

# Asian economies must not rely on China, India: UN

AFP, Bangkok

Asian countries must stop relying on imports by rising giants China and India, the United Nations said Friday.

Urging a long-term strategy of stepped-up diversification for Asia, the UN's Conference on Trade and Development (UNCTAD) also said the developed world should not take protectionist measures to support their economies at the expense of developing nations.

Steps also had to be taken to

ensure the Doha round of World Trade Organisation (WTO) negotiations are a success, officials said at the release of the agency's annual Trade and Development Report in Bangkok.

The study said the East and South Asian region was well established as a "new growth pole" for the world economy, mostly because of progress achieved by India and China.

UNCTAD issued its report on the same day Asian Development Bank

(ADB) president Harukiko Kuroda said China and India will help pull the rest of Asia to forecast average growth of 6.5 percent this year. He said the growth may even pick up further in 2006 and 2007.

Speaking in Singapore, Kuroda cautioned, however, that surging oil prices – which hovered near 70 dollars a barrel Friday afternoon in Asia – remained an uncertainty and could scupper the growth projections.

While rapid growth by China and India has been a key cause of a

recent surge in primary commodity prices, "growing imports by China and India will not be enough to reverse a long-term decline in real commodity prices," the UNCTAD report said.

"The windfall profits being reaped by many developing countries as a result of surging economic growth in India and China should be used to diversify those countries' economies and prepare them for more stable economic development in the future," it said in a statement.



PHOTO: PHOENIX LEASING

Phoenix Leasing Company Ltd has recently signed an agreement with Mercantile Bank Ltd for lease finance of Tk 166 million. A Quadir Choudhury, managing director of Phoenix Leasing, and AKM Shahidul Haque, DMD of Mercantile Bank, signed the deal at a function in Dhaka. Other senior officials from both the sides were also present.



PHOTO: WEAB

Nasreen Awal Mintoo, president of Women Entrepreneurs Association of Bangladesh (WEAB), and Mahvash Nikpour, head (Business Women Council) of Tehran Chamber of Commerce, Industries and Mines (TCCIM), exchange documents after signing a memorandum of understanding (MoU) recently. Under the MoU, women entrepreneurs of Iran and Bangladesh will work to foster friendship among themselves.

## China firmly opposed to US textile curbs

REUTERS, Shanghai

China firmly opposes a US decision to curb imports of two categories of Chinese textiles, the official Xinhua News Agency said Friday.

The United States acted on Thursday to restrict imports of Chinese-made bras and synthetic filament fabric used to make high-end clothing, after failing to reach a comprehensive textile trade agreement with China.

Beijing now reserved "the right to take further actions within the WTO (World Trade Organisation) framework," Chong Quan, a Ministry of Commerce spokesman, was cited by Xinhua as saying, without elaborating.

## Phoenix Leasing, Mercantile Bank sign Tk 166m lease agreement

Phoenix Leasing Company Ltd has recently signed a lease finance agreement for Tk 166 million with Mercantile Bank Ltd.

A Quadir Choudhury, managing director of Phoenix Leasing, and AKM Shahidul Haque, DMD of Mercantile Bank, signed the deal at a function in Dhaka, says a press release.



PHOTO: CITYCELL

Mobile phone operator CityCell and Continental Telecom have recently signed a dealership agreement. Intekhab Mahmud, SVP (Sales and Marketing) of CityCell, and Lion M Ruhul Amin Chisty, chairman and managing director of Continental Group, are seen at the agreement celebration party in Dhaka.



PHOTO: SQUARE INFORMATIX

Charles CR Patra, managing director of Square Informatix Ltd, and Frank Fodstad, deputy managing director of GrameenPhone Ltd, pose for photographs after signing an interconnectivity deal recently in Dhaka. Other senior officials from both the sides were also present.

### 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            |
|---|---------------------|--------------------|
| Sentra Travel And Tours/Dhaka-Cox's Bazar-Bhanga Biman Ticket | Roksana Nipa        | 5047980040000177   |
| System Information Technology/Free Computer Course            | Md Kamruzzaman      | 5047980010035459   |
| Dirk Net Internet Service Provider/100 Hours Browsing         | Mostaq Ahmed Maroof | 504798000057939You |
| And Eye Optical Shop/Free Eye Test And Glass                  | Faizur Rahman       | 5047980000057985   |

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

## CURRENCY

Following is Saturday's (September 3, 2005) forex trading statement by Standard Chartered Bank

| Sell     | Buy          |
|----------|--------------|
| TT/OD    | BC           |
| 66.9600  | Currency     |
| 65.9900  | USD          |
| 85.4477  | EUR          |
| 124.8888 | GBP          |
| 52.4029  | AUD          |
| 0.6183   | JPY          |
| 54.9348  | CHF          |
| 9.0410   | SEK          |
| 56.8952  | CAD          |
| 3.6334   | SGD          |
| 40.4372  | AED          |
| 18.3794  | SAR          |
| 17.9966  | DKK          |
| 11.7490  | KWD          |
| 225.8170 |              |
|          | TT Clean     |
|          | OD Sight Doc |
|          | OD Transfer  |
|          | 53.0180      |
|          | 53.0003      |
|          | 52.9650      |
|          | 8.3981       |
|          | 8.3925       |
|          | 54.8204      |
|          | 8.4690       |
|          | 39.1239      |
|          | 17.7617      |
|          | 17.3855      |
|          | 10.6103      |
|          | 10.6052      |
|          | 224.1287     |
|          | 224.1287     |

Exchange rates of some currencies against US dollar

| Indian rupee | Pak rupee | Lankan rupee | Thai baht | Nor kroner | NZ dollar | Malaysian ringgit |
|--------------|-----------|--------------|-----------|------------|-----------|-------------------|
| 43.85        | 59.81     | 101.32       | 41.025    | 6.2245     | 0.7062    | 3.76              |

Local Interbank FX Trading almost unchanged and ranged between 5.00 and 5.25 percent compared with 5.00-5.50 percent previously.

Local interbank FX market was subdued on Saturday. Demand for dollar remained steady.

Local Money Market Money market was active. Call money rate was

## Asia telecoms firms look beyond borders

REUTERS, Seoul

Asia's top telecoms firms are casting their eyes overseas for acquisitions to drive new growth as their home markets reach saturation, but investors fret the increased competition may hit margins and pile up debt.

With mobile phone penetration in the region's wealthier nations at 70 percent and above, operators such as Singapore Telecomm-unications Ltd, South Korea's SK Telecom Co and Hong Kong-based Hutchison Telecommunications International Ltd are spending billions of dollars entering new markets.

The biggest prizes are in countries with large populations and very low mobile usage such as Indonesia, India and China. "There are big growth opportunities out there to compensate for the slowing growth story in the domestic market," said Yang Jong-in, an analyst at Korea Investment & Securities.

"But risks exist as well and it's not just low penetration rate operators have to consider. They have to decide level of income and competition in the target market, and need a strong case to persuade shareholders preferring more dividend to risky

investments." Most of the big regional operators currently trade cheaply as investors shun the sector amid weakening growth momentum.

SingTel trades around 13.4 times its forecast annual earnings, Telekom Malaysia around 18.9 and SK Telecom around 8.6, compared with an average for the MSCI AsiaPacific telecoms sector of around 49.8.

India is attracting the most overseas attention, and growth rates have soared to 2.5 million new subscribers per month, helped by the world's cheapest call rates of 1-2 US cents a minute and the opening up of the sector to foreign competition.

"The mobile markets in many South Asian countries offer immense business potential due to their very low penetration rates," said Peter Heng, a spokesman for SingTel.

Asia's fifth-largest phone firm by market value derives about 75 percent of revenue overseas after investing \$11 billion in recent years, with its tentacles stretching to India, Australia, the Philippines, Indonesia and Bangladesh.