OECD tells weaker nations to prepare for textile big bang

REUTERS, *Paris*

The abolition of textiles quotas on January 1, spells trouble for countries that fail to adapt to giants, the Organisation for Economic Co-operation and Development (OECD) says.

Denis Audet, chief author of an OECD report, says Mauritius, Bangladesh, the Dominican Republic and other poor countries that were protected by quotas for decades will have to modernise and go upmarket to survive in the brave new world of 2005 onwards.

After two years' work, his report of nearly 300 pages offers no solace to millions of people sewing cheap shirts in "offshore" quotas on stronger rivals such as China.

"A great deal of workers are scared right now," Audet told Reuters in an interview. "The countries most vulnerable now are the small, developing countries that benefited most from that system.

Fiji, Madagascar and Sri Lanka are among other vulnerable, far-flung nations on the list with the likes of Bangladesh, low cost countries that will be squeezed by China and India, where industry is more advanced and has its own raw materials.

The OECD, funded by 30 mainly industrialised countries to promote free markets, offers broad recommendations to companies and governments in its report, published earlier this week.

Textiles enterprises are told to embrace high technology, go upmarket, develop close ties to retail giants such as US-based Walmart and be agile enough to rapidly satisfy changing demands.

Governments in those countries are told bad roads, railways and ports are a handicap, as are corruption, lack of education, costly phone or Internet bills and water and electricity prices.

"There are no miracles when it comes to giving advice," Audet said in the interview late on Thursday.

The report notes that expensive electricity and scarcity of clean water in the Dominican Republic discourage setting up a yarn-spinning factory. Bangladesh's ports are poor and only 30 percent of the country is connected to the power grid, it says.

The OCED does not attempt to predict potential job losses in developing countries but notes that four million jobs were shed between 1970 and 2000 in the US, Japan, Germany, France and Britain as a result of restructuring in the sector.

PHOTO: JANATA BANK

S M Aminur Rahman, managing director of Janata Bank, speaks at a meeting with managers of Dhaka A, B, C, D, E zones and Corporate-1 and 2 branches recently in Dhaka.

PHOTO: A POSITIVE ADVERTISING

M Ehsanul Haque, managing director of BRAC Bank Ltd, and Md Dalil-Ul-Haque, managing director of People's Leasing Company Ltd, sign a credit facility agreement on behalf of their organisations recently in Dhaka. Under the deal, People's Leasing will utilise the facility for its financial activities. Other senior officials of both organisations are also seen.

PHOTO: JAMUNA BANK

Golam Dastagir Gazi Bir Protik, chairman of Jamuna Bank Limited, poses for photographs with other shareholders of the bank at its third annual general meeting held in Dhaka recently.

New EU finance chief slams call for budget cut

AFP, *Brussels*

The EU's new budget chief criticised calls by the bloc's richest states to limit EU spending to one percent of gross national income (GNI), saying it would not amount to a freeze but a big funding cut.

Dalia Grybauskaite, who took over as the European Union (EU)'s financial programming and budget commissioner last month, said EU member countries would themselves be the victims of cuts in EU cash.

Six EU net contributor states -- Britain, France, Germany, Austria, the Netherlands and Sweden -- called last December for a cap of 1.0 percent of GNI for the EU's new major spending round of 2007-2013.

The EU, which expanded from 15 to 25 members in May in its biggest-ever enlargement, is gearing up for major negotiations on the medium-term budget plans over the next year or two.

Grybauskaite said Friday that a one percent cap would pose serious questions about what the EU wants to do.

"A ceiling of one percent of commitments would require a fundamental reappraisal of what the Union is trying to achieve," she told.

Global cos cautious on high energy price, weak dollar

REUTERS, *Washington*

Companies around the world reported the chill effects of high energy prices and a falling dollar this week, but barometers of aggregate global economic activity continue to flash more positive signals.

The most striking feature of the week's surveys of manufacturing and service sector companies from Japan to Europe and the United States was a divergence in fortunes between a more upbeat US corporate sector and gloomier overseas companies.

Some say the effects of the dollar's 5 percent decline against a basket of world currencies over the past month is partly to blame as it hits export-dependent economies of the euro zone and Japan while lifting US exporter optimism.

The overall picture from all surveys showed only a mild slowdown, however, with JPMorgan's combined index down to 55.7 from 57.0 in October and well above the boom-bust 50 level.

"They remain consistent with a healthy pace of global GDP growth of near 3 percent," said David Hensley, director of global economics coordination at JPMorgan in New York.

But a weaker-than-expected US employment report for November, released on Friday, suggests lagged effects from high oil prices, as well as rising US official and long-term interest rates, may be having a dampening effect stateside too.

"It's showing that there's some caution. No one's sure with higher rates and fuel prices up that there's going to be a tomorrow," said David Litmann, chief economist at Comerica Bank in Detroit. "But the report is still very strong and we're heading into 2005 with very strong momentum."

Despite a weaker jobs picture, where the 112,000 rise in non-farm payrolls last month was about 70,000 less than forecast, Wall Street still expects the Federal Reserve to raise interest rates this month for the fifth time this year. It also expects a further hike in February.

Long-term interest rates retreated on the jobs data but 10-year Treasury yields are up a quarter point on the month.

The first ray of light for the world economy over the past month has been a deepening correction in oil prices -- which have now retreated some 25 percent from the record levels above $50 per barrel set in late October. To the extent sky-high oil was acting as a tax on growth, its fall will relieve pressure.

CURRENCY

Following is Saturday's (December 4, 2004) forex trading statement by Standard Chartered Bank

Sell			Buy		
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
60.8500	60.9000	USD	59.5550	59.3801	59.3090
82.8899	82.9580	EUR	79.2201	78.9874	78.8928
119.2903	119.3884	GBP	114.8459	114.5085	114.3715
48.5948	48.6347	AUD	45.6549	45.5208	45.4663
0.6040	0.6045	JPY	0.5780	0.5763	0.5756
54.2964	54.3410	CHF	52.1178	51.9647	51.9025
9.1913	9.1988	SEK	8.4530	8.4282	8.4181
51.5372	51.5796	CAD	49.5178	49.3723	49.3132
7.8400	7.8464	HKD	7.6549	7.6324	7.6233
37.4185	37.4493	SGD	36.2213	36.1149	36.0716
16.7028	16.7165	AED	16.0846	16.0374	16.0182
16.3562	16.3696	SAR	15.7557	15.7094	15.6906
11.5399	11.5494	DKK	10.3215	10.2912	10.2789
207.1842	207.3544	KWD	194.1800	193.6096	193.3779

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
44.13	59.43	104.65	39.090	6.0643	0.7707	3.80

Local Interbank FX Trading

Local interbank FX market was subdued on Saturday. Dollar remained unchanged against Bangladeshi taka.

Local Money Market

Money market was active. Call money rate was unchanged and ranged between 2.00 and 2.50 percent.

International Market

International market was closed on Saturday due to weekend. Before closing in New York on Friday, US dollar fell against major currencies to reach new record low.

This memorandum is issued by Standard Chartered Bank and is based on or derived from information generally available to the public from sources believed to be reliable. While all reasonable care has been taken in its preparation no responsibility or liability is accepted for errors of fact or any opinion expressed herein.

ReadyCash Raffle Draw Winners

The latest ReadyCash Raffle draw was held at ReadyCash Bangladesh office at Dhanmondi in Dhaka on Thursday, says a press release.

Prizes	Name of Winners	Card No
Sentra Travels and Tours Free Dhaka Cox's Bazaar Biman Ticket	A.N.M Ahid	5047980000004540
System Information Technology free Computer learning Course	Md. Reazul Islam	5047980000018523
Drik. net free 100 hours Browsing	Md. Tahamul Hossain	5047980000048493
You and Eye free Eye Test and Glass	Dr. Shamsun Nahar	5047980000052492
FedEx fee Shipment	Md. Azharul Haque	5047980000011898
FedEx free Shipment	Salahuddin Mohammad	5047980000046662
FedEx free Shipment	Qamrul Islam Madani	5047980000048385
FedEx free Shipment	Shafi Ahmed Mithu	5047980000048901
Florence Food Free Gift Box	Dr. M Maksumul Haq	5047980000049087
Florence Food Free Gift Box	Rubayat Ahsan	5047980000054593
Florence Food Free Gift Box	A.Mahbub Alam	5047981000010274
Florence Food Free Gift Box	Kazi Mahmud Hossain	5047981000043601

Winners can collect their prizes from the Executive, Promotion of ReadyCash within 30 days of this news circulation. ReadyCash encourages its cardholders to read The Daily Star and the Daily Prothom Alo on every Sunday for a new listing of card winner or call our Customer Service at:8125294-7, 8130497 and 8123850.

STOCK

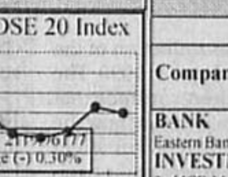
TODAY'S TRADED ISSUES December 04, 2004

Day's Market - December 04, 2004

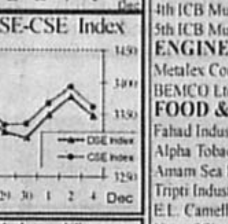
Indicators	DSE	CSE
General / All Share Price Index	1,897.70269	3,361.7843
Change in Price Index	-0.97606%	-0.929790%
Total Turnover (Taka)	331,626,145.85	81,828,343.00
Total Turnover (Volume)	2,806,330	1,073,510
Number of Contract	11,070	2,802
Total Traded Issues	183	81
No. of Issue Gain	63	32
No. of Issue Loss	110	45
No. of Unchanged Issue	10	4
Market Cap. (Taka)	211,241,745,164	201,302,398,961
Market Cap. (US$)	3,642,099,055	3,470,731,017
Total No. of Listed Securities	255	198
Total No. of Listed Companies	236	185
Total No. of Listed Mutual Fund	11	11
Total No. of Listed Debenture	8	2
Total No. of Share & Debenture	525,329,810	414,612,267
Total Issued Capital	48,345,894,860	45,737,339,090
Price Earning Ratio	17.82	18.12
Earning Per Share (%)	28.28	27.36

CSE -30 Index 3331.8565 Change (-) 0.59%

7 days DSE 20 Index

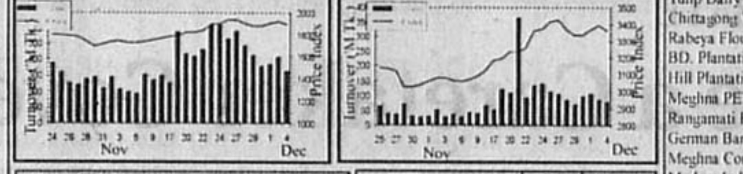


7 days DSE-CSE Index



DSE : Last 30 Days'Price Index and Turnover

CSE: Last 30 Days'Price Index and Turnover



Turnover Leaders

Company	Vol (share)	Value ('000Tk)	% Of Total
Dhaka Stock Exchange			
Export Import Bank	58,050	39,295	11.85
Beximco Pharma	301,455	25,470	7.68
Southeast Bank Ltd.	35,561	21,188	6.39
Mercantile Bank Ltd.	39,824	21,170	6.38
One Bank Ltd.	31,564	13,781	4.16
Square Pharma	3,248	13,174	3.97
Bank Asia Ltd.	16,600	12,031	3.63
Lafarge Surma Cement	27,300	10,142	3.06
Square Textile	81,813	10,068	3.04
N C C Bank Ltd.	20,900	9,676	2.92
Chittagong Stock Exchange			
Lafarge Surma Cement	32,200	11,954	14.61
Beximco Pharma	113,610	9,578	11.71
Export Import Bank	10,100	6,846	8.37
One Bank Ltd.	15,550	6,744	8.24
ISN Ltd.	262,500	5,822	7.12
Bangladesh Online Ltd.	79,500	4,617	5.64
Padma Textile Mills Ltd.	133,000	4,164	5.09
Southeast Bank Ltd.	5,898	3,499	4.28
Bank Asia Ltd.	4,550	3,301	4.03
Square Pharma	755	3,076	3.76

Capital Gainers

Company	Price (+/-%)	Turnover ('000 Tk.)
Dhaka Stock Exchange		
Bangladesh Lamps Ltd.	9.95	2,664.46
Sajib Knitwear Ltd.	8.33	5.20
Rahima Food Corp.	7.94	1.70
Pharma Aids	7.40	10.99
Gemini Sea Food Ltd.	7.12	2.95
Chittagong Stock Exchange		
Samata Leather	13.82	7.83
Monno Ceramic Ltd.	9.67	112.19
Dutch Bangla Bank Ltd.	5.97	20.35
Dhaka Bank Ltd.	5.55	91.88
Olympic Industries Ltd.	3.93	42.61

Capital Losers

Company	Price (+/-%)	Turnover ('000 Tk.)
Dhaka Stock Exchange		
Raspit Data Management	-12.50	54.81
Al Amin Chemical	-12.31	5.70
Gulf Foods Ltd.	-10.64	22.75
M. Hossain Garments	-8.04	0.68
Northern Jute Ltd.	-7.48	7.80
Chittagong Stock Exchange		
Aziz Pipes Ltd.	-18.75	3.25
Raspit Inc (bd) Ltd.	-11.25	45.80
Usmania Glass	-9.96	10.85
Apex Foods Ltd.	-6.64	7.50
Rose Heaven Ball Pen	-5.23	2.90

Book Closer/AGM/Dividend/IPO

Non Traded Issues

Note: Capital Gainer and Loser tables are prepared on the basis of the average price change of traded issues. In the trade table price change is calculated between closing prices.