

Oil prices, yuan top agenda of EU-Asia finance meet

AFP, Tianjin, China

Asia and Europe's finance ministers are planning to call for stable oil prices in the face of surging oil costs which threaten global economic growth, delegates to a meeting said Saturday.

With world oil prices climbing to a new closing high Friday, the issue topped the agenda of discussions at the Asia-Europe Meeting (ASEM) of finance ministers in this northern Chinese city.

"What we are calling for is one, stable oil prices," Mitja Mavko, an official of the Slovenian finance

ministry, told reporters. "We (also) want to avoid volatility."

Mavko said he expected to see a call for oil producing countries to increase production levels in a final communique to be issued after the meeting Sunday.

"The only way to achieve (lower oil prices) is to increase production. I think they should," said Rastislav Sullá, counsellor with the embassy of Slovakia.

Oil prices climbed to a new closing high Friday just short of the 60-dollar mark in the face of projections about robust demand from China and the United States.

Countries fear continuing oil price rises will affect economic growth and fuel inflation.

The need to develop alternative sources of energy will also be under discussion, Mavko said.

While China's controversial yuan peg to the dollar is on the Japanese and some European delegates' minds, it is not on the formal agenda and will not be included in the joint communique, said delegates.

European countries appear to be trying to avoid provoking China at the meeting, as Beijing has staunchly argued that whether and when it adjusts the yuan's peg to the

dollar is solely for China to decide.

"Obviously it's an issue, but it's not the principal issue (at the meeting)," said Des Browne, chief secretary to the British treasury.

"We have a very important program of cooperation to discuss."

The yuan, tied to the dollar for the past decade at around 8.28, is widely seen, especially by Washington, as being undervalued.

China has been under heavy pressure from the United States and Europe to ease the peg, which US and European officials contend gives Chinese exporters an unfair competitive advantage.



PHOTO: INTECH ONLINE

The fifth annual general meeting (AGM) of Intech Online Ltd was held Thursday in Dhaka. Quazi Akhlaqur Rahman, chairman of the company, presided over the AGM, which declared a 15 percent bonus share for the year 2004. Other senior officials were also present at the AGM.



PHOTO: AKTEL

Nasir Bin Baharom, managing director of AKTEL, and Md Nurul Amin, MD of National Credit and Commerce Bank Ltd (NCCBL), shake hands after signing a corporate agreement recently in Dhaka. Under the deal, the mobile phone company will provide NCCBL with more than 60 corporate connections, customised facilities and special benefits.

Rich-state must end cotton subsidy: IMF

REUTERS, Paris

Rich countries must end subsidies to their cotton producers if African countries which grow the crop are to lift themselves from the spiral of poverty, the head of the IMF said Friday.

Rodrigo Rato, in an article for the French daily Le Figaro, said African countries had accepted the need to reform their cotton sectors, and the International Monetary Fund was offering them loans on concessionary terms to do so.

But he said they could not succeed so long as rich nations continued to drive down world prices with huge subsidies to their own cotton producers.

"It goes without saying that Africa cannot get out of this situation alone," Rato said.

"In the framework of the negotia-

tions under way at the WTO (World Trade Organisation), industrialised countries urgently need to end the subsidies which distort trade."

Rato's comments come at a time when there is an international push to alleviate poverty in Africa with aid and debt relief set to dominate a July 6-8 summit of the G8 -- the Group of Seven industrialised nations plus Russia.

British Prime Minister Tony Blair wants rich nations to cancel up to 100 percent of Africa's multilateral debt, pay out an extra \$25 billion in annual aid to 2010 and open up Europe to African exports. Africa must practice good governance in return.

Rato said eliminating the cotton subsidies and other distortionary factors would lead to a recovery in prices and encourage cotton production in countries where there was no subsidy.

CURRENCY

Following is Saturday's (June 25, 2005) forex trading statement by Standard Chartered Bank

Sell		Buy			
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
64.7500	64.7800	USD	63.6800	63.6588	63.6163
79.4483	79.4851	EUR	76.0976	76.0722	76.0215
119.2242	119.2794	GBP	115.2162	115.1778	115.1010
50.8000	50.9236	AUD	48.0211	48.0051	47.9731
0.6011	0.6014	JPY	0.5788	0.5786	0.5782
51.2465	51.2703	CHF	49.5371	49.5206	49.4876
8.3305	8.3344	SEK	7.7681	7.7655	7.7604
52.9609	52.9854	CAD	51.1650	51.1480	51.1139
8.3406	8.3445	HKD	8.1827	8.1799	8.1745
39.0484	39.0665	SGD	37.8552	37.8426	37.8173
17.7728	17.7811	AED	17.1978	17.1921	17.1806
17.4036	17.4116	SAR	16.8461	16.8405	16.8293
10.9545	10.9596	DKK	9.9394	9.9361	9.9295
218.1989	218.3023	KWD	217.2275	217.2275	217.2275

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
43.515	59.7	99.76	41.100	6.5688	0.7550	3.80

Local Interbank FX Trading

Local interbank FX market was subdued on Saturday. Demand for dollar continued to remain high in the market.

Local Money Market

Money market was active on Saturday. Call money rate remained unchanged and ranged between 4.00 and 9.00.

International Market

International market was closed on Saturday. The dollar slipped from multi-month highs against major

European currencies on Friday in

largely technical pre-weekend trading. The dollar had risen earlier to 10-month highs against the Swiss franc and the euro. The euro also rebounded against the yen, rising by 0.60 percent. The yen was rattled as oil prices rose to touch \$60 a barrel for a second day on Friday, extending a streak of record highs. Higher oil prices typically hurt the yen as Japan imports all of its energy needs.

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ReadyCash Raffle Draw Winners

The latest ReadyCash Raffle draw was held at ReadyCash Bangladesh office at Dhanmondi in Dhaka yesterday, says a press release.

Prizes	Name of Winners	Card No
Kamal General Store gift box	Abu Bakar	5047980010034976
Pallabi Computers Free Internet	Abdullah Al Mamun	5047980000057355
Browsing		
You and Eye free Eye Test and Glass	M Khurshid Alam	5047980010034998
Pabna Cloth Store free Gift Box	Mamun	5047980010034985

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.



PHOTO: BASHUNDHARA

Mahaboob Morshed Hassan, sponsor director of Meghna Cement Mills Ltd, speaks at the 13th annual general meeting (AGM) of the company in Dhaka Thursday. The AGM approved a 25 percent dividend for the shareholders.



PHOTO: JAGO CORPORATION

The sixth annual general meeting (AGM) of Jago Corporation Ltd, a Bangladesh-Taiwan joint venture company, was held Thursday in Dhaka. Chairman of the company Md Fayekuzzaman presided over the AGM, which declared a 5 percent dividend for the year 2004.

IBM to hire 14,000 in India

AFP, New York

US tech giant IBM plans to increase its payroll in India this year by 14,000 workers as it cuts up to 13,000 jobs in Europe and the United States, a labor group said Friday.

The move, first reported by The New York Times, highlights the transfer of some skilled jobs to low-wage countries such as India by a number of companies including IBM, the world's largest information technology company.

The moves in India were indicated in what was claimed to be an internal company document posted on the website of the Washington Alliance of Technology Workers, of Washtech, which seeks to unionize high-tech workers.

It indicated IBM's Indian workforce would rise to 38,196 in 2005 from 24,150 in 2004.

IBM declined to comment on the document or specific workforce levels. But company spokesman Edward Barbini said IBM is increasing its staff in high-growth countries such as India to meet increasing demands.

"IBM India has seen double-digit growth in the last five years," Barbini told AFP. "In 2004, IBM India recorded revenue growth of 45 percent. We ended December 31 with roughly 23,000 employees in India making IBM India's sixth largest IT employer."

STOCK