

# Ministers to discuss stalled WTO talks at Davos

REUTERS, Geneva

Ministers from some 30 World Trade Organisation (WTO) states will meet this month at the Swiss resort of Davos to try and put stalled trade talks back on track, a Swiss government spokesman said Tuesday.

The meeting will be ministers' first encounter since the dramatic failure of a WTO summit in Mexico in September which brought the so-called Doha

round of global trade negotiations to a virtual halt.

"It is intended to allow ministers to take stock and look ahead to how the Doha process can be moved forward," Swiss Economy Ministry spokesman Manuel Sager said.

Although he declined to identify them, Sager said most of the countries invited had been to previous restricted gatherings of WTO states, a group that includes the European Union, the United

States, Japan, Brazil, China and India amongst others.

He said the meeting would be held on January 23 on the fringes of the annual gathering of political and business leaders at the World Economic Forum.

EU trade chief Pascal Lamy will not be going to Davos because he will be on a visit to India and Bangladesh, his spokeswoman said in Brussels.

## First US mad cow case came from Canada, USDA says

AFP, Washington

The first cow in the United States to be found infected with mad cow disease, or bovine spongiform encephalopathy (BSE), was imported from a farm in Canada, the US Department of Agriculture confirmed Tuesday.

"We now have DNA evidence that allows us to verify with a high degree of certainty that the BSE positive cow found in the state of Washington originated from a dairy farm in Alberta, Canada," said chief USDA veterinarian Ron DeHaven.

The DNA tests were conducted by both countries. Washington state is in the Pacific Northwest on the border with the Canadian province of British Columbia.

The US authorities made the case public on December 23 and all of its major foreign markets have since banned imports of US beef.

Canada reported its first BSE case last May, resulting in hundreds of millions of dollars of damage to the country's beef industry.

## India, Brazil, S Africa meet to boost trade ties

AFP, New Delhi

Officials from India, Brazil and South Africa, which formed a united front in world trade talks that deadlocked last year, met here on Tuesday to boost cooperation.

"Discussions between the three nations and trilateral cooperation is critical to put up a common front to address issues in the World Trade Organisation (WTO)," Minister in the Presidency Essop Pahad said after the meeting.

He said the three countries also identified defence, aviation, shipping and rural development as areas for possible cooperation.

"This will have far greater consequences for the economies of the southern region," Pahad said. "The cooperation should not be at the expense of anybody."

Brazil's Ambassador to India, Vera Machado, also said the countries could exchange "expertise" in the scientific field.



PHOTO: BRAC UNIVERSITY

Vice-chancellor of Brac University Jamilur Reza Choudhury (Centre) speaks at a roundtable on 'The Changing Trends in Banking and the Role of CEOs' organised by Brac University in Dhaka on Tuesday evening. Bangladesh Bank Governor Fakhruddin Ahmed (Right) and Faisal M Rahman, founding dean of Graham School of Management of Saint Xavier University of USA, are also seen in the picture.

## Businesses for concrete steps in Indo-Pak talks

REUTERS, Mumbai/Karachi

Thawing relations between nuclear-armed rivals India and Pakistan will boost investor sentiment but will have no material impact on capital or trade flows unless backed by concrete steps, business leaders say.

Financial markets in both countries were muted in their reaction on Monday as Indian Prime Minister Atal Behari Vajpayee and Pakistani President Pervez Musharraf met for the first time in two years, on the sidelines of a South Asian summit.

The Karachi Stock Exchange's key 100-share index rose 0.6 per cent and India's 30-issue benchmark Bombay share index edged up 0.21 per cent as Vajpayee and Musharraf pledged to continue efforts to repair relations after their nations went to the brink of war in 2002.

The Bombay market hit a new closing high and extended its gains on Tuesday but dealers said this was driven by local factors and investors were waiting to see whether the meeting would lead to steps to settle the long-pending Kashmir dispute.

"Investors want to see a long-lasting improvement in relations," said Paras Adenwala, head of equity funds at Birla Sun Life Asset Management in Bombay. "But it is

too early to think along those lines yet.

The meeting followed steps in recent weeks to re-open road, rail and air links between the two countries part of a process to reduce tension that analysts hope will lower the political risk profile and eventually boost foreign investment.

"Any breakthrough will reduce investment risks in the region," said Mohammad Sohail, head of research of Investcap Securities in Karachi. "Foreign direct investment is an issue for both countries, especially Pakistan."

India attracted \$4.4 billion in foreign direct investments in 2002 less than a tenth of the \$52.7 billion received by economic rival China. Foreign direct investment in Pakistan runs at a comparatively tiny \$500 million to \$600 million a year.

The talks between the two leaders the first since a failed summit in 2001, came ahead of the signing at the summit on Tuesday of an agreement to set up a South Asian Free Trade Area.

The agreement to reduce or eliminate tariffs by the seven members of the South Asian Association for Regional Cooperation which includes Sri Lanka, Bangladesh, Nepal, Bhutan and the Maldives is set to come into force in 2006.



PHOTO: THE ORIENTAL BANK

The Oriental Bank Limited Managing Director CM Koyes Sami presides over a meeting of the bank with Multi Promotional Services Limited, a loan recovery agent, on Monday in Dhaka to review the bank's loan recovery activities. Among others, Md Imamul Haque and Md Shafiquddin, deputy managing directors of the bank, Abdul Matin, legal consultant, AT Ahmedul Huq Chowdhury, managing director of Multi Promotional Services, and Md Shafiqullah, director, attended the meeting.

## CURRENCY

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

Sell		Currency		Buy		
TT/OD	BC	USD	TT Clean	OD Sight Doc	OD Transfer	
59.1500	59.2000	USD	58.2550	58.0839	58.0144	
75.9072	75.9714	EUR	73.3314	73.1160	73.0285	
108.3096	108.4011	GBP	105.2435	104.9344	104.8088	
46.1015	46.1405	AUD	43.9767	43.8475	43.7950	
0.5642	0.5647	JPY	0.5440	0.5424	0.5418	
48.3963	48.4372	CHF	46.7761	46.6387	46.5829	
8.2600	8.2670	SEK	7.6692	7.6466	7.6375	
46.2182	46.2572	CAD	44.8529	44.7212	44.6677	
7.6266	7.6330	HKD	7.4967	7.4746	7.4657	
34.9876	35.0172	SGD	34.1551	34.0548	34.0141	
16.2357	16.2495	AED	15.7327	15.6865	15.6677	
15.8984	15.9118	SAR	15.4110	15.3657	15.3473	
10.5478	10.5577	DKK	9.5464	9.5184	9.5070	

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringit
45.65	57.4	98.15	39.120	6.7335	0.6696	3.80

### Local Interbank FX Trading

Local interbank market was active on Wednesday. US dollar remained almost unchanged against Bangladeshi taka due to matched demand and supply.

### Local Money Market

Money market was active. Call money rate increased slightly and ranged between 4.00 and 6.00 per cent compared with 4.50 and 5.50 per cent previously.

### International Market

The dollar clawed back ground against the euro on Wednesday, steering away from record lows

set in the previous session and taking a breather from its recent decline. The dollar also kept its balance against the yen, holding above the key 106 yen mark amid wariness of a repeat of the previous day's suspected yen-selling intervention by Japanese authorities. Despite this, the sentiment towards dollar remained bleak due to persistent worries about the United States ability to attract investment flows to cover its current account deficit.

At 1615 hours on Wednesday, euro was at 1.2656/60, GBP at 1.8145/49 and yen at 106.17/22 against dollar.

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PHOTO: ATAB

Members of Association of Travel Agents of Bangladesh (Atab) yesterday stage a token hunger strike at the Jatiya Press Club in Dhaka as part of their agitation to protest the reduction of agency commission from nine percent to seven percent by the Board of Airlines Representatives (BAR). They threatened a strike for indefinite period from January 16 if the demand is not fulfilled by January 15. Among others, Atab President MA Muhaimin Saleh is seen.

## STOCK