

EU, Asian states voice cautious optimism on WTO farm deal

AFP, Paris

European and Asian governments voiced cautious optimism Monday to a last-ditch WTO deal that kept global trade talks from collapsing, though farm unions and non-governmental organizations were sceptical, saying it was far from closing the divide between rich and poor countries.

Relief was clear in Europe, where Italian Agricultural Minister Gianni Alemanno called the accord "a fundamental and vital decision for the future of agriculture, both in Europe and the world."

The WTO's 147-member General Council adopted the agreement early Sunday after a five-day negotiating drive and nearly a year of deadlock.

The breakthrough was aimed mainly at eventually cutting subsidies and reducing barriers to the multi-billion-dollar global trade in farm goods.

French Agricultural Minister Herve Gaymard welcomed the deal to continue negotiations and the fact that "the United States accepted controls on its agricultural policy it had not accepted before".

France -- a major recipient of EU farm aid -- had found itself isolated among its European Union partners as the sole hold-out at the talks, prompting several representatives of the European Commission, the EU's executive arm, to criticize France's "purely political" stance.

But Gaymard said France dropped opposition "once the efforts were balanced".

The deal aims to cut export subsidies, reduce domestic support and restrict export credits -- a plan that would mainly affect wealthy European countries, Japan, South Korea and the United States.

A deadline will be set for the total elimination of farm export subsidies, and Gaymard said: "I think the deadline will be some time around 2015 or 2017, which will give us time to react."

Germany's Cooperation and Development Minister Heidemarie Wiecek-Zeul saw the deal as "a good signal for developing countries", while Economy Minister Wolfgang Clement said it was "a positive signal for the world economy".

Reception was mixed in Asia. In Thailand, government spokesman Jakrapob Penkair stressed the deal was "only a starting step".

"The Thai government will cooperate in pushing world trade liberalization forward through FTAs (free trade agreements), as Thailand will create agreements both bilaterally and multilaterally," he said.

China saw the accord as generally "not bad" though "the developing countries are not fully satisfied," Sun Zhenyu, Chinese ambassador to the WTO, was quoted as saying in the China Daily.

Singapore's Trade Minister George Yeo called it a "major turning point in global trade liberalization and sets the ground for advancing multilateral trade liberalization."

But Australia was lukewarm. Prime Minister John Howard said the WTO deal was basically "an agreement to talk in detail about an agreement." "It's positive news but I don't think people should get over-excited about it because there is still a long way to go."

Indian banks head for merger wave

AFP, Mumbai

India's banking sector faces a consolidation wave to achieve global clout and contend with fierce local competition, with the merger of two high-profile lenders last week just the start, analysts say.

Competition in the overwhelmingly state-dominated industry is becoming increasingly cut-throat with a host of new private players since the government began its drive to liberalise the industry a decade ago, the analysts said.

"The Indian economy is opening up and they (the banks) will have to compete on an international scale and become competitive," Abhilash Lal, analyst at global consultancy firm A.T. Kearney, told AFP.

Last week, state-run Oriental Bank of Commerce, a leading north Indian-based bank, said it would merge with ailing private bank Global Trust Bank, based in the country's south, in what Oriental said was an ideal marriage thanks to their complimentary geographic bases.

While last week's merger announcement was a case of a weak bank combining with a strong one due to financial woes, many future hook-ups would be about gaining muscle to have enough clout to compete on a global scale, analysts say.

The critical factor in competing with international players would be banks' size and scope for offering cheap finance and they can only do that if they achieve "critical mass" in the sector, they say.

To do this, banks will need to widen their retail network, increasing their product portfolio, reducing costs and boosting assets.

Analysts also say cold commercial logic dictates mergers as India has too many banks chasing too few customers. There are about 100 commercial banks and 200 regional rural banks in the country.

"There are a host of banks since the market was opened to private players in 1994. The Indian financial system can't support so many banks. They will merge or become niche banks," said bank analyst Rajesh Malhani at Pranav Securities.

Competition will pick up further if the central bank allows foreign banks to operate 100 percent subsidiaries or pick up 74 percent equity in domestic banks, he said. Such a move is under active consideration, industry officials say.

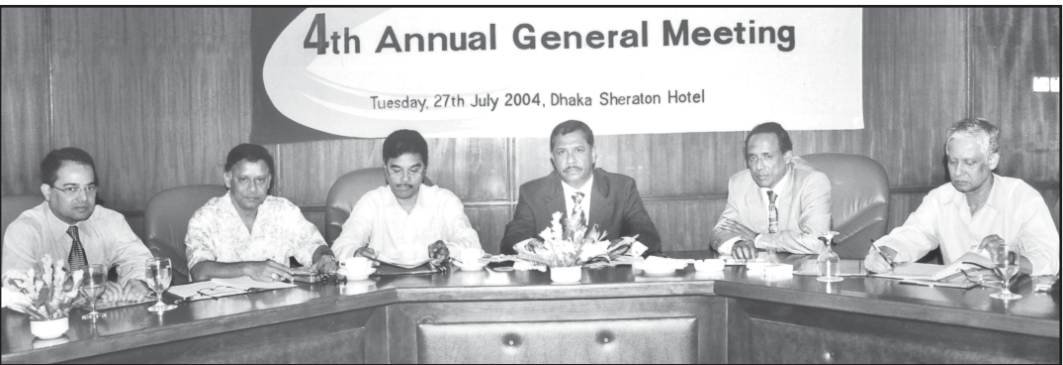


PHOTO: CONTINENTAL INS

Md Musa Meah, chairman of the Continental Insurance Limited, presides over the annual general meeting of the company in Dhaka recently. Mohammed Iqbal, vice-chairman, sponsor directors Md Shueb Sultan, SM Abu Mohsin, and ABA Fakhru Kamal and Managing Director Shahriyar Ahsan, among others, were present.



PHOTO: UNITED INS

Yasmeen Murshed, chairperson of Scholastica Group, and Syed Aziz Ahmad, managing director of United Insurance Company Limited, shake hands to exchange documents after signing a contract for health insurance scheme for Scholastica in Dhaka on Saturday.



PHOTO: AMCL

Kamruzzaman Kamal, general manager (Marketing) of PRAN Group, and Bishnu Chandra Bhattacharia, general manager (Sales) of the company, hand over a colour television set to Kafi Khan of Sirajganj, a winner of a quiz competition titled "PRAN Deshi Amey Beshi Majaa" at a prize distribution function held recently in Dhaka. PRAN Group organised the competition that ran between April and May.

CURRENCY

Following is Tuesday's (August 3, 2004) forex trading statement by Standard Chartered Bank						
Sell		Currency	Buy			
TT/OD	BC		TT Clean	OD Sight Doc	OD Transfer	
60.4500	60.5000	USD	58.7550	58.5824	58.5123	
73.4528	73.5136	EUR	69.9537	69.7482	69.6647	
111.1796	111.2176	GBP	106.6227	106.3095	106.1823	
43.1855	43.2212	AUD	40.5351	40.4160	40.3676	
0.5537	0.5541	JPY	0.5273	0.5257	0.5251	
47.8282	47.8677	CHF	45.5324	45.3987	45.3443	
8.2183	8.2251	SEK	7.4842	7.4623	7.4533	
45.8371	45.8750	CAD	43.7784	43.6498	43.5976	
7.7583	7.7647	HKD	7.5262	7.5041	7.4951	
35.3509	35.3801	SGD	34.0609	33.9608	33.9202	
16.5921	16.6058	AED	15.8673	15.8207	15.8018	
16.2483	16.2617	SAR	15.5437	15.4980	15.4794	
10.1860	10.1945	DKK	9.1382	9.1114	9.1005	
205.6822	205.8523	KWD	192.1982	191.6337	191.4043	

Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringgit
46.31	58.47	103.925	41.345	7.0075	0.6893	3.80

Local Interbank FX Trading		Local Money Market	
Local interbank market was active. US dollar fell against Bangladeshi taka later in the day due to increased supply.		Money market was active. Call money rate rose and ranged between 4.50 and 5.00 percent against 3.75 and 4.25 percent previously.	

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 3/8/2004							
Berth No.	Name of vessels	Cargo	L. port call	Local agent	Dt of arrival	Leaving	Import disch
J/4	Pontomedon	R. Shed	Sing	USL	15/7	5/8	1368
J/5	Xiang Jiang (liner)	GI	Inch	Bdship	31/7	3/8	3015
J/7	Iran Ashrafi	WVly.p/canola	Vanc	Mutual	7/7	6/8	1282
J/9	Jaami	Cont	Col	Everbest	31/7	4/8	267
J/10	Qo Star	Cont	P.kel	QCSL	30/7	3/8	--
J/11	Banga Borti	Cont	Sing	Bdship	1/8	5/8	266
J/12	Van Xuan	Cont	Sing	PSSL	1/8	3/8	109
CCT/1	Kota Cahaya	Cont	Sing	Pil (Bd)	28/7	3/8	120
CCT/2	Kota Tampam	Cont	Sing	Pil (Bd)	1/8	3/8	152
CCT/3	Rio Negro	Cont	Sing	QCSL	1/8	5/8	545
RM/3	Siam Srinwatana	CPOL	Bela	Pol	1/8	3/8	--

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. port call	Local agent	Type of cargo	Loading ports
Banga Bonik	3/8	Col	Baridhi	Cont	Col
Al-Mohammed	4/8	Bang	Cia	Sugar(p)	--
Santa Barbara	4/8	Krabi	Uniship	Clink	--
Nememcha	4/8	Plinkon	Rainbow	Sugar	--
Xpress Manaslu	4/8	P.kel	RSL	Cont	Sing
Kota Berjaya	4/8	Sing	Pil (Bd)	Cont	Sing
Star Providence	4/8	Novor	RSA	G(hr.coil)	--
Feng Kang Shan(liner)	5/8	Xing	Bdship	GI	--
United Prosperity	4/8	Durb	OWSL	Spl.cargo	--
Daisy-t	5/8	Yang	Everett	GI(st.c)	--
New Blessing	5/8	P.kel	Everbest	Cont	Sing
Orient Excellence	5/8	P.kel	PSSL	Cont	Sing
Orient Wisdom	6/8	Col	PSSL	Cont	Col
Banga Borak	6/8	Pkl	Bdship	Cont	Pkl/sing

Tanker due

Hua Mulan	3/8	Lumut	MTCL	CPOL (RM/3/4)
Tank Oil	3/8	--	--	CPOL (RM/4/3)
Ionikos	4/8	Rast	OWSL	Crude Oil --
Gaz Master	6/8	Sing	MBL	Ammonia R/A

Vessels at Kutubdia

Name of vessels	Cargo call	Last port	Local agent	Date of arrival
Dea Captain	--	--	lbsa	R/A (31/7)

Outside Port Limit

Tirtaniaga-II	CPOL	Dumai	BMA	2/8
Star Dream	CPOL	Indo	Rainbow	3/8

Vessels not ready

Proliv Viktoria	Sugar(p)	Sing	OTL	31/7
Amar	Sugar(p)	Bang	Total	--
Sinhai	C. Clink	Indo	NWSL	1/8
Maritime Songkhla	C. Clink	Tarj	BSL	3/8
Defiant-t	Wheat(p)	Kiki	Pacific	3/8

Vessels awaiting employment / instruction

Banga Biraj	--	--	Bdship	R/A (29/12)
Banglar Jyoti	--	--	BSC	R/A (25/7)
Banglar Shourabh	--	--	BSC	R/A (31/7)

Vessels not entering

Pavonis	Clink	Kaki	Move	31/7
Brave Royal	Clink	Krabi	BRSL	2/8
Angeliki-d	Sugar	Sant	Limond	3/8
Creda	Scraping	Pira	H&SL	29/7
Papuda	Scraping	Hald	ASA	31/7

The above are the shipping position and performance of vessels at Chittagong Port as per berthing sheet of CPA supplied by Family, Dhaka.

STOCK