

# Star BUSINESS

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## Oil lower in Asian trade

AFP, Singapore

Oil prices were lower in Asian trade Friday as the market got going again after the US Thanksgiving holiday with few new factors to inspire activity, dealers said.

At 2:00 pm (0600 GMT), New York's main contract, light sweet crude for January delivery was at 59.11 US dollars a barrel, down 13 cents from closing levels in New York Wednesday. Markets in the United States were closed Thursday for Thanksgiving.

Brent North Sea crude for January fell 13 cents to 59.22 dollars.

"We are not going to see a lot of direction in the market. It will be subdued trading," said Tobin Gorey, a commodities strategist with the Commonwealth Bank of Australia in Sydney.

"You can trade either way without really causing either side of the market any particular worries."

A jump in US crude oil stockpiles was also an assurance of ample supply ahead of the northern hemisphere winter season, dealers said.

The market is now closely watching Opec's next move to shore up prices following comments by Venezuela that the oil cartel will cut output again at its next meeting in Nigeria in December.

The new cut "will be proposed ... because (the oil) price remains unstable," Energy Minister Rafael Ramirez told Venezuelana television on Wednesday.

"In December there will be consensus to continue acting on volume," he said, without indicating any numbers.

The Organisation of Petroleum Exporting Countries (Opec) decided

last month to cut production by 1.2 million barrels per day from November in order to support weakening prices, which have shed around 20 dollars since last August.

Opec President Edmond Daukoru, Nigeria's oil minister, told a newspaper that the cartel's members were likely to back a fresh production cut next month.

"I have no doubt that there is going to be a cut in supply," Daukoru told the newspaper This Day in Nigeria.

Daukoru's comments followed those of Qatari Energy Minister Abdullah bin Hamad al-Attiyah, who had earlier suggested that Opec would approve a further output cut at its ministerial meeting in Abuja, Nigeria on December 14.

## Foreign investment in Vietnam to hit all time high by year-end

AFP, Hanoi

Foreign investment in Vietnam recorded an almost 50 percent jump in November from a year earlier and should exceed an all time high by the end of this year, a ministry official said Friday.

Committed foreign investments reached 8.27 billion dollars, according to official figures from the Ministry of Planning and Investment.

The 8.6 billion record dating back to 1996 will be exceeded, said Dang Xuan Quang, a ministry official.

"The 2006 target was 6.5 billion. But we are now certain that the record will be beaten," he told AFP adding at least 30 projects were awaiting a license taking the total to up to 9.0 billion dollars.

The figure is quite remarkable when compared with China, which recorded in 2005 over 60 billion dollars of foreign investment.

"The interest from international investors grows by the day" in the communist nation, said last month US financial group Merrill Lynch.

The 1996 record had come two years after the United States lifted the embargo on Vietnam, and one year after the two countries re-established diplomatic relations.

The country was then regarded as one of the new Asian tigers in the making.

But in 1997, the East Asian financial crisis pushed many countries in the region to the verge of bankruptcy. In Vietnam, many projects were put on hold or cancelled.

Since 2000 however, the communist country has witnessed a seven percent annual growth. It received earlier this month the green light to join the World Trade Organisation (WTO) after 12 years of negotiations.



PHOTO: JANATA BANK

Janata Bank's 'Corporate-2 Branch Managers Conference' of Dhaka division was held recently in the capital. Among others, Deputy Managing Director (managing director, current charge) Md Mizanur Rahman, Deputy Managing Director Md Nazmus Salehin and General Manager AKM Rashiduzzaman were present.

## Thailand, EU agree to poultry quotas, tariffs

AFP, Bangkok

Thai and EU trade negotiators have agreed to new quotas and tariffs for Thai poultry imported by the European Union, the European Commission's delegation said Friday.

The EU said in August that it would introduce quotas for cooked and salted poultry from Thailand, sparking alarm among Thai producers who feared losing access to one of their most important export markets.

The industry feared the quotas will deliver them another setback just as they were recovering from outbreaks of the deadly H5N1 bird flu virus, which has killed 17 people here in the last three years.

Friedrich Hamburger, head of the European Commission's delegation to Thailand, hailed the agreement as a "balanced deal for both sides."

"The agreed quota provides a substantial margin for the growth of

Thai cooked poultry exports. Thailand will also benefit from reduced in-quota tariff rates," he said in a statement.

Prasert Abuchiracheeva, head of the Thai Broiler Processing Association, said the quotas were set at a "compromise level", but said he believed the EU market could open wider under a free trade deal being considered between the European Union and Southeast Asia.

"Preferences agreed under the FTA would open the EU market for more chicken exports from Thailand," said Prasert.

The quota for Thai cooked poultry was set at 160,033 tons a year. Exports beyond the quota will be subject to a tariff of 1,024 euros per ton. Exports within the quota would be charged a tariff of 8.0 percent, the statement said.

Prasert said Thai exporters had wanted the quota set at 190,000-200,000 tons.

## Malaysia's key rate remains at 3.5pc

AFP, Kuala Lumpur

Malaysia's central bank on Friday kept its key interest rate unchanged at 3.50 percent for the fifth time in a row in line with easing inflation and steady growth.

Bank Negara said in a statement the decision had been made on its overnight policy rate after a meeting of its monetary policy committee.

The decision came a day after the release of third quarter gross domestic product data, which showed growth at 5.8 percent, with central bank governor Zeti Akhtar Aziz saying growth could exceed

the 5.8 percent forecast for 2006.

"The growth has been supported by continued expansion in domestic private demand as well as robust external demand for Malaysia's exports," the central bank said.

"The growth momentum is expected to be sustained into the fourth quarter," it said.

Weaker international oil and commodity prices and global competition, combined with moderate wage and price increases domestically have eased inflation, it said.

## Weekly Currency Roundup

November 19-November 23, 2006

### Local FX Market

Demand for US dollar was stable in throughout the week and USD rose 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 6,010.00 million in the previous week's bid.

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

### International FX Market

At the beginning of the week, the yen held near its record low against the euro on Tuesday, nursing losses after finance chiefs meeting in Australia since the weekend raised few alarms over the currency's recent weakness. The low-yielding yen has been under pressure as investors sell it for higher-yielding currencies in carry trades, with the Bank of Japan seen raising interest rates at only a gradual pace. The euro was up 0.1 percent on the day, having hit the record high on Monday. The euro was up 0.1 percent at against the dollar, while the dollar was steady against the yen. European Central Bank President Jean-Claude Trichet said on Tuesday central bankers did not discuss the yen at their meeting on Tuesday but he did say they had thorough discussions on China and reaffirmed the Group of Seven call for FX flexibility. The Canadian dollar, under pressure from falling commodity prices, held near Monday's 7-month low against the dollar.

By the end of the week, the euro hit a 5-1/2-month high against the dollar for a second day on Thursday, propelled by a strong German business sentiment reading, in trade thinned by public holidays in the United States and Japan. The data sparked buying in euro/dollar, which in turn led to a broad selling of the US currency, sending it to 5-1/2 month troughs against a basket of currencies and a three-month low versus the Swiss franc.

- Standard Chartered Bank



FJ Niaz Pir, area head of Consumer Banking (Chittagong) of Standard Chartered Bank, and Mufakkarul Islam Khasru, chief executive officer of Sanmar Properties Ltd, a real estate company, among other senior officials from both the sides, pose for photographs at an agreement signing ceremony recently in the port city. Under the deal, the bank will provide privileged mortgage services for the customers of Sanmar Properties and both the organisations will run joint promotional campaigns for their clients.

## STOCK