

## US, Central American countries add green provisions to FTA

AFP, Washington

The United States and Central American nations on Friday added provisions aimed at protecting the environment in a seven-nation free trade agreement.

Only El Salvador has ratified the Central American Free Trade Agreement (CAFTA) so far. Several opposition Democrats in the US

Congress are against the pact. Officials on Friday praised the additional agreement on environmental protection.

"It is a compromise reached in favor of the environment," said the Dominican Republic's ambassador to the United States, Flavio Espinal.

In addition to El Salvador and the United States, CAFTA includes

Costa Rica, Guatemala, Nicaragua and Honduras, and the Caribbean nation of the Dominican Republic.

The CAFTA-Dominican Republic area is a larger US export market than Russia, India and Indonesia combined, according to the US Trade Representative's office. The United States exports more than 15 billion dollars in goods to the region every year.

## Oil prices climb back over \$48

REUTERS, New York

Oil prices rose Friday bolstered by expectations of possible OPEC production cuts and reversing a slide in the previous session that was triggered by hefty stock builds in the United States.

But volumes were thin in a shortened trading session ahead of the US Presidents' Day holiday on Monday.

US light crude futures CLc1 settled up 81 cents to \$48.35 a barrel on the New York Mercantile Exchange. London Brent crude LCOc1 gained 52 cents to \$46.34 a barrel.

US crude this week touched a three-week high of \$48.65, but fell back on Thursday after news of a smaller decline in natural gas storage than expected added to the impact of big increases in US crude and gasoline inventories.

Crude stocks in the world's largest energy consumer are around 8.5 percent higher than last year, while gasoline stocks, up 7.4 percent, are at the highest level since 1999.



Regional/Branch Managers' Conference of Eastland Insurance Company Ltd, addresses the company's Regional/Branch Managers' Conference-2005 held on Wednesday in Dhaka. AKM Humayun Kabir (2-R), Moazzem Hossain (2-L), directors, and M Azmal Hoque (3-L), managing director, of the company are also seen.

## ECB ready to hold rates steady for now

REUTERS, Frankfurt

With growth patchy, the European Central Bank is ready to hold interest rates low a while longer, even as it keeps a wary eye on inflationary risks from cheap money, ECB policymakers said Friday.

In a series of interviews, central bankers from Germany, Italy and Greece gave no indication they were in any hurry to draw a close to almost two years of low rates.

ECB policymakers are voicing mounting concern that strong money and credit growth could fuel inflationary pressures in come asset markets in the future.

But several central bankers said this was a longer-term risk, and the immediate price outlook is favourable for inflation to fall below 2 percent this year.

"As long as this is our main scenario, vigilance is warranted. But I see no need for immediate action," Bundesbank President Axel Weber told Reuters in an interview.

Greece's national central bank president Nicholas Garganas likewise said high levels of excess liquidity have "always been a concern" for the ECB.

"But it's for the future not for

now," he said in an interview with AFX news agency. He forecast the ECB would achieve its price stability goal of inflation, now at 2.1 percent, falling just below 2 percent in the second or third quarter of this year.

"The Governing Council has underlined the risks and the need to be vigilant. (But) I don't think there will be any signals about monetary policy in the next few weeks other than the need to maintain vigilance about price stability," he said.

ECB Vice President Lucas Papademos and ECB Executive Board member Tommaso Padoa-Schioppa in interviews earlier in the week had discussed the risks from strong money and credit growth, spilling into financial markets and creating price pressures.

This had stirred market speculation that increased ECB rhetoric about excess liquidity signalled the ECB was preparing the ground for a rate hike, possibly by June.

Euribor debt futures fell over the week, pushing to over 30 percent the market pricing of chances for a rate hike by mid year, up from less than 30 percent the prior week. But technical factors also played a major role in that move.

## CURRENCY

Following is Saturday's (February 19, 2005) forex trading statement by Standard Chartered Bank.

Sell		Buy			
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
63.8000	63.8500	USD	62.5050	62.3214	62.2468
84.4776	84.5438	EUR	80.7627	80.5255	80.4291
121.9601	122.0557	GBP	117.4844	117.1393	116.9991
51.3845	51.4248	AUD	48.3414	48.1994	48.1417
0.6118	0.6123	JPY	0.5865	0.5847	0.5840
54.4136	54.4563	CHF	52.3273	52.1736	51.1112
9.1438	9.1510	SEK	8.4439	8.4191	8.4090
52.2351	52.2761	CAD	50.2694	50.1218	50.0618
8.1904	8.1968	HKD	8.0039	7.9804	7.9709
39.1291	39.1598	SGD	37.9163	37.8049	37.7597
17.5126	17.5263	AED	16.8809	16.8313	16.8112
17.1482	17.1617	SAR	16.5353	16.4867	16.4670
11.7241	11.7333	DKK	10.5213	10.4904	10.4779
219.3118	219.4837	KWD	205.6694	205.0653	204.8199

### Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
43.785	59.35	99.3	38.555	6.3445	0.7731	3.80

### Local Interbank FX Trading

Local interbank FX market was subdued as international markets were closed. Dollar was range bound against Bangladeshi taka in a thin trading day.

### Local Money Market

Money market was active. Call money rate came down a little and ranged between 5.00 and 6.00 percent.

### International Market

International market was closed on Saturday on account of weekend.

On Friday, dollar traded in a range as traders awaited next week's US inflation data. Market expects the Federal Reserve to get more aggressive in raising interest rate after the inflation data is released. Earlier in the week, US producer price index (PPI) came out much higher than expected but failed to give any solid support to the greenback.

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## ReadyCash Raffle Draw Winners

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

Prizes	Name of the Winner	Card No
Kamal General Store Free gift box	Md Badruzzaman	5047980000056290
Florence Food Free Gift Box	Rupom	5047980010033949
Pallabi Computers Free Internet Browsing	Md Mozammel Hoque	5047980010033931
Pabna Cloth Store free Gift Box	MAkram Hossain	5047980000056257

Winners can collect their prizes from the Executive, Promotion of ReadyCash within 30 days of this news circulation by producing their ReadyCash card transaction vouchers.

ReadyCash encourages its cardholders to read The Daily Star and the Daily Prothom Alo on every Sunday or call our Customer Service at: 8123850, 8130497, 8125294-7.



Chairman of Mutual Trust Bank Ltd Syed Manzur Elahi exchanges views with Bangladeshi expatriates at a function in Dubai during a recent visit of a four-member-delegation of the bank to the United Arab Emirates. At the function, he stressed the need to remit the earnings of the Bangladeshis through normal banking channels. Managing Director Mosharraf Hossain, Executive Vice-president AKM Shameem and Vice-president Khurshedul Alam were present at the function.



Officials of Dutch-Bangla Bank Ltd (DBBL) pose for photographs with the newly appointed officers at a training session in Dhaka on Wednesday. A total of 21 officers took part in the foundation training course inaugurated by DBBL Managing Director Md Yeasin Ali.

## Hyundai projects new image as elegant sedan maker

AFP, Seoul

Six years ago, US late-night talk show host Jay Leno compared Hyundai cars to luge sleds, saying you had to push to get them going and they only went downhill.

At the time the wheels were coming off the Korean carmaker's drive to break into the US market and take on top US, European and Japanese auto manufacturers.

The Leno jibe and a slump in sales triggered an ambitious rethink at Hyundai Motor headquarters in Seoul.

A program to improve quality was launched and five billion dollars earmarked in 1999 for developing new models.

The push to project its image as a maker of elegant and reliable sedans is now paying off.

Hyundai won the 2003 Global Automotive Shareholder Value Award presented by PriceWaterhouse Coopers and Automotive News.

## STOCK