could help the country." In the southeastern city of Gaziantep, businessman Fatih Demir is offering a free 5,000 lira (\$1,460) wedding package if people prove they converted \$10,000 into lira. "We are doing this after the president's call to give support for the lira to gain greater value," Demir said. For those at the end of their life in the northwestern city of Bursa, Enes Alan says he is offering free gravestones worth 750 lira (\$220) for those who convert \$2,000.

'No huge impact'

But it is not just small business owners who are joining the campaign-Erdogan also urged shopping mall owners to pay rent in lira for the sake of patriotism. The religious affairs agency said Turkish Muslims had to pay for pilgrimages in lira and the Istanbul Stock Exchange said its cash assets would be converted to the local currency. The flow of patriotic conversions continued on Wednesday as the energy market's regulatory authority said natural gas distribution tenders would be offered in lira.

And the government said its defense industry support fund had converted \$262.7 million and 31.3 million euros into lira. The drive has been propped up by a campaign on social media with the hashtag #deviziniturkiyeicinboz (Change your foreign currency for Turkey). Economist Atilla Yesilada of consultancy Istanbul Analytics suggested the president's call would have a limited impact on the lira because "the problem is Erdogan's voters are usually from the lower income classes" unlikely to have much wealth to convert. With richer Turks more likely to transfer

assets abroad, "it's not going to have a huge impact on our balance of payments or on the value of the currency". Yesterday, the lira was trading at 3.42 to the dollar after rallying slightly this week. It had traded at 2.9 to the dollar at the start of the year.

'Economic coup'

With growth stuttering and the lira under pressure, Erdogan has turned preserving Turkey's economic stability into a national struggle, like the defeat of the July coup. "They are trying to stage a coup through interest rates, stock exchange and foreign currency transactions," Erdogan said on Sunday. He has repeatedly called for low-

er interest rates to boost Turkey's growth, even though the central bank is theoretically independent.

The president also said trade with Russia, China and Iran should be done in local currencies. But Yesilada said they are "not a huge part" of Turkey's trade thus any impact-even if they agreed-would not be "major". "Fifty percent of our trade is with the EU, that's not going to change," he said. But he added that offering tenders in Turkish lira was a positive step. "It's a good idea to sell assets in Turkish lira and to contract tenders in lira. This is sensible." Turkey's privatization authority confirmed on Tuesday tenders would henceforth be offered in the local currency. — AFP



ISTANBUL: A customer shows a dollars exchange receipt to baker Gokhan Kuk (right) for free bread in Istanbul. Convert your hard currency to Turkish lira and you could enjoy a free wedding package, a meal and a loaf of bread. Or even a gravestone. These incentives are being offered by Turkish businessmen to customers who respond to a call from President Recep Tayyip Erdogan to buy lira and prop up the ailing national currency. — AFP