

Asialives in fear and hope as textile quotas end

REUTERS, Phnom Penh/Dhaka

The coming free-for-all in the global textile market is already a too real for thousands of young Cambodian women like Sok Kim. "I showed up at the factory this morning, but there was no work for me so I came back home," Kim said.

The reason there was no work is that overseas buyers are shifting their business to bigger, cheaper or higher-quality producers, mainly in China, that will be able to sell as much as they can to North America and Europe once a decades-old system of export quotas is scrapped at the end of the year.

The ensuring competition should slash prices for western consumers by 20-30 percent but could spell economic disaster for countries like Cambodia that have used the guaranteed access that quotas provided to build up huge garment industries.

Cambodia's garment sector employs 300,000 workers, mostly young women like Kim, who earn about \$45 a month.

Clothes are the poor southeast Asia country's biggest earner, accounting for 80 percent of its \$1.4 billion in annual exports, and the International Monetary Fund forecasts that the abolition of quotas could reduce its annual economic growth to below 2 percent from above 5 percent in recent years.

The picture is just as grim in Bangladesh, where some 3,500 garment factories employ 1.8 million workers, more than 80 percent of

them women, and bring in 75 percent of the country's export earnings.

Anisul Huq, president of the Bangladesh Garment Manufacturers and Exporters Association, fears a third of smaller factories will go bust, throwing 200,000 to 300,000 people out of work.

The shadows cast by the end of quotas are more than economic. In conservative Muslim Bangladesh, young women factory workers risk ostracism if they return to their villages.

"Going back to their rural bases would leave many of them without food and shelter again," said Kutubuddin Ahmed, a leading exporter. "But staying back in the towns could mean they would have to walk the streets for a living."

With the clock ticking, Cambodia is appealing to the conscience of western consumers by stressing its compliance with International Labour Organisation standards.

"We are also improving trade facilities to lower costs and cutting raw tape to keep the industry afloat," said Commerce Minister Cham Prasith.

In Bangladesh, bigger firms have been strengthening their finances and shortening their supply lines so they can get their goods to market more quickly. The government chipped in on Monday, reducing the number of stamps of approval that exporters must obtain to six from 38.

Bangladesh and others will need all the help they can get. The World Trade Organisation expects China will eventually grab half of all US

clothing imports, up from 15 percent in 2002.

"When quotas are removed next month, there'll be this great sucking sound and all the Chinese textiles are going to flood the US market -- and if it's not China, then it'll be Vietnam or whoever is the most efficient producer," said Arjuna Mahendran, Chief Asia-Pacific Economist at Credit Suisse in Singapore.

India, which employs nearly 35 million textile workers, also expects to gain handsomely from the end of quotas.

The government is looking to companies such as Welspun India, the world's fifth-largest terry towel maker, to help it meet its goal of boosting textile exports to \$50 billion a year by 2010 from about \$11 billion now.

Based in Ahmedabad, Welspun is more than doubling its manufacturing capacity in western India to take advantage of the new market opportunities.

The mood is also bullish for firms south in Tirupur, another big Indian textile town, where new glass and chrome buildings are springing up in anticipation of booming business.

"We have been waiting for the end of the quotas for so many years. It is a dream come true," said George Frank, an English-language graduate turned textile entrepreneur.

In contrast to Phnom Penh or Dhaka, where worry is the watchword of every textile worker, the end of global quotas is a beacon of hope for the ordinary people of Tirupur.

Yukos heads back to US courts

AFP, Chicago

US lawyers for the Russian oil giant Yukos will be back in a Texas bankruptcy court Wednesday, seeking further remedies to prevent the dissolution of the beleaguered company.

The embattled oil producer may have been blindsided by the outcome of an auction of its main chief asset in Moscow this past weekend, but officials insist they are not finished yet.

"We believe the auction was illegal, and we intend to pursue all legal recourses available to us," said Yukos spokesman Mike Lake late Tuesday.

The Russian government sold off Yukos Oil's core production unit Sunday to a little-known Russian firm, BaikalFinansGroup, for 9.3 billion dollars, ignoring a US court order blocking the sale.

But many observers in Russia believe the mysterious entity is merely a shell company -- a front for Russia's state-controlled gas monopoly, Gazprom, which will probably buy the Siberian production unit from BaikalFinansGroup down the line.

EU upholds sanctions against Microsoft

AFP, Brussels

A European Union court Wednesday upheld product curbs and a record fine levied by the EU's executive commission against software giant Microsoft for abusing its market dominance.

But Microsoft took heart from a statement by the Court of First Instance, the EU's second-highest court, that it had a "prima facie" case against the European Commission.

"I remain optimistic that we will prevail at the end of this process," Brad Smith, chief legal counsel for Microsoft, told reporters in a conference call.



PHOTO: DAFODIL

Managing Director of Daffodil Computers Ltd Md Sabur Khan (L) and Managing Director of Pensonic, Malaysia Dixon Chew (R) sign a partnership agreement on Saturday in Dhaka on behalf of their organisations. Under the deal, Pensonic will develop market for its electrical home appliances in Bangladesh and set up a manufacturing plant.

CURRENCY

Following is Wednesday's (December 22, 2004) forex trading statement by Standard Chartered Bank					
Sell	Buy				
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
61.2000	61.2500	USD	60.2500	60.0780	60.0061
82.5098	82.5773	EUR	79.7475	79.5133	79.4181
118.7831	118.8801	GBP	115.4546	115.1155	114.9777
47.5585	47.5974	AUD	45.3479	45.2147	45.1605
0.9593	0.9598	JPY	0.5735	0.5718	0.5712
53.6701	53.7139	CHF	51.6501	51.4984	51.4387
9.5180	9.5258	SEK	8.4551	8.4302	8.4201
50.3289	50.3701	CAD	48.6123	48.4696	48.4115
7.8733	7.8797	HKD	7.7362	7.7135	7.7043
37.4793	37.5100	SGD	36.5558	36.4485	36.4048
16.8007	16.8145	AED	16.2750	16.2272	16.2078
16.4458	16.4633	SAR	15.9405	15.8937	15.8748
11.5056	11.5190	DKK	10.3668	10.3364	10.3240
208.3050	208.4752	KWD	197.1695	196.5904	196.3551

Exchange rates of some currencies against US dollar					
Indian rupee	Pak rupee	Lankan rupee	Thai baht	Norwegian	NZ dollar
43.74	59.7	104.97	39.035	6.1668	0.7620
					Malaysian ringgit
					3.80

Local Interbank FX Trading

Local interbank FX market was active on Wednesday. Dollar closed stronger against Bangladeshi taka.

Local Money Market

Money market was active. Call money rate remained in the same range today at 4.50-5.50.

International Market

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.



PHOTO: GRAMEENPHONE

Mahbubul Anam, managing director of Expolanka Bangladesh Ltd, an international aviation and tourism business group, and Mehboob Chowdhury, director (Sales & Marketing and Customer Relations) of GrameenPhone Ltd, sign a deal on behalf of their organisations in Dhaka recently. Under the deal, Expolanka has become a corporate client of GP.

STOCK

TODAY'S TRADED ISSUES December 22, 2004

DSE					CSE					Financial Performance					DSE					CSE				
Company	FV/MV (Tk./N)	Closing	Price Chg (%)	Turnover Share	Company	FV/MV (Tk./N)	Closing	Price Chg (%)	Turnover Share	AGM	EPS (Tk.)	CPD (%)	Company	FV/MV (Tk./N)	Closing	Price Chg (%)	Turnover Share	Company	FV/MV (Tk./N)	Closing	Price Chg (%)	Turnover Share		
BANK																								
AB Bank Ltd.	100/5	377.25	-2.20	385.75	2928	383.75	-1.67	390.25	635	279093	4.79	---	Apex Weaving & Finis.	100/50	50.25	-2.43	51.50	1750	50.00	1.52	49.25			
City Bank Ltd.	100/5	817.75	-1.42	829.00	1420	828.00	0.00	Not Traded	---	280403	5.56	---	Sonargang Textiles Ltd.	100/50	83.00	0.00	83.00	150	91.00	Not Traded	---			
IFIC Bank Ltd.	100/5	398.00	-2.45	408.00	810	460.00	-1.08	465.00	10	1071204	15.8	---	Beximco Textiles Ltd.	100/50	66.75	-0.40	69.75	430	66.25	-6.9	71.00			
Islami Bank BD Ltd.	100/5	4806.00	-1.93	4900.00	876	4834.00	-1.35	4900.00	80	17099162	16.2	---	Beximco Denims Ltd.	100/50	98.00	-5.54	103.75	8500	100.00	-1.96	102.00			
National Bank Ltd.	100/5	464.40	-1.63	482.00	6100	489.00	0.00	489.00	1760	1909094	17.0	---	Prime Textile Ltd.	100/50	62.00	-4.26	64.75	6550	62.00	Not Traded	---			
Pubali Bank Ltd.	100/5	1240.00	-1.40	1290.75	1100	1346.25	0.00	1346.25	1760	1409504	16.9	---	Chic Text Ltd.	100/50	139.00	-3.67	144.50	108900	139.20	-3.87	144.50			
Rupali Bank Ltd.	100/10	649.75	-3.15	685.00	950	658.00	-4.50	689.00	5430	---	28.6	---	Mamun Textiles Ltd.	100/50	75.75	-2.38	78.00	7200	76.00	0.00	76.00			
UCBL	100/5	210.75	-1.30	226.75	855	1194.00	-0.91	1205.00	130	1505999	15.6	---	Alltex Industries Ltd.	100/50	76.25	-5.80	81.00	3850	80.00	-6.98	86.00			
Uttara Bank Ltd.	100/5	2293.00	-2.84	2360.00	1086	2400.00	0.00	Not Traded	---	1406064	19.2	---	Anilima Yarn & Dyeing	100/50	70.00	-4.11	73.00	150	68.75	Not Traded	---			
LDLC Ltd.	100/5	1247.75	-2.33	1277.75	120	1400.00	0.00	Not Traded	---	260504	77.5	---	H.R. Textile Ltd.	100/50	69.75	-1.09	69.00	1300	65.00	Not Traded	---			
United Leasing Co. Ltd.	100/5	989.25	-3.99	1051.00	380	---	---	---	---	260404	152.55	---	Sougar Textiles Ltd.	100/50	139.00	-3.67	144.50	108900	139.20	-3.87	144.50			
Uttara Finance and Invs.	100/5	1019.75	-7.02	1096.75	1400	1061.00	0.00	Not Traded	---	050504	83.5	---	Metro Spinning Ltd.	100/50	13.10	-8.48	16.00	3000	13.10	-6.47	14.00			
AI Arafa Islami Bank	100/5	3306.25	-1.31	3350.25	312	3400.00	0.00	Not Traded	---	190504	21.6	---	Beximco Synthetics Ltd.	100/20	148.00	-4.21	154.50	11442	150.00	-2.91	154.50			
Prime Bank Ltd.	100/5	728.25	-3.29	753.00	12085	730.00	-3.33	759.00	450	160504	36.1	---	PHARMA & CHEM.											
Southeast Bank Ltd.	100/5	630.00	-3.41	666.00	4371	629.25	-5.32	666.00	7872	2909094	37.8	---	Amber Pharma Ltd.	100/50	65.80	-4.64	69.00	3750	70.60	Not Traded	---			
Bank Asia Ltd.	100/5	800.00	-3.00	832.50	6500	810.00	0.00	Not Traded	---	270504	40.5	---	Amul Chemicals Ltd.	100/50	93.00	-4.86	69.00	2020	94.00	-5.05	94.00			
NCC Bank Ltd.	100/5	525.25	-3.62	545.00	15400	519.25	-3.53	538.25	430	250704	12.1	---	GlaXSKG (BD) Ltd.	100/50	170.00	-5.56	180.00	200	---	Not Listed	---			
Standard Bank Ltd.	100/5	717.75	-0.29	727.00	110	---	---	---	---	020604	33.1	---	ACI Limited	100/50	93.50	-4.18	98.00	31950	92.90	-4.91	97.70			
Dutch-Bangla Bank Ltd.	100/5	820.00	0.00	820.00	1	2000.00	0.00	Not Traded	---	210304	10.1	---	Renata Ltd.	100/50	315.00	-0.17	321.00	25	---	Not Listed	---			
Middle Finance Ltd.	100/5	94.75	-2.95	406.75	530	403.25	0.00	Not Traded	---	290604	6.71	---	Reckitt Benckiser (Bd) Ltd.	100/50	150.00	-0.30	151.20	700	125.10	0.00	125.10			
Mutual Trust Bank Ltd.	100/5	561.25	-4.39	587.00	19800	564.75	-3.91	587.75	2510	140504	26.4	---	Pharma Asia Ltd.	100/50	219.00	0.00	---	40	---	Not Listed	---			
First Lease Int. Ltd.	100/5	512.25	-1.41	519.75	8750	507.25	-2.59	521.25	2000	100604	19.5	---	Kolihonoh Chemical	100/50	53.00	0.00	53.00	250	0.00	Not Traded	---			
Standard Bank Ltd.	100/5	458.00	-2.76	470.00	14710	463.00	-1.49	470.00	1246	090604	20.6	---	The Ibn Sina	100/50	781.50	-1.54	793.75	180	800.00	Not Traded	---			
One Bank Ltd.	100/5	467.25	8.10	412.25	1590	505.00	0.00	400.00	070604	13.1	---	BCCL Chemicals	100/50	20.00	-2.44	20.50	900	---	Not Listed	---				
Bank Asia Ltd.	100/5	716.25	-2.33	733.50	900	710.25	-4.41	741.00	330	280604	29.0	---	Regal Chemicals	100/50	19.00	-3.90	20.00	24	24.00	Not Traded	---			
Mercantile Bank Ltd.	100/5	528.50	-3.25	546.25	21652	530.25	-2.75	545.25	4900	140604	27.0	---	Water Chemicals Ltd.	100/20	196.00	-2.37	200.75	600	240.00	Not Traded	---			
Export Import Bank	100/5	752.75	-4.17	785.50	43000	755.75	-3.63	784.25	4800	---	17.4	---	Beximco Infusions Ltd.	100/50	533.75	8.10	493.75	9880	473.25	Not Traded	---			
INVESTMENT																								
ICB Mutual Fund	100/10	374.50	0.00	374.50	20	350.00	0.00	Not Traded	---	120803	15.4	---	National Polymer Ltd.	100/10	243.50	-2.50	249.75	100	261.00	Not Traded	---			
6th ICB Mutual Fund	100/10	210.00	-0.12	210.25	50	220.00	0.00	Not Traded	---	120803	14.8	---	Libra Infusions Ltd.	100/20	67.50	-3.66	69.00	400	57.00	Not Traded	---			
7th ICB Mutual Fund	100/10	225.00	0.00	225.25	500	214.50	0.00	Not Traded	---	120803	14.6	---	Orion Infusions Ltd.	100/20	144.00	-0.70	145.00	20500	---	Not Traded	---			
8th ICB Mutual Fund	100/10	208.25	0.00	208.25	450	208.00	0.00	Not Traded	---	120803	10.8	---	Purane Chemical	100/20	3865.25	-3.22	3953.50	3234	3900.25	-1.81	3972.00			
1st BSR Mutual Fund	100/10	106.00	-0.24	106.25	300	107.00	0.00	Not Traded	---	120803	5.84	---	Square Pharma	100/50	33.25	-3.62	34.50	350	27.00	Not Traded	---			
AIMS First	120/500	1.33	-2.21	1.36	432500	1.35	-1.46	1.37	157500	01/11/01	10.0	---	Keya Cosmetics Ltd.	100/50	24.60	-3.13	25.40	45000	23.60	-5.98	25.10			
ICB AMCF First Mutual Fund	100/5255	50.106	258.25	1550	225.00	0.00	Not Traded	---	---	170804	14.9	---	Libra Infusions Ltd.	100/20	147.50	-5.77	156.00	35000	143.00	-10.06	155.00			
ENGINEERING																								
Akash Automobiles Ltd.	100/5	628.25	-2.03	641.25	1412	615.25	-3.37	638.00	130	131203	87.7	---	Paper Processing Ltd.	100/10	14.30	-6.45	15.50	1610	---	Not Listed	---			
Acra Pipes Ltd.	100/5	61.00	-1.30	64.75	1330	60.25	0.00	Not Traded	---	290604	-1.81	---	Shinepaper Holdings	100/50	44.25	-6.84	47.50	79650	43.00	-7.69	48.75			
Olympic Industries Ltd.	100/50	240.25	-2.24	245.75	16415	249.00	0.00	Not Traded	---	240203	67.3	---	Central Hospital Ltd.	100/50	291.00	-9.91	323.00	50	310.00	Not Traded	---			
Bangladesh Lamps Ltd.	100/5	260.75	-1.97	266.00	5030	264.00	-0.38	265.00	120	240604	11.1	---	Eastern Housing Ltd.	100/20	102.50	-1.91	132.25	3800	130.00	-2.62	133.50			
Eastern Cables Ltd.	100/5	163.25	-1.11	168.20	450	169.75	0.00	Not Traded	---	100504	17.7	---	MISCELLANEOUS											
Remtek Bangladesh Ltd.	100/5	348.10	-3.30	363.30	1800	340.00	0.00	Not Traded	---	231203	28.6	---	Daffodil Computers Ltd.	100/50	---	---	Not Listed	---	8.30	2.35	8.50			
Atlas Bangladesh Ltd.	100/5	48.50	-6.28	51.75	300	21.00	0.00	Not Traded	---	241203	20.8	---	Apar Textures Ltd.	100/50	326.00	---	Not Listed	---	31.10	-6.61	335.00			
BD. Autocars Ltd.	100/5	20.90	-5.43	22.10	67000	22.00	-3.51	22.80	8500	171203	10.1	---	Apar Textures Ltd.	100/50	72.90	-1.56	77.70	1500	75.00	0.00	75.00			
Quasem Drywall Ltd.	100/5	115.50	-8.33	126.00	295	---	---	---	---	171203	-10.1	---	Bata Shoe Ltd.	100/198	198.00	-0.60	199.20	2400	215.00	Not Traded	---			
Remtek Bangladesh Ltd.	100/5	348.10	-3.30	363.30	1800	340.00	0.00	Not Traded	---	231203	77.5	---	GO Ball Pen Inds. Ltd.	100/50	104.20	-1.98	106.30	3900	105.10	Not Traded	---			
Atlas Bangladesh Ltd.	100/5	48.50	-6.28	51.75	300	21.00	0.00	Not Traded	---	241203	20.8	---	Moonen Ceramics Ltd.	100/50	344.75	-2.34	353.00	705	342.50	Not Traded	---			
BD. Autocars Ltd.	100/5	20.90	-5.43	22.10	67000	22.00	-3.51	22.80	8500	171203	10.1	---	BD Laminates Ltd.	100/50	20.00	-1.00	20.50	100	20.00	Not Traded	---			
Quasem Drywall Ltd.	100/5	115.50	-8.33	126.00	295	---	---	---	---	171203	-10.1	---	BEXIMCO Ltd.	100/100	54.00	-7.50	58.70	29000	20.00	Not Traded	---			
Remtek Bangladesh Ltd.	100/5	348.10	-3.30	363.30	1800	340.00	0.00	Not Traded	---	231203	77.5	---	Heidelberg Cement BD	100/100	1133.00	-4.12	1183.75	4868	1183.00	-3.68	1181.50			
Atlas Bangladesh Ltd.	100/5	48.50	-6.28	51.75	300	21.00	0.00	Not Traded	---	241203	20.8	---	Apar Footwear Ltd.	100/50	50.025	-3.13	56.00	3880	57.00	Not Traded	---			
BD. Autocars Ltd.	100/5	20.90	-5.43	22.10	67000	22.00	-3.51	22.80	8500	171203	10.1	---	Confidence Cement	100/20	162.50	-3.42	168.25	1635	165.00	Not Traded	---			
Quasem Drywall Ltd.	100/5	115.50	-8.33	126.00	295	---	---	---	---	171203	-10.1	---	Megha Cement	100/50	34.75	-1.00	35.00	1400	34.90	-1.7	35.00			
Remtek Bangladesh Ltd.	100/5	348.10	-3.30	363.30	1800	340.00	0.00	Not Traded	---	231203	77.5	---	Lexco Ltd.	100/10	128.25	-4.29	134.00	1620	162.00	Not Traded	---			
FOOD & ALLIED																								
Amam Sea Food Ltd.	100/5	120.00	-0.21	120.25	100	---	---	---	---	241203	-2.9	---	Bengal Fine Ceramic	100/50	98.50	-2.48	101.00	100	100.00	Not Traded	---			
Apar Foods Ltd.	100/5	717.75	-3.75	745.75	1405	780.00	0.00	Not Traded	---	230904	26.2	---	BD Laminates Ltd.	100/50	7.50	Not Traded	---	8.00	0.00	8.00				
Bangas	100/5	330.00	-3.47	331.50	80	334.75	Not Traded	---	---	311203	13.4	---	Standard Ceramic Ltd.	100/50	148.00	0.00	150.00	400	154.00	Not Traded	---			
BATFCL	100/5	1310.00	-6.00	1310.00	100	143.00	0.00	Not Traded	---	143.00	14.5	---	Amul Chemicals Ltd.	100/50	93.00	-4.86	69.00	2020	94.00	Not Traded	---			
National Tea Co. Ltd.	100/5	142.00	0.00	142.00	11650	140.30	-1.40	140.50	450	280604	14.5	---	Niley Cement Ind. Ltd.	100/50	72.00	-3.68	74.75	1400	73.25	Not Traded	---			
Zeal Bangla Sugar Mills	100/5	380.50	0.00	400	4500	---	---	---	---	280404	33.6	---	Rose Heaven Bat Pvt. Ltd.	100/50	3.00	3.45	2.90	15000	2.80	-6.67	3.00			
Remtek Bangladesh Ltd.	100/5	348.10	-3.30	363.30	1800	340.00	0.00	Not Traded	---	231203	77.5	---	Fu-wang Ceramic	100/50	100.75	-3.59	104.50	2800	106.50	-4.47	106.60			
Magpie Shrimp	100/20	1575.00																						