

Gold shines on high dollar demand

STAR BUSINESS REPORT

Sharp rise in dollar rate in kerb market has pushed gold prices up once again in local market.

According to Bangladesh Jewellers Samity (BJS), gold prices went up by Tk 200 per bhoori (or 11.66 gram) effective from yesterday.

At present, 21-carat gold (guinea) is selling at Tk 7,600 per bhoori, which was Tk 7,400 till Friday while 22-carat gold is selling at Tk 7,900, which was Tk 7,700 per bhoori.

"This is for the fifth time gold prices increased in the local market this year. Earlier, on February 13, the prices increased to Tk 7,000 from Tk 6,700 (guinea) and Tk 7,300 from Tk 7,000 (22-carat) for the first time in the year," said an official of the BJS, the association of the jewellers.

Price of 21-carat and 22-carat gold increased to Tk 7,200 and Tk 7,500 per bhoori in April. In May,

prices went up to Tk 7,400 and Tk 7,700 respectively. And in June, the price went to Tk 7,600 and Tk 7,900 respectively, that continued till June 15.

However, prices came down to Tk 7,400 for guinea gold per bhoori while Tk 7,700 for 22-carat on June 16, 2002.

"Big investors and clients in a large economy usually prefer to stock dollar in banks. But in the face of prolonged international unstable situation after September 11 incident and the subsequent Afghan War, present Palestine situation and US threat on Iraq, big investors are now preferring to stock gold instead of dollar in banks. That's one of the reasons behind the price hike of gold," said MA Wadud Khan, president of the BJS.

The BJS after observing the global market scenario time to time adjusts the prices, Wadud Khan mentioned, explaining the reasons

behind the price hike.

"Gold price goes up if there is less demand for dollar in the international market but situation is different in our country. Demands for both dollar and gold depend on smuggling," said Anwar Hossain, president of Bangladesh Jewellers Manufacturers and Exporters Association (BJMEA).

As India is one of the top jewellery exporting countries, Bangladesh is being used as a smuggling route, he said.

On the other hand, dollar was selling between Tk60.50 and Tk60.60 in the kerb market while buying at Tk 60 yesterday. "Greenback was selling in the kerb market at the official rate 10 days ago but now the gap between the official and kerb market is at least Tk 2," said a trader at the city's dollar kerb market yesterday. The official rate of buying and selling dollar is Tk 57.80 and Tk 58.40 respectively.

Khosru for more regional trade Nepal Trade Show '02 opens

STAR BUSINESS REPORT

Commerce Minister Amir Khosru Mahmud Chowdhury yesterday said South Asian countries should give more emphasis on regional trade to boost their economies by giving up dependency on Western market.

"US, Canada and Mexico made their economies stronger by making use of their regional trade body - NAFTA. But we unfortunately failed to do that," he said.

The commerce minister was speaking as chief guest at the inaugural ceremony of five-day

Nepal Trade Show '02 on the Nepalese embassy premises in the city.

Presided over by Nepalese Trade Promotion Centre Joint Director Bharat B. Thapa, the ceremony was also attended by Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) President Yussuf Abdullah Harun, International Chambers of Commerce, Bangladesh (ICC,B) President Mahbubur Rahman and Nepalese Charge d'affaires in Dhaka Arun P. Dhital.

The annual trade between

Bangladesh and Nepal is US\$10 million. According to Nepalese Trade Promotion Centre Joint Director Bharat B. Thapa, the trade gap was US\$4.07 million in the 2000-2001 fiscal in favour of Bangladesh.

Nepalese traditional handicrafts, woollen products, famous pashmina shawl, woodcraft and processed food are put on display at 12 stalls.

The show, jointly organised by Trade Promotion Centre of Nepal and Royal Nepalese Embassy, Dhaka, will remain open to all till Wednesday.

Japan ready to inject money into banks

AFP, Washington

Japan is ready to inject more money into the country's debt-stricken banking system if needed, Finance Minister Masajuro Shiokawa said Friday ahead of a meeting with his Group of Seven partners.

"The fundamental stance of the Japanese government is that we should use public funds, if necessary," Shiokawa told reporters as he arrived for a meeting with G7 finance ministers and central bankers.

Shiokawa said he would explain the Japanese position during a private meeting with US Treasury Secretary Paul O'Neill and then at the full G7 gathering later in the day.

International concern is mounting over the Japanese financial system, which is weighed down with bad loans.

O'Neill said Thursday he would ask Shiokawa about last week's unprecedented Bank of Japan proposal to purchase stocks from banks, and how this would boost economic growth.

G7 seeks to infuse hope in economy

AFP, Washington

Group of Seven policymakers were set to meet for a second day Saturday, hoping to ramp up confidence as global stock markets in their shell-shocked economies plummet.

"Economic growth in our countries is continuing, though at a more moderate pace than earlier this year," the finance ministers and central bankers said in a one-page joint communiqué after a five-hour meeting here.

"We recognise that risks remain," they said, but without identifying the worries or even assessing individual G7 economies such as Japan, which is barely growing again after a decade-long stagnation.

Financial market turmoil, fears of a war with Iraqi war, a slower-than-expected global recovery and the economic collapse in Argentina provided the economic backdrop to talks in the US presidential guest residence of Blair House.

But the G7 policymakers, who met behind massive security as

anti-globalisation activists protested outside, said they were committed to sound economic policies and structural reforms.

They planned to work together to improve corporate disclosure, enhance accountability, and strengthen the independence of auditing.

"We are confident that these policies, accompanied by continued vigilance and co-operation, will strengthen growth in coming months, and thus support sustained expansion."

The ministers and central bankers said they would monitor exchange rates closely "and cooperate as appropriate."

Outside the meeting, black-helmeted police in full riot gear clashed with demonstrators, arresting more than 600.

Surrounding streets were sealed off to traffic.

European Central Bank president Wim Duisenberg, summing up the fears of many participants after a week during which Wall Street's Dow Jones index hit a four-year low, warned of the fallout from sliding shares.

CURRENCY

Following is yesterday's foreign exchange rate statement by Standard Chartered Bank

Selling	BC	Currency	TT Clean	Buying
TT/OD			OD Sight Doc	OD Transfer
58.5500	58.5800	USD	57.8050	57.6364
58.2296	58.3165	EUR	55.9795	55.7195
92.2258	92.2678	GBP	89.5109	89.2444
92.6499	92.6745	AUD	90.6931	90.6006
0.4811	0.4812	JPY	0.4673	0.4671
39.4472	39.4717	CHF	38.3622	38.2576
6.3689	6.3740	SEK	6.1725	6.1549
37.2848	37.3094	CAD	36.4100	36.3164
7.5143	7.5156	HKD	7.4066	7.3889
33.060	33.0811	SGD	32.3560	32.3122
16.0710	16.0886	AED	15.6019	15.5800
15.7373	15.7557	SAR	15.2977	15.2428

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	AUD
48.35	59.125	96.25	43.385	7.4867	0.4766	3.8000

Local Interbank FX Trading:

The local interbank foreign exchange market was subdued Saturday as the international market was closed. Demand for dollar remained moderate. BDT remained unchanged at 58.49/50 against the dollar.

Local Money Market:

Demand for overnight borrowing was steady in the market. Call money rate remained unchanged at 6.50-7.00 per cent for the day.

International Market:

International market was closed. On Friday, dollar fell broadly after a sharp decline in US stocks. The slide removed any favorable

sentiment investors had towards the dollar as a result of better than expected September US consumer sentiment and 2nd quarter gross GDP data. The Dow Jones Industrial Average fell by 3.7 per cent and NASDAQ Composite Index lost 1.84 per cent. US consumer index for September fell to 86.1 against an expectation of 85.9. Euro dipped as low as 97.47 cents after the release of the data but climbed back to 98.10 cents. Greenback also rose to session high at 123.22 yen after the economic data, but fell back to 122.53 yen.

At the closing of New York on Friday, euro closed at 0.9805/15, GBP at 1.5603/09, Yen at 122.51/56 against the dollar.

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ReadyCash Raffle Draw Results

The latest ReadyCash raffle draw took place Thursday at Ambala Sweets at Dhanmondi, says a press release.

Kamruzzaman Chanchal, representative of the shop, chose winners in a lucky draw. This is part of the commitment ReadyCash undertakes to reward its cardholders.

Prizes for new cardholders

Prizes	Name of Winners	Card No
China Junction Chinese free lunch for two	Md Shahabuddin	5047980000040854
Meal in the box free lunch for two	Md Kashem	5047980000041044
DhanSiri restaurant free lunch/dinner for two	Md Kurshid Alam	5047980000040719
Body Shop free gift box	Ahmed Hossain	5047980000041086
CD Care, free 4 CDs	Md Nur Hossain	5047980000040215

Winners 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: 8130497, 8125294-7.



PHOTO: SOUTHEAST BANK
Mostori Miah, director of Southeast Bank Limited, formally inaugurates the bank's 16th branch at Shahjalal Upashahar in Sylhet recently. Southeast Bank's Chairman Ragib Ali, Vice-Chairman Azim Uddin Ahmed, and President and Managing Director Syed Abu Naser Bukhtear Ahmed, among others, were present on the occasion.

STOCK