

Oil prices surge above \$59 in Asian trade

AFP, Singapore

Oil prices rose further into record territory in Asian trade on Monday with the benchmark New York contract climbing past 59 dollars a barrel and looking likely to break through 60 dollars, dealers said.

At 3:50 pm (0750 GMT), New York's main contract, light sweet crude for July delivery, was at 59.05 dollars, up 58 cents from its all-time closing high of 58.47 dollars in the United States on Friday.

The contract hit a high of 59.18 dollars in early Asian trade Monday and analysts said 60 dollars was likely to be reached in the coming days.

"It certainly has the momentum and it looks like it has the will to get over it (60 dollars)," said Daniel Hynes, a commodities analyst with ANZ bank in Melbourne, Australia.

"There seems to be no stopping the upward trend at the moment. In the short term we can't really see anything that would bring prices back (down)."

Victor Shum, a Singapore-based analyst with US energy consultancy Purvin and Gertz agreed. "I think the market will want to test this 60-dollar psychological mark ... it is certainly within reach," he said.

Oil prices, which have been

climbing since the middle of last week, gained fresh momentum on Friday as the market focused on ongoing global supply worries amid a lack of refining capacity and security concerns in Opec-member Nigeria.

The July contract hit 58.60 dollars Friday, eclipsing the April 4 record of 58.28 dollars. Its eventual closing price of 58.47 dollars, the highest close on record, was up 1.89 dollars on the day.

Hynes said Monday's price rise was due to the same reasons that had driven last week's run, which were more to do with "perception" and fears of a supply shortages than

current fundamental factors.

"We are seeing inventory levels near the top end of the 15-year range which suggests there's plenty of production out there to meet demand," Hynes said.

"But the fact that there's little or no spare capacity to meet any jump in demand is continuing to drive prices up ... it's been driven by non-fundamentals for some time."

Shum said heavy hedge-fund buying had been behind the price rises amid a general concern that a lack of refining capacity will lead to shortages when the northern hemisphere winter hits towards the end of this year.



PHOTO: IDCOL

Salehuddin Ahmed (sitting third from left), governor of Bangladesh Bank, Christine I Wallich (sitting third from right), country director of The World Bank, Hua Du (sitting extreme left), officer-in-charge of Asian Development Bank, and M Fouzul Kabir Khan, chief executive officer of Infrastructure Development Company Ltd (IDCOL), pose for photographs at a function organised to award certificates to the participants of a training course on project finance in Dhaka recently.



PHOTO: BENCHMARK

Osman Morad, chief executive officer of Standard Chartered Bank, Bangladesh, rolls out a fast track wealth management service titled 'Excel Banking' at Gulshan branch in Dhaka Thursday. M Sajidur Rahman, head of Consumer Banking, Muklesur Rahman, head of Wealth Management, among other senior officials, were present at the function.



PHOTO: ACME AGROVET & BEVERAGE

Officials of the Acme Agrovet & Beverage Ltd pose for photographs at a function in Dhaka yesterday to mark the launch of the company's new product 'Acme Premium Drinking Water'. Chairman of Acme Group Nasir-ur-Rahman Sinha formally rolled out the product.



PHOTO: PARTEX

President of the International Club Sanjay Saldanha hands over a cheque for Tk 1.5 lakh to Sri Lankan Ambassador to Dhaka Gaminii Sarath Munasinghe for the tsunami victims of Sri Lanka at a function in Dhaka recently. Other officials of the club are also seen.

CURRENCY

Following is Monday's (June 20, 2005) forex trading statement by Standard Chartered Bank						
Sell			Buy			
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer	
64.7400	64.7700	USD	63.6900	63.6688	63.6263	
80.0769	80.1140	EUR	76.9630	76.9373	76.8860	
119.0115	119.0667	GBP	115.4381	115.3996	115.3227	
51.1511	51.1748	AUD	48.7611	48.7448	48.7123	
0.6037	0.6040	JPY	0.5816	0.5814	0.5811	
51.8667	51.8907	CHF	49.9804	49.9637	49.9304	
8.9260	8.9301	SEK	8.0133	8.0107	8.0053	
53.1047	53.1294	CAD	51.2637	51.2466	51.2124	
8.3484	8.3522	HKD	8.1753	8.1726	8.1672	
39.1865	39.2046	SGD	37.7534	37.7408	37.7157	
17.7706	17.7788	AED	17.2010	17.1952	17.1838	
17.4000	17.4080	SAR	16.8474	16.8418	16.8306	
11.0845	11.0896	DKK	10.0527	10.0494	10.0427	
218.3184	218.4219	KWD	217.3369	217.2667	217.1265	

Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
43.5	59.72	100.1	41.090	6.4361	0.7681	3.80

**Local Interbank FX Trading**  
Local interbank FX market was active on Monday. Dollar ended almost unchanged against Bangladeshi taka.

**Local Money Market**  
Money market was active. Call money rate remained almost unchanged and ranged between 5.00 and 10.00 per cent.

**International Market**  
The euro fell versus the dollar on Monday after European Union leaders failed at the weekend to agree on a long-term budget, plunging the block into deeper crisis.

STOCK