

## Bush to press for WTO agreement at G8

AFP, Chicago

US President George W. Bush said Friday that stalled World Trade Organization talks would be part of the agenda at the Group of Eight summit next week in Russia.

"One way to make sure this economy of ours grows is to reject protectionism and be confident in our capacity to trade," Bush said at a news conference in Chicago.

"Getting ready to go to the G8

and one of the topics there is going to be the Doha Round of WTO, which basically is -- the commitment is that a world that trades freely is a world in which people are going to be able to find work here at home, and means we have better capacity to be able to help lift nations out of poverty."

Bush's pledge to bring up the stalled WTO talks at the meeting of the major industrial powers and Russia comes a week after a

breakdown of talks in Geneva aimed at advancing the Doha Round.

The talks marked another failed attempt to meet multiple deadlines to conclude the Doha Round launched in the Qatari capital in 2001 with the goal of slashing trade barriers and helping developing economies accelerate economic growth.

The G8 summit is scheduled July 15-17 in Saint Petersburg.

## Thailand's top energy firm invests \$680m in LNG project

AFP, Bangkok

Thailand's top energy firm PTT Plc said Friday it would invest 26 billion baht (680 million dollars) to expand a deep-sea port and a major liquefied natural gas terminal in eastern Thailand.

The petroleum giant said the investment would serve the leap in Thailand's liquefied natural gas (LNG) imports, which are expected to grow at a rate of 12 percent a year over the next five years.

LNG is used to fuel power plants and automobiles and is also used as raw material in petrochemical plants.

PTT signed a 30-year contract with the Industrial Estate Authority of Thailand to expand the latter's deep-sea port in Map Ta Phut industrial estate.

"When the expansion is complete in 2010, the deep-sea port could accommodate vessels with capacity for 200,000 tonnes, which is double its current capacity," said Chitrapongse Kwangsukstith, PTT's senior executive vice president for exploration, production and gas.

"By then, Thailand is targeted to import five million tonnes of LNG a year. The facilities could be expanded to serve 10 million tonnes of LNG imports in the later stage."



PHOTO: EBL

Ali Reza Iftekhar, additional managing director of Eastern Bank Ltd (EBL), and Khalil Alibhai, managing director of Choice Money Transfer Ltd, exchange documents after signing a remittance agreement recently in the UK. Under the deal, Bangladeshi expatriates in the UK can send their money home easily and quickly through the branches of the bank.



PHOTO: SPEED LIFE

Alamgir Mati, chairman and managing director of Modern Herbal Group, speaks at the opening ceremony of the corporate office of Speed Life Export Import Ltd at Beacon Noorjahan Tower at Bara Moghbazar in Dhaka recently.

## India's Congress battles criticism over reforms

AFP, New Delhi

India's ruling Congress party moved into damage control mode on Saturday after an embarrassing U-turn on privatisation sparked rumours that Prime Minister Manmohan Singh was quitting.

"There are no differences, and will never be, between the party and the prime minister. We stand as one," Singh's Congress party spokeswoman Jayanti Natarajan told reporters in New Delhi.

The vote of confidence in Singh followed reports of tussles between the Congress party and its coalition partners in government on economic reforms and other issues.

The tussles prompted rumours that Singh had resigned after he was forced to call off stake sales in two state-run firms in the face of threats from a key ally to withdraw from the coalition in protest.

The crisis this week also came after stinging criticism of Singh's government by his own Congress party and the government's communist allies for rising inflation and higher fuel prices.

In an attempt to stem the mounting criticism, Singh plans to meet with the communists, who prop up the government in parliament but have been harsh critics of Singh's economic reforms, a Congress official said Saturday.

He will also meet other coalition partners, the official, speaking on condition of anonymity, said. Singh's Congress needs the support of around 15 other parties, many with widely diverging priorities, to remain in power.

Political analysts and newspaper editorials said the criticism was tarnishing the image and authority of the premier -- who as finance minister introduced market reforms in India in 1991 -- as well as the government.

Apart from rollbacks forced by Singh's coalition partners, "not one of his recent economic or foreign policy decisions has found moral support from his party," noted Shekhar Gupta, editor of the Indian Express newspaper, in an article Saturday.

"The consequences of undermining their own prime ministers authority will be one more disaster for not just the Congress, but the entire alliance," Gupta wrote.

The Hindustan Times in an editorial said Singh's decision to put disinvestments on hold had made the government "look weak and vacillating within the country and abroad."

"It appears to be buffeted by the whims of its allies, who, in turn, are unburdened by any principle, ideological or otherwise."

## Protesters march in Seoul against US trade pact

AFP, Seoul

Some 4,000 people marched in the streets here Saturday urging the government to scrap free trade talks with the United States.

The protest, led by public sector workers and school teachers, came ahead of mass rallies called by activists to coincide with the second round of negotiations on a free-trade agreement (FTA) to be held in Seoul from Tuesday.

Seoul has warned it would not

tolerate violent protests during negotiations on the FTA, which is strongly opposed by labor groups.

The protestors wore red headbands and carried banners, including one that read "Down with FTA."

They walked two kilometers (1.25 miles) along downtown Chongro Street before holding a sit-in on the pavement some 300 meters (1,000 feet) away from a complex of government buildings.

Some 1,000 riot police stood guard at street corners and nearby

intersections but they did not attempt to break up the largely peaceful protest.

An umbrella anti-FTA group, which is supported by farmers, labor unions and anti-US activists, has rejected government warnings and pledged to hold daily protests throughout the talks which last until Friday.

The militant Korean Confederation of Trade Unions, which has some 800,000 members, called a one-day strike Wednesday to protest the FTA.



PHOTO: STANDARD CHARTERED

Standard Chartered Bank recently signed a memorandum of understanding (MoU) with American Life Insurance Company (Alico). Under the MoU, Alico will provide insurance coverage facility for 'Standard Chartered Personal Loans' customers. Ahsan Afzal, head of Cards and Unsecured of the bank, and Akhlaqur Rahman, chief operating officer of the insurance company, signed the MoU on behalf of their sides.



PHOTO: A POSITIVE

Brac Bank Ltd opened a women entrepreneurs cell under its SME (small and medium enterprise) Division on Thursday. Managing Director and CEO of the bank Imran Rahman inaugurated the cell by handing over the documents of a loan to Afroza Luba, a baby wear trader. Senior officials of the bank were also present.

## Japan to hike interest rates for first time in six years

AFP, Tokyo

The Bank of Japan will raise interest rates next week for the first time in nearly six years in a sign that the Japanese economy is gaining momentum, news reports said Saturday.

With Japan expected to shake off deflation, the central bank has judged that all conditions have been met for a rate hike, the Asahi Shimbun said, without citing sources.

Governor Toshihiko Fukui will propose a rate hike during a two-day policy meeting Thursday-Friday, with a majority of the board members expected to agree, the Mainichi Shimbun said, without citing sources.

The central bank will initially raise the short-term rate to around 0.25 percent, the first rate hike since August 2000 which ends Japan's zero-interest rate policy, the Mainichi and Asahi said.

The reports agreed with analysts' expectations as the Japanese economy enjoys continued improvement.

Government ministers were initially cautious on an early rate hike, saying that the Japanese recovery was still fragile, but have recently toned down their opposition, maintaining that the decision was up to the central bank.

So far this year, the Bank of Japan has steadily taken steps toward the expected rate hike.

In March, it ended its five-year policy of "quantitative easing," under which it flooded the banking system with excess funds to offer easy credit and stimulate the economy.

The bank decided at the time to keep interest rates at zero but indicated that it would end this policy when Japan definitively breaks out from more than a decade in the economic doldrums.

Speculation has mounted that the central bank might delay the rate hike because governor Fukui has been embroiled in a personal investment scandal.

But the central bank has said the scandal will not affect its rate decision.

Fukui admitted to profiting while in office from an investment in a scandal-tainted fund operated by Yoshiaki Murakami, who has been indicted for alleged insider trading.

Fukui has not broken any laws nor the central bank's own internal rules, but he has taken flack for the timing of his decision in February to pull out his investment -- just before the BoJ ended its ultra-loose monetary policy.

Opposition lawmakers have called for his resignation.