

Star BUSINESS

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Opec unlikely to meet before Dec

REUTERS, London

The Organization of the Petroleum Exporting Countries has no plan to hold a meeting before its scheduled conference in December, an Opec official said on Friday.

Members of the 11-nation exporter group are continuing to

hold consultations about the market, the official said, following a sharp drop in prices from record highs hit in July. Opec's next meeting is on December 14 in Abuja, Nigeria.

"There is no plan for an Opec meeting before Abuja unless the market warrants it," the official at

Opec's headquarters in Vienna said. "Consultations on the market are continuing and will continue to take place."

Oil prices lower in Asian trade

AFP from Singapore reports: Oil prices were lower in Asian trade Friday after climbing above 64

dollars in New York as the markets reacted to fresh concerns over Iran's nuclear program and a possible supply cut by Opec, dealers said.

At 2:30 pm (0630 GMT) New York's main contract, light sweet crude for November delivery, was down 20 cents at 62.56 dollars a barrel from 62.76 dollars in late US trade Thursday. Earlier, it had moved above 64 dollars for the first time since September 19.

Brent North Sea crude was down 19 cents to 62.35 dollars. Tetsu Emori, the chief commodities strategist for Mitsui Bussan Futures in Tokyo, said Friday's declines were a technical reaction to the gains in New York and that several supportive factors were still in the market.

"The news of the inconclusive (EU) talks over Iran's nuclear program and other geopolitical issues ... still are potentially bullish factors and the market will react accordingly," Emori said.

Iran and the European Union failed to reach agreement in talks Thursday on Tehran's disputed nuclear program, prompting the United States to warn that the possibility of sanctions against Iran was getting closer.

Iran's top nuclear negotiator Ali Larjani and EU foreign policy chief Javier Solana said that although an accord was elusive, the negotiations had been positive and constructive.

In Washington, US State Department spokesman Sean McCormack reaffirmed that a new deadline for Iranian compliance was looming and would not be changed.

Analysts warn that Iran, the world's fourth largest crude producer, could retaliate against sanctions by disrupting its oil exports, which would lead to a sharp jump in prices.

Emori said the "unclear, mixed messages" from the Organisation of Petroleum Exporting Countries (Opec) on output were also "unnerving the market."



PHOTO: UNITREND LTD

Masih-ul-Karim, managing director of Berger Paints (BD) Ltd, inaugurated three 'Berger Color Bank' outlets -- M/S Nasrin Hardware Store in Feni, M/S Janani Traders at Bariahat in Chittagong and M/S Alisha Hardware Store in Chittagong EPZ -- recently. Rupali Chowdhury, director of Operations, among other senior officials, was present.



PHOTO: GRAMEENPHONE

M Muzaffar Hussain, general manager of DBL Group, a business house, and Khandaker Omar Farhan, head of Sales (Business Solutions) of GrameenPhone (GP) Ltd, pose for photographs at an agreement signing ceremony recently. As per the deal, GP will provide complete communication facilities under its 'Business Solutions' package for DBL Group.

EU seeks to attract more cartel whistleblowers

AFP, Brussels

The European Union on Friday proposed new measures aimed at attracting whistleblowers within trade cartels, and to streamline the national and bloc-wide systems used to break them up.

Under the new system, which the European Commission hopes will be in place by the end of the year, companies offering sufficient information to bring about dawn raids and a legal investigation will obtain full immunity from prosecution.

The scheme, in the form of proposed amendments to the existing 'leniency programme', will set up a kind of hurdle race for potential whistleblowers.

The first company to provide the key "threshold" information will get the gold medal of full immunity, with those providing a lesser help merely receiving lower fines when a cartel court case is held.

Such leniency has been "a very effective tool" since the first EU system was introduced ten years ago, said EU competition spokesman Jonathan Todd.

"It is difficult for the Commission to be sure of the presence of these cartels unless there is a whistleblower," he added.

While the EU is seeking to refine its rules on treating the whistleblowers, national representatives of the 25 EU members were also meeting in Brussels on Friday to agree a model national programme as close as possible to the Commission's programme.

Since the current EU whistleblower leniency rules were introduced in 2002 until the end of last year, the Commission has granted 51 conditional immunities.

So far the information received has led to five formal cartel cases, which have led to a total of more than one billion dollars in fines.

In its latest successful cartel case, the European Commission earlier this month fined 14 firms a total of 266.7 million euros (338.3 million dollars) for operating a cartel in the Dutch road bitumen market, with energy giant Shell singled out for its leading role.

Weekly Currency Roundup

September 24-September 28, 2006

Local FX Market

Demand for US dollar was stable in throughout the week and USD rose slightly against Bangladeshi taka.

Money Market

In the Treasury bill auction held on Sunday, bid for BDT 9,000.00 million was accepted, compared with total of BDT 9,000.00 million in the previous week's bid. Weighted average yield fell slightly for all categories of T-bills sold on the day.

Overnight money market was steady throughout the week. The call money rate remained unchanged throughout the week and ranged between 6.50-7.00 percent.

International FX Market

The dollar slipped against the euro, and inched up against the yen on Friday, against a backdrop of growing risk aversion in world markets as investors fretted that slowing US economic growth may prompt the Fed to cut interest rates as early as next year. The week began as the dollar fell towards a recent two-week low against the euro and yen on Monday as investors grew nervous a slew of data due this week. Softer-than-expected readings could reinforce expectations, still slim, that the Fed might cut interest rates as early as December. The dollar was down 0.2 percent at against the euro, having fallen to a two-week low on Friday. Dollar was also down a third of a percent at against the yen, close to Friday's two-week low. The euro was down 0.2 percent at against the yen, nearly two yen off its record peak above 150 set late in August.

In the middle of the week, the euro briefly edged higher against the dollar and yen on Tuesday after the closely-watched German Ifo business climate index came in a touch stronger than forecast, keeping expectations for higher euro zone interest rates intact. The dollar consolidated ahead of a slew of US data and speeches from Federal Reserve officials this week which should give clues on whether the next move in US interest rates will be a cut. The euro had risen around 20 ticks towards the day's high after the Ifo, before falling, down 0.15 percent on the day. The euro was down 0.2 percent against the yen, while the dollar was remained steady. The dollar steadied on Wednesday, keeping most gains made on the previous day's strong US consumer confidence data that softened expectations a slowing economy may lead the Federal Reserve to cut interest rates. The dollar was steady on the day against the yen and close to a five-day high set on Tuesday. The euro recovered a little, after falling to a six day low against the dollar on Tuesday.

At the end of the week, the euro hit one-week highs versus the yen on Thursday, after an ECB policymaker said more rate rises were needed and as the new Japanese finance minister brushed off concerns about yen weakness. At the same time, expectations of two more euro zone rate hikes this year were further vindicated by a speech from European Central Bank Governing Council member Axel Weber, published on Wednesday. The fall in the oil price -- which has shed around 20 percent since early August -- is expected to take this month's euro zone inflation below the ECB's 2 percent target ceiling for the first time since January 2005. The euro was up a quarter of a percent against the yen, near an earlier one-week high. It was also 0.15 percent higher versus the dollar and hit a one-week high against sterling. The dollar was up 0.1 percent at against the yen.

- Standard Chartered

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