

EU urges textile industry to adapt after China deal

AFP, Brussels

The European Union urged parts of its textile industry on Saturday to adapt to growing competition after the bloc won breathing space in a deal with China to limit imports of Chinese textiles.

The deal, reached in Shanghai after marathon negotiations between EU trade commissioner Peter Mandelson and Chinese Commerce Minister Bo Xilai, will see China limit the growth in exports of 10 categories of textile products.

industry to move up the value chain and to find its niche," said Mandelson's spokeswoman, Claude Veron-Reville.

"An important part of the industry has already adapted, another part of the industry needs an additional breathing space, an additional respite, and they will have to make use of it to adjust," she said.

The accord, which came amid a trade row caused by Chinese exports flooding into the continent after global textile quotas ended in January, does not affect other such products from China and runs for

three years.

However Veron-Reville warned that all bets would be off after 2008, when a special textiles safeguard in China's accession protocol with the World Trade Organisation (WTO) comes to an end.

"For the other products and for the year 2008, there will be no such limit, but there will be a mechanism for consultation between EU and China to address any concern that may arise," she said.

"Past the deadline of the end of 2008, it is all over."

The EU expressed satisfaction

with the deal, which limits export growth on the 10 products to between eight and 12.5 percent and came just as the bloc appeared ready to launch action against China at the WTO.

"With this wide and balanced agreement, the EU and China ensure a period of adjustment for EU producers, provide greater predictability for importers and retailers, and preserve the prize of market liberalisation and WTO membership for China," its executive arm, the European Commission, said in a statement.



PHOTO: EASTERN BANK

Kazi Mahmood Sattar, managing director and CEO of Eastern Bank Ltd, speaks at a press conference to announce a new loan scheme, Jiban Dhara Loan, of the bank in Dhaka Friday. Ali Reza Iftekhar, deputy managing director, and Mashrur Arefin, head of Consumer Banking of the bank, were also present.



PHOTO: THE ORIENTAL BANK

CM Koyes Sami, chairperson of SWIFT Member Group and managing director of The Oriental Bank Ltd, speaks at a meeting of the Executive Committee of the Group in Dhaka recently. M Nazrul Islam, joint vice chairperson of the Group and managing director of Jamuna Bank Ltd, and Syed Imtiaz Hasib, treasurer of the Group and deputy managing director of Southeast Bank Ltd, were also present at the meeting.



PHOTO: RENATA

SH Kabir (3-L), chairman of Renata Limited, presides over the 32nd annual general meeting (AGM) of the company on Wednesday in Dhaka. The AGM approved a 50 percent cash dividend and a 20 percent stock dividend for the year 2004.



PHOTO: IBN SINA PHARMACEUTICAL INDUSTRY

Mozibur Rahman, chairman of The Ibn Sina Pharmaceutical Industry Ltd, presides over the 21st annual general meeting (AGM) of the company on Friday in Gazipur. The AGM declared a 21 percent dividend for the year 2004.

Indian textile firms look to gain from China's woes

REUTERS, Bombay

Indian textile makers are raising money and pulling in foreign partners to ramp up production quickly after global quotas elapsed, moves gaining fresh impetus from China's trade dispute with the United States and Europe.

Soaring Chinese textile exports since the January 1 end of global quotas have prompted the United States to impose import limits and Europe to threaten caps. They say the Chinese export surge is disrupting their markets.

The growing concerns over China's exports have led some potential investors to look to India as an alternative.

"They see India as being capable of producing high-quality textile products, in addition to offering a large domestic market as well. Our partners picked us over China," said Gautam Singhania, managing director of Raymond Ltd, which has signed deals with two Italian firms in the last six months.

Rival Arvind Mills is investing \$28 million in a new garment unit and spent \$22 million on plants to make suits and trousers, formal shirts and denim wear.

G8 close to 'historic' debt relief deal

AFP, London

Group of Eight finance (G8) ministers were Saturday on the brink of sealing an "historic" deal to scrap multilateral debt totalling billions of dollars owed by the world's poorest countries.

Ministers have established the framework for a deal on debt, with finer details still to be agreed, participants told AFP.

"We are in the process of obtaining it (the deal)," a European source said.

"The most likely outcome is that we will conclude a deal today," the source added.

A Canadian spokesman said: "There seems to be a general agreement on the overall framework of an agreement. Details are subject to discussions." A source with the German delegation was also upbeat.

Group of Eight ministers were

aiming to hammer out a landmark deal that would forgive the crippling debt of the world's most impoverished nations, while also focusing on global economic concerns at the pre-G8 summit meeting.

"Growth is expected to remain robust, although at a more moderate pace, in 2005," according to an official statement from the finance chiefs.

"Challenges remain, especially persistent global imbalances and high and volatile oil prices," it added.

Chancellor of the Exchequer Gordon Brown, hosting the meeting in London ahead of next month's G8 summit in Scotland, said ministers were discussing a US-British deal to immediately write off 40 billion dollars (33 billion euros) of debt owed by 18 countries to the World Bank, the International Monetary Fund and the African Development Bank.

CURRENCY

Following is Saturday's (June 11, 2005) forex trading statement by Standard Chartered Bank

TT/OD	BC	Currency	Buy		
			TT Clean	OD Sight Doc	OD Transfer
64.4700	64.5000	USD	63.4500	63.4289	63.3866
79.2207	79.2576	EUR	75.9370	75.9116	75.8610
117.9155	117.9705	GBP	114.0197	113.9816	113.9056
50.1963	50.2197	AUD	47.3718	47.3560	47.3244
0.6011	0.6013	JPY	0.5791	0.5789	0.5786
51.2277	51.2515	CHF	49.5510	49.5344	49.5014
8.4547	8.4587	SEK	7.8817	7.8791	7.8738
52.0003	52.0245	CAD	50.2853	50.2685	50.2350
8.2992	8.3031	HKD	8.1477	8.1450	8.1395
38.9641	38.9822	SGD	37.7994	37.7868	37.7616
17.6960	17.7042	AED	17.1357	17.1300	17.1185
17.3283	17.3364	SAR	16.7853	16.7797	16.7685
10.9457	10.9508	DKK	9.9405	9.9372	9.9305
217.2337	217.3371	KWD	216.4682	216.4682	216.4682

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
43.51	59.695	99.94	40.695	6.4670	0.7595	3.80

Local Interbank FX Trading

Local interbank FX market was subdued on Saturday as international markets were closed. Dollar ended almost unchanged against Bangladeshi taka.

Local Money Market

Money market was active. Call money rate remained steady and ranged between 5 and 12 percent.

International Market

International markets were closed on Saturday.

Dollar hit a fresh 9-month high against the

euro on Friday supported by a narrower-than-expected US trade deficit. Moreover, comment from Federal Reserve Chairman Alan Greenspan that US economy was on a pretty strong footing was taken by dealers as a signal of further increases in interest rates. Rising interest rates and relatively solid US economic growth compared to Europe and Japan has helped the dollar to gain around 10% against euro and 11% against Swiss franc this year.

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 took place at ReadyCash Bangladesh office at Dhanmondi in Dhaka on Saturday, says a press release.

Prizes	Name of Winners	Card No
Kamal General Store Free gift box	Md Nurul Islam	5047980010034878
China Junction Chinese Restaurant	Kamruzzaman	5047980010033936
Free Lunch/Dinner for two		
Pallabi Computers Free Internet	Aminul Islam	5047980010034822
Browsing		
Pabna Cloth Store free Gift Box	Md Arifuzzaman	5047980010034810

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.

STOCK