

China hopes to repeat India's outsourcing success

REUTERS, New York

Increasing demand from the United States has helped drive China's software export revenue to grow sevenfold since 2000 to \$2.8 billion, said Neusoft Group, China's largest outsourcer.

"US firms are farming out jobs to China at a very high speed," Walter Fang, chief technology officer of Neusoft said at the 2005 China IT Services Summit held in New York.

"US companies are outsourcing to China to mitigate risks," Fang added. "They do not want to put all the eggs in one basket."

Neusoft's US outsourcing segment rose more than 60 percent last year, higher than the 12 percent to 15 percent growth in its domestic market. However, Neusoft's US segment accounts for less than 10 percent of its \$34 million outsourcing revenue. Its sales totaled \$290 million last year.

China has become a leading maker of computers and electronic devices but lags behind in software. At annual sales of \$27 billion, China's software industry accounts for only 3.3 percent of the global software market. But several new companies have raised the competitive stakes abroad.

Software company UFIDA Corp's software outsourcing unit now develops software for Microsoft and Hewlett-Packard. It generated \$4.5 million in outsourcing revenue last year and the business is expected to double this year. The company has plans to take its outsourcing unit UFIDA Software Engineering public on the Nasdaq exchange within the next three to four years.



PHOTO: MUTUAL TRUST BANK

Syed Manzur Elahi, chairman of Mutual Trust Bank Ltd, speaks at the inauguration of the 17th branch of the bank at Amafha Centre on Jubilee Road in Chittagong recently. Mosharraf Hossain, managing director of the bank, was also present at the function.



PHOTO: GRAMEENPHONE

Adam Tamizi Haque, director of Haque Group of Industries, and Tanvir Ibrahim, head of GrameenPhone Ltd, sign an agreement recently in Dhaka. Under the deal, Haque Group has become a corporate client of the mobile phone operator.

S Korea mulls mandatory energy saving

ANN/ THE KOREA HERALD

After skyrocketing oil prices pushed Asia's benchmark Dubai crude closer to \$60 a barrel, pressure is growing on the government to swiftly adopt mandatory energy-saving measures.

Dubai crude is the benchmark price index for oil from the Middle East, which accounts for 80 percent of Korea's oil imports. It touched \$56.79 a barrel on Thursday.

Some of the short-term energy-saving measures the government has eyed include limiting the use of vehicles, shortening the light-up time for street lamps, and reducing the operation times of cooling and heating systems. Cutting down use of electricity in buildings and homes is being encouraged.

Mid- to long-term measures, such as stockpiling oil supplies and investments in offshore energy development projects, have been in motion for some time now. Acute increases in oil prices over the last few months have generated policies that encourage industries to adopt energy-friendly strategies.



PHOTO: EASTERN HOUSING

Abdul Awal Mintoo, president of Federation of the Bangladesh Chambers of Commerce and Industry (FCCI), inaugurates Eastern Mallika, a shopping mall built by real estate company Eastern Housing Ltd, Friday in Dhaka. Executive Director of Islam Group Asaduzzaman, among others, was present.



PHOTO: ASIAN PAINTS

SR Rao, chief executive of Asian Paints (Bangladesh) Ltd, inaugurates the 16th 'Asian Paints Colourworld' system at the company's authorised dealer M/s Keya Electric & Hardware Paint Store on Chittagong Road in Narayanganj recently. Other senior officials of the company were also present.

Yen slips modestly against dollar in Asia

AFP, Tokyo

The yen slipped against the dollar in Asian trade Friday on weaker-than-expected Japan growth data but the market reaction was limited as investors saw the economy's fundamentals growing, dealers said.

Japan's gross domestic product (GDP) for April to June expanded 0.3 percent, marking the third straight quarter of expansion, but below economists' forecast of 0.5 percent growth.

The dollar was slightly up at 109.76 yen from 109.67 yen in late New York trade Thursday.

The euro eased to 1.2459 dollars from 1.2469 dollars and was unchanged at 136.80 yen.

"The dollar was bought back on the GDP but the market impact was limited," said Kikuko Takeda, currency analyst at Bank of Tokyo-Mitsubishi.

"Although the growth was below the expectation, investors judged that the healthy growth of the Japanese economy has not changed as domestic demand such as private consumption and capital spending still increased," Takeda said.

She said the yen still had a firm tone as the GDP data did not change the upbeat assessments of the Japanese economy by the government and the central bank earlier this week.

CURRENCY

Following is Saturday's (August 13, 2005) forex trading statement by Standard Chartered Bank

Sell		Buy			
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
67.0200	67.0500	USD	65.8000	65.7781	65.7342
84.7937	84.8317	EUR	80.8156	80.7886	80.7347
122.7404	122.7954	GBP	118.4005	118.3611	118.2821
52.8922	52.9159	AUD	49.8238	49.8072	49.7739
0.6200	0.6203	JPY	0.5960	0.5958	0.5954
54.1532	54.1774	CHF	52.2388	52.2214	52.1866
8.9497	8.9537	SEK	8.3149	8.3121	8.3066
56.4664	56.4917	CAD	54.4296	54.4115	54.3752
8.6365	8.6404	HKD	8.4587	8.4559	8.4502
40.9583	40.9766	SGD	39.6314	39.6182	39.5918
18.3959	18.4042	AED	17.7780	17.7721	17.7602
18.0137	18.0218	SAR	17.4069	17.4011	17.3895
11.6528	11.6580	DKK	10.5324	10.5289	10.5218
226.0238	226.1272	KWD	224.1904	224.1904	224.1904

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
43.495	59.685	100.82	40.855	6.3558	0.7071	3.75

Local Interbank FX Trading

Local interbank FX market was subdued on Saturday as international markets were closed. Demand for dollar remained steady.

Local Money Market

Money market was active on Saturday. Call money rate ranged between 5.00 and 5.50 percent.

International Market

The international market was closed on Saturday due to weekend. On Friday, dollar rose modestly against the euro as traders engaged in profit-taking after three consecutive sessions of gains in the European currency. The market focused on a report showing US trade deficit widened to \$58.8 billion in June against anticipation of a deficit as high as \$80 billion. US trade deficit, a constant pressure on the greenback, has resurfaced as a factor weighing on the US dollar after China revalued its yuan currency in July. University of Michigan's consumer sentiment reading of 92.7 for August (much below economists' forecast for 96) also put pressure on dollar.

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ReadyCash Raffle Draw Winners

The latest ReadyCash Raffle Draw took place at ReadyCash Bangladesh Office at Dhanmondi on Saturday, says a press release.

Prizes	Name of Winners	Card No
Kamal General Store Free gift box	Mrs. Kushum Abdullah	5047980010035585
China Junction Chinese Restaurant Free Lunch/Dinner for two	Md. Alamgir	5047980000057879
Monorom Free Gift Box	Md. Ruhel Chowdhury	5047980010035492
Rainbow Chinese Free Lunch/ Dinner for two	Aminul Islam Kabir	5047980010035465

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 Prothom Alo on every Sunday or call our Customer Service at: 8123850, 8130497, 8125294-7.

STOCK