

Chinese textiles set to gain from zero quota; workers may lose

AFP, China

The Lida Silk Fashion factory stands out from the rest of the dreary industrial buildings in the Nanyou Chuangye trade zone in southern China's Shenzhen boomtown.

While piles of rubbish and general neglect spoil other workshops, this manufacturing plant in the core of China's economic heartland is clean and tidy.

Inside the brightly-lit building, some 200 workers have their heads down at sewing machines, contently making thousands of linen shirts for some of the world's best-known brand names.

According to general manager Shen Junying, the fruits of a booming economy are obvious to her staff: their salaries are rising, work conditions are improving and foreign investment is flooding in.

"We have to pay higher salaries than before and also provide benefits to our workers because the foreign companies set certain standards for us to protect the workers and provide them with more comfortable working conditions," she said.

It's doubtless a situation witnessed in many of the 3,000 garment plants that cram the city that sits on the Chinese border with Hong Kong.

Times are good for textile firms here and are only likely to get better when a decades-old quota system is lifted from the world market in January with analysts predicting orders for China's low-cost, high-quality products will soar.

With the end of the Multi-Fibre Arrangement, China is expected to dominate the textile industry and, with its lower labour costs, steal massive numbers of jobs in the industry worldwide.

But behind these predictions of future wealth lurks some unsettling aspects of China's economic boom.

According to rights activists,

many garment workers are putting in 14-hour days for a pittance -- as little as 1,000 yuan (120 US dollars) a month.

"Workers in China have to be very flexible, are required to work fast, work long hours and at a low wages," said Manina Wong, research coordinator for Hong Kong Christian Industrial Committee, which monitors worker conditions in China.

"Although the labour law sets a minimum wage and limited work hours and companies are required to pay overtime, no one would be able to afford it."



Hamidul Huq, managing director of United Commercial Bank Ltd, speaks at the inaugural session of a daylong workshop on 'Credit Risk Management' in Dhaka Wednesday. Niaz Habib, deputy managing director, MS Kamal Uddin, executive vice-president, and Chandan Sengupta, vice-president of the bank, were also present.

CURRENCY

Table with columns: Sell, Buy, TT/OD, BC, Currency, TT Clean, OD Sight Doc, OD Transfer. Lists various currencies and their exchange rates.

Exchange rates of some currencies against US dollar

Table with columns: Indian rupee, Pak rupee, Lankan rupee, Thai baht, Nor kronner, NZ dollar, Malaysian ringgit. Shows exchange rates against the US dollar.

Local Interbank FX Trading

The local interbank FX market was active on Monday. Dollar closed slightly weaker against Bangladeshi taka.

Local Money Market

Money market was active. Call money rate was unchanged and ranged between 7.00 and 8.00 per cent.

International Market

The dollar edged up against the yen in thin trade on Monday, although much of the momentum from the last week's gains was lost as the market saw no

end to the US currency's weakening trend. The euro rose slightly against the dollar backed by surprise upswing in German IFO institute's business climate index.

As the US current account deficit has ballooned to 5.6 per cent of the size of the US economy, pressure has grown on the dollar on the view that a weaker US currency is necessary to fix the gap and the weakness in persistent well into 2005.

However, outlook for higher US interest rates could help attract funds to the US dollar denominated assets to counter the weakness to some extent.

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Prof Wahiduddin Mahmud inaugurates a new branch of Prime Bank Ltd yesterday at Shyamoli, Dhaka. M Shahjahan Bhuiyan, managing director, Azam J Chowdhury, chairman, Ferdousi Islam and Saheda Parvin Trisha, directors of the bank, and Prof Emaz Uddin Ahmad, former vice-chancellor of Dhaka University, were also present.



Sumit Arora, regional manager (International Operations) of YUM! Restaurants International, hands over 'Restaurant Excellence Award' to Akku Chowdhury, head of Operations of Pizza Hut, at Gulshan in Dhaka Thursday. Latifur Rahman, chairman & MD, and Saifur Rahman, director of Transcom Foods Limited, were also present.

Baikal wins Yukos auction

REUTERS, Moscow

Baikal Finance Group, an unknown company, won an auction for Russian oil company's Yukos's core asset yesterday with a \$9.4 billion bid and analysts said whomever was behind the bid enjoyed Kremlin favour.

Gazprom, which had been favoured to win but was outbid, declared it had no links to Baikal. Analysts still believed the state-controlled gas giant or other state interests may have had a hand in the winning bid for Yuganskneftegaz.

Yukos is widely seen by analysts as the victim of a Kremlin campaign to crush its politically ambitious owner, Mikhail Khodorkovsky, and seize control of strategic sectors of the economy sold off in the chaotic privatizations of the 1990s.

Khodorkovsky is now on trial for fraud and tax evasion and faces 10 years in jail if convicted.

Baikal, named after a huge Siberian freshwater lake in the heartland of Russia's oil industry, bid 260.75 billion rubles (\$9.4 billion) for Yuganskneftegaz, said the sale's organizer, the Federal Property Fund.

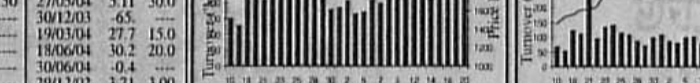
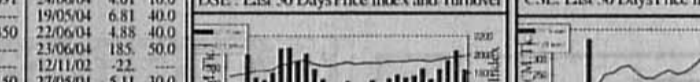
Under Russian law the government can order a new auction or seize Yukos in lieu of unpaid taxes if Baikal fails to pay the full amount it has bid within 14 days.

Large table titled 'TODAY'S TRADED ISSUES December 20, 2004'. It contains multiple columns for company names, DSE (Dhaka Stock Exchange) prices, CSE (Chittagong Stock Exchange) prices, and financial performance metrics like EPS and DPS.

STOCK

Day's Market - December 20, 2004

Table showing market indicators: General/All Share Price Index, Change in Price Index, Total Turnover (Taka), Total Turnover (Volume), Number of Contracts, Total Traded Issues, No. of Issue Lots (Avg. Price Basis), No. of Unchanged Issue (Avg. Price Basis), Market Cap (Taka), Market Cap (US\$), Total No. of Listed Securities, Total No. of Listed Companies, Total No. of Listed Debenture, Total No. of Share & Debenture, Total Issued Capital, Price Earning Ratio, Earning Per Share (%).



Turnover Leaders

Table listing turnover leaders for Dhaka Stock Exchange and Chittagong Stock Exchange, including company names, volume, and value.

Capital Gainers

Table listing capital gainers for Dhaka Stock Exchange and Chittagong Stock Exchange, including company names and percentage gains.

Capital Losers

Table listing capital losers for Dhaka Stock Exchange and Chittagong Stock Exchange, including company names and percentage losses.

Book Closer/AGM/Dividend/IPO

Table listing companies with upcoming events: Book Closer, Dividend, AGM, Date, Venue, and IPO details.

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 20/12/2004

Table showing berthing position and performance of vessels at Chittagong Port, including vessel name, cargo, port of call, local agent, arrival/departure dates, and import/discharge.

Vessels due at outer anchorage

Table listing vessels due at outer anchorage, including vessel name, date of arrival, port of call, local agent, type of cargo, and loading ports.

Tanker due

Table listing tankers due, including vessel name, date of arrival, port of call, local agent, and cargo type.

Vessels at Kutubdia

Table listing vessels at Kutubdia, including vessel name, cargo, last port call, local agent, and date of arrival.

Outside port limit

Table listing vessels outside port limit, including vessel name, cargo, port of call, local agent, and date of arrival.

Vessels at outer anchorage

Table listing vessels at outer anchorage, including vessel name, cargo, port of call, local agent, and date of arrival.

Vessels ready

Table listing vessels ready, including vessel name, cargo, port of call, local agent, and date of arrival.

Vessels not ready

Table listing vessels not ready, including vessel name, cargo, port of call, local agent, and date of arrival.

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

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