

EU, other nations gear up for trade fight with US

REUTERS, Geneva

The European Union and other trade powers are considering whether to hit at US imports in a move that could cause further strains within the global trading system, diplomats said Friday.

It could happen any time after Saturday, the deadline for the United States to conform to a World Trade Organisation (WTO) ruling that it must drop a practice widely supported in Congress, they say.

Trade specialists outside the Geneva-based WTO said feeling against the practice paying duties on imports deemed by a US court to be dumped to US firms making similar goods is high.

"It seems that the EU at least is

determined to act in the face of what it views as blatant delays by Washington since the Americans finally lost the WTO case early this year," said one Geneva envoy who preferred not to be named.

However, final decisions are unlikely to emerge in Brussels, Tokyo, Ottawa and other capitals until sometime in the New Year.

At issue is a congressional amendment providing for diverting the duty payments from US government coffers, where they would normally go, to private firms. It was drawn up by Democratic Senator Robert Byrd nearly four years ago.

The crucial moment comes as the WTO is struggling to revive the stymied Doha Round talks for a new world trade treaty, and as the

EU prepares to slap top-up tariffs totalling about \$4 billion a year on US goods in another extended row.

The Byrd amendment went through Congress despite warnings from top trade officials in the previous Clinton administration that it was in clear violation of WTO rules.

The trade team appointed by then new President George W Bush initially defended it stoutly, apparently seizing on a chance to prove the administration's dedication to defending "the interests of the American people".

But foreign anger sparked by the measure was reflected in the breadth of the coalition within the 146-nation WTO that quickly built up against it.

Apart from the 15-nation EU,

this includes Canada, Mexico, Australia, Japan, South Korea, India, Indonesia, Thailand, Brazil and Chile.

The critics say the Byrd amendment encourages US manufacturers to launch self-serving anti-dumping cases against imports of competing goods.

In global trade practice, goods are deemed dumped if it can be shown that they are being exported at artificially low prices perhaps to corner a market and undermine national producers.

In the United States, anti-dumping complaints from domestic companies are heard in the New York-based International Trade Court a purely US body despite its name.



PHOTO: SOUTH ASIA INS

South Asia Insurance Company Limited Chairman Ghulam Akbar Chowdhury presides over an extra-ordinary general meeting of the company held at a local hotel recently. Among others, Anwar Ali Khan, vice-chairman, Abu Saleh, advisor, and directors of the company were present.

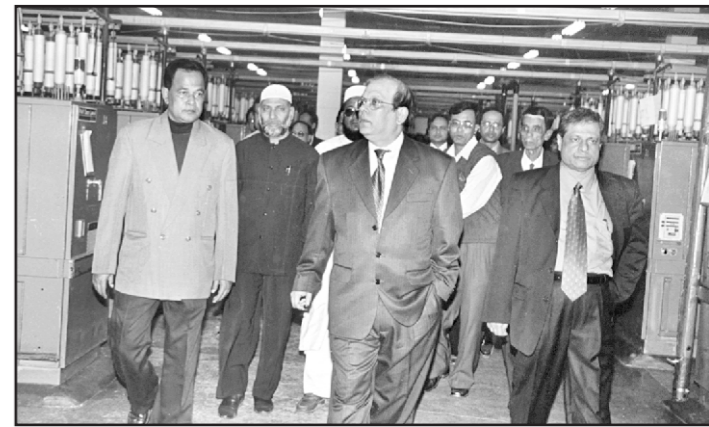


PHOTO: JANATA BANK

Janata Bank Managing Director Murshid Kuli Khan visits an industry financed by the bank at Bhaluka in Mymensingh recently. Among others, general manager of the bank was present.

CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank

Sell	Currency		Buy		
	TT/OD	BC	TT Clean	OD Sight/Doc	OD Transfer
58.9000	58.9500	USD	58.0550	57.8845	57.8152
74.1846	74.2475	EUR	71.2625	71.0532	70.9682
105.2484	105.3378	GBP	101.9968	101.6972	101.5755
44.4459	44.4837	AUD	42.2989	42.1746	42.1242
0.5533	0.5537	JPY	0.5343	0.5327	0.5321
47.3473	47.3875	CHF	45.8570	45.7223	45.6676
8.0241	8.0309	SEK	7.5441	7.5220	7.5130
45.4125	45.4510	CAD	44.0144	43.8851	43.8326
7.5936	7.6001	HKD	7.4677	7.4458	7.4369
34.6920	34.7214	SGD	33.8355	33.7361	33.6958
16.1680	16.1817	AED	15.6783	15.6322	15.6135
15.8304	15.8438	SAR	15.3564	15.3113	15.2930
10.2611	10.2699	DKK	9.3110	9.2836	9.2725

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringit
45.45	57.4675	95.95	39.570	6.7990	0.6975	3.80

Local Interbank FX Trading

Local interbank market was thin on Saturday as the international market was closed. Market continued to experience shortfall of US dollar and the greenback got slightly stronger against Bangladeshi taka in the local interbank market.

Local Money Market

Money market was active. Call money rate continued to rise as market experienced shortfall of liquidity. Call money rate ranged between 6.00 and 7.25 per cent compared with 5.50-6.50 per cent previously.

ReadyCash Raffle Draw Winners

The latest ReadyCash Raffle draw was held at ReadyCash Bangladesh office at Dhanmondi in Dhaka on Saturday, says a press release.

Prizes	Name of Winners	Card No
China Junction Chinese Free Lunch for two	Md. Fayed Ahmed	504798000050448
Meal in the Box Free Lunch for Two	Md. Zavid Azmeerul	504798000050474
Kena Kata free Gift Box	Mizanur Rahman	504798000050456
White Castle free Lunch Package	Ashraf Uddin Ahmed	504798000050447
Liton's Snacks free Meal Box	Sumon Paul	504798001002751
Pabna Cloth Store free Gift Box	Md. Salim	504798001002723

Winner can collect their prizes from the Executive, Promotion of ReadyCash within 30 days of this news circulation by producing their ReadyCash card transaction vouchers. ReadyCash encourages its cardholders to read The Daily Star and the Daily Prothom Alo on every Sunday or call our Customer Service at : 8123850, 8130497, and 8125294-7.



PHOTO: NATIONAL TUBES

MN Nabi, chairman of National Tubes Limited, presides over the company's 23rd annual general meeting held in Dhaka recently. The meeting approved a 50 per cent dividend for the shareholders.



PHOTO: BSB

M Ziaul Haq, managing director (Current Charge) of Bangladesh Shilpa Bank (BSB), general managers, and participants of a 10-day training course on "Total Communication in Successful Management" organised by the bank pose for a photograph at the certificate awarding function held in Dhaka on Wednesday.

India's NIIT okays de-merger of software unit

REUTERS, New Delhi

NIIT Ltd., India's biggest computer education firm, said on Friday its board had approved a plan to spin off its software services business into a new company.

New Delhi-based NIIT said in a statement its global software solutions business will now vest in a new company, NIIT Technologies Ltd.

"The global education, learning solutions, knowledge solutions and education software business will remain with the de-merged NIIT," the company said, adding the proposed scheme still awaited various approvals.

Shareholders of NIIT Ltd. will receive 50 shares of the de-merged NIIT Ltd. and 75 shares of NIIT Technologies Ltd. for every 100 shares, it said.

"Consequent to the scheme, 75 per cent of the share capital of NIIT Technologies will be held by the shareholders of NIIT Ltd. The balance 25 per cent shall be held by the de-merged NIIT Ltd. through a wholly owned subsidiary".

US to send team to Japan to calm mad cow fears

AFP, Washington

The United States was to send a senior envoy to Japan Saturday in a bid to calm fears over mad cow disease, as investigators admitted their probe into the first US case of the deadly infection could last months.

In a new blow to the multibillion-dollar US beef industry, two more countries slapped bans on US beef and prices of live cattle futures tumbled to their maximum daily limit, freezing trade for the second straight session.

David Hegwood, special counsel to Agriculture Secretary Ann Veneman was to leave for Japan with a trade team involving other US government agencies, said Ron DeHaven, chief veterinary officer at the US Department of Agriculture.

Hegwood may also make other stops in Asia, DeHaven said.

Japan, the largest export market for US beef by value, suspended US beef imports Wednesday, hours after Veneman said a US cow had tested positive for bovine spongiform encephalopathy in the northwestern state of Washington.

The United States has urged Japan to restore normal trade as quickly as possible.

"Japan is a valued customer for US beef exports with annual trade valued at 1.8 billion dollars. All of the beef products that we provide to Japan are safe," said the US embassy in Tokyo in a statement.

The politically weighty beef industry was already pressing the Bush administration Friday to take aim at the wave of costly bans on US beef triggered by the scare.

Terry Stokes, Chief Executive of the National Cattlemen's Beef Association said he had asked "this administration to put the matter of re-establishment of trade for US beef exports as its top priority on the nations trade agenda."

Mexico, top importer of US beef by tonnage, followed Japan's move, and Cambodia, Guatemala and Nicaragua joined the list of more than two dozen countries which have banned US beef.

Investigators who worked through Christmas to find the source of the disease have quarantined two calves born to the infected cow, a four-year-old Holstein slaughtered earlier this month.

They are hoping to find the cow's original herd, and to establish if it ate now-banned feed made from ground down body parts of other animals, thought to be the sole means of transmission of the disease.

STOCK