

# Asean to hold investment roadshows in Europe, US

AFP, Singapore

Southeast Asian finance ministers will stage joint roadshows in Europe and the United States to help attract investors to the region, Singapore's Deputy Prime Minister Lee Hsien Loong said Wednesday.

In a keynote speech to the annual Association of Southeast Asian Nations (Asean) finance ministers meeting, Lee highlighted the roadshow concept as a way of drawing some international focus back from regional giants China and India.

"To keep Asean on the radar screens of international investors, finance ministers are planning to organise joint roadshows to Europe and the US to promote the investment opportunities in Asean," said Lee, who is also finance minister.

Roadshows involve governments and companies presenting opportunities to business leaders, fund managers and other investors at key global cities.

Singapore's second finance

minister, Lim Hng Kiang, who chaired the Asean meeting, said the first joint promotion will likely take place at the end of September in New York ahead of the International Monetary Fund-World Bank meeting in Washington in October.

Another opportunity will be when Singapore hosts the IMF-WB meetings themselves in 2006. The annual meetings will gather the world's finance ministers and central bank chiefs.

Lim said although the 10-member regional grouping has implemented crucial reforms since the Asian financial crisis seven years ago, investors remained wary of the region's prospects.

"Not all of these (reforms) are clearly understood by the investing community and therefore it is important for us to take the message to the investors," he told a joint news conference at the end of the meeting.

"We need to present the Asean story better to the outside world and to bring the story to the investors."

tors as well as eventually bring the investors to the region so that they can understand us better... and see Asean as a place where the investment opportunities are bright."

Asean has been losing out to China and India in terms of attracting foreign investments as foreign companies look to the two emerging economic powerhouses as cheaper and more efficient bases.

Lee, who is also Singapore's finance minister, emphasised Asean had a combined population of 560 million people and gross domestic product of 330 billion dollars, comparable with China's coastal region.

"Asean must once again band together to maximise our strengths. Our fundamentals are strong and can be further exploited," he said.

Asean groups Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.



AHM Nurul Huda, company secretary of Desco (Dhaka Electric Supply Company Ltd), exchanges documents with Zahir Ahmed, managing director of Electronics Transactions Network Ltd (ETN), after signing an agreement on behalf of their companies on Saturday in Dhaka. Under the deal, Desco customers will be able to pay electricity bills through E-cash ATM network.

## Six nations in line for EU deficit warnings

AFP, Brussels

Another four countries including Britain and Italy look set to join France and Germany in the EU budgetary doghouse when the European Commission publishes its spring economic forecasts on Wednesday.

The Italian government has already got its retaliation in first, declaring the planned warning over its public deficit to be part of a dark plot by commission chief Romano Prodi to unseat Prime Minister Silvio Berlusconi.

Greece and the Netherlands are also in the EU executive's sights for letting their deficits stray close to or over a ceiling mandated for the 12 euro nations -- 3.0 percent of gross domestic product (GDP).

Britain is outside the eurozone, but all EU members are supposed to obey the rules as laid out in the 1997 Stability and Growth Pact. Like the Netherlands, Britain broke the deficit limit last year.

EU economic affairs commissioner Pedro Solbes -- marking his Brussels swansong before returning to politics in Spain -- said Tuesday he would stop short of

launching an "excessive deficit procedure" against the pair.

Instead, a formal warning is seen as more likely than the procedure, which ultimately can lead to fines.

But is anybody listening to Brussels any more? France and Germany have comprehensively demolished the rules by breaching the deficit limit year after year. Their EU partners have balked at imposing fines.

In any case, the British and Dutch governments are bullish that their budgetary shortfalls will come back under 3.0 percent this year thanks to stronger growth and deficit-cutting measures.

Italy and Greece, for their part, face an "early warning" on Wednesday for letting their deficits stray dangerously close to the stability pact limit, the first step before the excessive deficit procedure is imposed.

Solbes -- who will soon return to Madrid to become economy minister under Spain's new Socialist government -- is expected to upbraid Italy for relying on one-off financial stunts rather than deeper reforms to remedy its finances.

## Japan refuses US beef without testing every cow

AFP, Washington

Japan has flatly rejected a US proposal to lift Tokyo's ban on American beef over mad cow fears, according to a letter released Tuesday.

US Agriculture Secretary Ann Veneman had proposed holding talks through the World Organization for Animal Health to settle key disputed matters in the "impasse" by the end of April.

"I think it is impossible to conclude this issue by the end of April unless the United States implements the same measures as we do," replied Japanese Agriculture Minister Yoshiyuki Kamei.

A translation of Kamei's letter, dated April 2, was released by the US Department of Agriculture.

Japan tests all cows for bovine spongiform encephalopathy (BSE) and demands the United States now do the same. But Washington insists that testing only higher risk animals such as older cows is enough.

Japan used to rely on US produce for almost a third of its beef.

But it halted American beef imports after a cow was found to have the disease in Washington state in December.

Kamei said the United States and Japan should come to an agreement on the science and consumer risks.

"I fear that if the US government attempts to force Japan into trade resumption without going through such processes, the prestige of US beef on the Japanese market may be undermined," he wrote.



Md Akhteruzzaman, managing director of Rora Enterprises Ltd, on Monday hands over Tk 45,464 in arrears and compensation to Tajenur Akhter, wife of former company guard Kazi Mozammel Haque, who died in a road accident in Dhaka recently.

## CURRENCY

Following is Wednesday's (April 7, 2004) forex trading statement by Standard Chartered Bank

Sell	Buy
TT/OD	BC
59.3000	Currency
59.3500	USD
58.4050	TT Clean
58.2334	OD Sight Doc
58.1637	OD Transfer
72.3757	72.4367
109.8473	109.9399
69.8582	EUR
69.6530	106.3175
45.6966	45.7351
43.5760	AUD
43.4480	106.4449
43.3960	JPY
0.5667	0.5671
0.5464	0.5447
46.3064	46.3455
44.7857	CHF
44.6541	44.6007
7.7767	7.7833
7.1925	SEK
7.1713	7.1628
45.6119	45.6503
44.1325	CAD
44.0029	43.9502
7.6143	7.6207
7.4849	HKD
7.4630	7.4540
35.4178	35.4476
34.5735	SGD
34.4719	TT Clean
34.4307	OD Sight Doc
16.2773	16.2911
15.7223	AED
15.7260	TT Clean
15.7072	OD Sight Doc
15.9396	15.9530
15.4515	SAR
15.4061	TT Clean
15.3876	OD Sight Doc
10.0184	10.0269
9.1057	DKK
9.0790	TT Clean
9.0681	OD Sight Doc
201.7762	201.9463
190.9971	KWD
190.4361	TT Clean
190.2081	OD Sight Doc

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringit
43.7	57.3	97.7	39.160	6.9370	0.7035	3.80

### Local Interbank FX Trading

Local interbank market was active on Wednesday. Dollar was steady against Bangladeshi taka on thin interbank trade on the first day of the two-day strike called by Awami League.

### Local Money Market

Money market was active. Call money rate eased slightly and ranged between 3.50 and 4.00 percent compared with 3.75 and 4.25 percent previously.

### International Market

The dollar backed off the previous session's two-week highs on the yen on Wednesday as an upgrade to Japan's foreign currency debt rating boosted the dollar's recovery.

## US lawmaker lashes out at foreign firms for avoiding tax

AFP, Washington

A US lawmaker lashed out Tuesday at foreign firms operating in the United States after a watchdog found 71 percent of them paid no tax here at all from 1996 to the end of 2000.

But the same report by the Congressional investigative arm, the General Accounting Office (GAO), found American firms not far behind, with 61 percent of them also paying zero tax in the five-year period.

Individual Americans were queuing up to file their tax returns before an April 15 deadline, said Senator Byron Dorgan of North Dakota, the top Democrat on a foreign commerce panel.

"They understand an obligation in this country to pay taxes," said Dorgan.

But 71 percent of the foreign corporations doing business in the United States paid no taxes, he said.

"There is something fundamentally wrong with that," he told the Senate. "Once again, it demonstrates the gaping holes in our tax system... shame on them."

For every 1,000 dollars in gross receipts, foreign-owned firms reported an average of 11.88 dollars in tax liability while US companies reported 14.75 dollars.

## Japan, Thailand start 2nd round of FTA talks

AFP, Tokyo

Japan and Thailand on Wednesday opened a second round of free trade talks, focusing on farm produce and the protection of intellectual property rights.

The three-day talks came four weeks after Japan and Mexico vowed to put their free trade agreement (FTA) into effect in January next year after solving differences about tariffs on some Mexican farm products.

Japan and Thailand held the first round of talks in Bangkok in February and differed on how to eliminate tariffs.

Thailand insisted on applying the same method in lowering tariffs in all sectors but Japan wanted to treat manufactured goods and farm produce differently.

Thailand is a major producer of rice and other agricultural products, so the prospect of any relaxation of Japan's protection for its uncompetitive farm sector under a free trade agreement is unsettling for its domestic farmers.

"I fear that if the US government attempts to force Japan into trade resumption without going through such processes, the prestige of US beef on the Japanese market may be undermined," he wrote.

## SIA plans \$950m cost cutting

AFP, Singapore

Singapore Airlines (SIA) is aiming to cut costs by up to 1.6 billion Singapore dollars (950 million US) annually despite currently being in the black, chief executive Chew Choon Seng said Wednesday.

Chew told reporters two days after the government ordered SIA to transform its business model that the company was looking for savings of between 800 million and 1.6 billion dollars a year.

"Staying profitable in this day and age is not good enough," Chew said, highlighting low-cost airlines, global health scares and terrorism as some of the challenges that the increasingly competitive aviation industry faced.

## SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 6/4/2004

Berth No.	Name of vessels	Cargo	L port call	Local agent	Dt of arrival	Leaving	Import disch
J/1	Merco Kirinda	Wheat (P)	Kaki	Able	28/3	8/4	940
J/5	Amanat Shah	Rice/WT	Viza	CLA	12/3	8/4	1102
J/12	Banga Borat	Cont	Sing	Bdship	4/4	7/4	418
J/13	Kola Singa	Cont	Sing	Pil (Bd)	5/4	8/4	273
CCT/1	Mardios	Cont	P. Kel	RSL	2/4	6/4	--
CCT/2	Qc Dignity	Cont	P. Kel	QCSL	5/4	8/4	116
CCT/3	Xpress Resolve	Cont	Col	Everbest	2/4	6/4	9
RM/3	Spring Glory	CPO	Lumut	MTCL	5/4	7/4	
RM/5	Ocean Porpoise	MS/HS	Sing	MSTPL	4/4	6/4	
DOJ	Alcesmar	HSD/JP	Mina	MSTPL	2/4	6/4	
DD	Banga Bijoy	Repair	--	Bdship	R/A	15/4	
RM/9	Bangla Mamata	Repair	Yang	BSC	6/2	7/4	
Custom	Tug Sbm-1	Ballast	Sing	OTL	9		