

Oil prices below \$60 in Asia

AFP, Singapore

Oil prices were below 60 dollars a barrel in Asian trade Tuesday on expected stronger US inventory data and as warmer weather in the United States dented demand, dealers said.

Assurances by the Organisation of Petroleum Exporting Countries (OPEC) of amply supplies during the northern hemispher winter and expectations of a further rise in US interest rates also helped kept prices in check, they said.

At 11:55 am (0355 GMT), New York's main contract, light sweet crude for December delivery, was down two cents at 59.74 dollars a barrel from its close of 59.76 dollars in the United States Monday.

Oil shed 1.46 dollars to close below 60 dollars for the first time in three months on Monday in New York. Prices are now around 10 percent lower when compared with a month ago.

Warmer US weather and supply assurances by the 11-member OPEC oil cartel tempered the fallout from a strike threat at Europe's biggest refinery, owned by Anglo-Dutch giant Royal Dutch Shell in the busy Dutch port of Rotterdam.

"Trading is very quiet as the market awaits the weekly US inventory data on Wednesday," said Tetsu Emori, chief commodities strategist at Mitsui Bussan Futures in Tokyo.

He said the US Department of Energy is expected to report an increase in stockpiles of crude oil and gasoline (petrol) which should help push prices lower.

"Also, the inventory of heating oil is at a good level for the time being and if temperatures in the northeastern United States are not as cold as predicted, then prices should be going down," he said.

Warmer weather reduces demand for heating fuel in the United States, the world's biggest oil consumer.

Indian IT giant Wipro plans to open branch in Bangladesh

JASIM UDDIN KHAN

Wipro, a leading Indian information technology company, plans to open a branch in Bangladesh to tap potential in telecoms and banking sectors in the country.

The Bangalore-based giant, which offers software solutions, IT consulting, business process outsourcing (BPO) services, and research and development services in the areas of hardware and software design, has already contacted some IT houses in Dhaka to work jointly for its future business establishment in Bangladesh, industry sources said.

A leading Bangladeshi IT entrepreneur said a high official of Wipro has contacted him and inquired about formalities to establish a joint venture here.

He said Wipro is planning to invest around US\$ 50 million in the first phase in Bangladesh.

He also said the company eyes Bangladesh's system integration and IT managed services market.

Viswanathan KS, vice-president, strategic sales, India of Wipro Infotech, recently at an international seminar in Bangalore said Bangladesh is the immediate priority for Wipro Infotech as the country

holds huge opportunities.

Viswanathan said the company has already conducted a study on overseas market and found Bangladesh and Sri Lanka as the most potential markets for Wipro.

He said Wipro Infotech, whose 15 percent revenues currently comes from overseas, is stepping up efforts to make strides in other markets of Asia Pacific region as well.

Wipro has 45,835 employees as of September 30, 2005, which includes 32,856 employees in IT services business and 12,979 in the BPO business. This includes a net addition of 4,575 employees in IT services.

Trade frictions cast shadow over Chinese exports

ANN/CHINA DAILY

The textile and garment export situation, in particular with the US, was not looking healthy in the 98th session of China Export Commodities Fair (CECF), according to statistics published by China's Ministry of Commerce (MOCOM).

The ministry said contracted garment exports stood at US\$2.5 billion, down 13.8 percent from the 96th session last autumn; contracted textile exports reached US\$2.2 billion, up 2.2 percent from last autumn.

However, US visitors to the textile section declined sharply and contracts with US buyers dropped 38.3 percent from the 96th session.

CECF, the largest export exhibition of China, used to attract contracts by foreign buyers from all over the world, who placed both short-term orders for the coming months and long-term ones for the coming year.

Cao Xinyu, vice-chairman of China's Chamber of Commerce for the Import and Export of Textiles, said that the unclear prospects of Sino-US textile conflicts were to blame for the decline.

"There are far fewer US visitors than expected because of the trade frictions," he said.

After the latest round of bilateral talks broke down in

Beijing just before the CECF, the two sides have not scheduled a time for a new talks.

However, Cao said, the agreement made on textile trade between China and the European Union ruled out the largest uncertainty in Sino-EU textile trade. The agreement was reached in June and was amended in September.

As China and the United States failed to settle frictions, both importers and exporters are cautious about making orders in the next session of CECF.

"We had no visitors from the United States and only a few from the European Union," said Xu Huimin, an official with Weihai Jaobao Trading Co Ltd, a company in East China's Shandong Province, which specialized in manufacturing pyjamas.

She said that it is a big blow to the company's exports for next year, as both are major markets of the company. David Orens is one of the few US visitors to visit the textile exhibition hall though he placed no orders whatsoever.

"I've come here to collect information (about Chinese textile suppliers) and establish relations," said the official with the Los Angeles-based MLE Trading company.

Peter Goldman, president with Philadelphia Rapid Transit, said he only placed orders on unrestricted categories in this session and only to old suppliers.

"The contracts we signed declined some 50 per cent from last year," he said.

The half-month CECF concluded on Saturday (Oct 28).

According to statistics from the organizer, contracted volume hit US\$25.4 billion, up 0.7 per cent over the previous session in April and up 8.2 per cent over last autumn.

Machinery and electrical products accounted for 41.6 per cent of the total contracted exports and light industrial products 33.2 per cent.

The European Union, with a contracted volume of US\$10.4 billion, topped the export destinations in this session and was followed by the United States, the Middle East and the Association of Southeast Asian Nations and Japan.

Among the participants, Guangdong, Zhejiang and Jiangsu provinces ranked the first three places in contracted value.

Some provinces like Anhui and Hubei witnessed a growth in contract volume.

MICROENTREPRENEURSHIP 4 awardees selected

The four award winners of the Global Microentrepreneurship Awards (GMA) programme launched by Citigroup Foundation and the United Nations Capital Development Fund (UNCDF) were selected on Sunday, says a press release.

The four awards include Best Micro Finance Institution (MFI) of the Year, Most Innovative Business of the Year, Best Woman Microentrepreneur of the Year and Best Microentrepreneur of the Year.

The winners were finalised through a final advisory council and screening committee meeting where Wahiduddin Mahmud, eminent economist, Mohammed Farashuddin, president of Board of Governors of East West University, Abdul Mueyed Chowdhury, executive director of BRAC, Matiul Islam, chairman of Industrial & Infrastructure Development Finance Company Limited, Matiur Rahman, editor of the Prothom Alo, and Ataus Samad, advisory editor of the Amar Desh, were present.

Besides, Abu Ahmed, chairman of Bangladesh Shilpa Bank, CQK Mustaq Ahmed, director general of NGO Affairs Bureau, Nasimul Ghani, director general of Prime Minister's Office, Mohammad Tareque, joint secretary of Finance Division, Ministry of Finance, Shykh Seraj, director & head of News of Channel i, Parveen Mahmud, deputy managing director of Palli Karma Sahayak Foundation (PKSF) and Mamun Rashid, Citigroup country officer, Bangladesh, were also present.

The awards will be presented to the four winners at a special ceremony in Dhaka on November 21.

The GMA Programme has been supported by the Citigroup Foundation, the philanthropic arm of Citigroup, and the UNCDF. Citibank NA Bangladesh has also acted as the local support to the programme.

4-DAY CLOSURE OF KARWAN BAZAR

Traders to count loss of Tk 150cr a day

BDNEWS, Dhaka

As the government has decided to close down Karwan Bazar, the capital's largest wholesale kitchen market, for four days during the two-day 13th Saarc summit, traders will have to count a loss of nearly Tk 150 crore a day as no alternative arrangement has been made for them.

The Dhaka City Corporation (DCC) has asked the Karwan Bazar wholesale market shopkeepers and other adjacent marketplaces to keep shut from November 10-13 to ensure stringent security for the ensuing Saarc summit, slated for November 12-13.

The traders at the wholesale market

said the closure will cost them Tk 100-150 crore each day while some 10,000 labourers and coolies dependent on day-to-day works in the Karwan Bazar market will become unemployed for the period.

The DCC officials are also apprehending that apart from the huge business losses, a large number of people may have to face untold sufferings due to lack of essential items. "But, the DCC authorities did not take any alternative measure to ease the trouble," said a trader.

DCC's revenue department senior officer (Market) Akhteruzzaman Khan said they have asked the businessmen of the markets and their associations to

close down the market.

"The DCC has just implemented the decision of the Home Ministry considering the security aspect of the Saarc Summit. DCC has nothing to do with it," he added.

Admitting the fact that some 10,000 traders in the marketplaces and several thousand labourers and coolies associated and dependent on the markets will become unemployed due to the decision, the DCC official said.

Every day, a huge quantity of goods and essential commodities come to Karwan Bazar from across the country.

Gold sales drop in Eid shopping this year

BDNEWS, Dhaka

Gold jewellery sale in the Eid-ul-Fitr shopping season this year has been affected badly due to high prices of the precious metal and poor purchasing capacity of customers, traders said.

"Around 30 percent of the annual sales of jewellery shops take place during the Eid-ul-Fitr. But this year, the situation is different," MA Wadud Khan, acting president of Bangladesh Jewellers' Samity, said.

He said spiralling prices and erosion of purchasing capacity of the people have kept the sales at low levels.

Sales of gold ornaments prior to the Eid festival have fallen across the country compared to the previous years due to high prices, traders at Baitul Mukarram market said, adding

the price of 10-gram of 22-carat gold is now Tk 10,600 and 21-carat gold Tk 10,120.

"The capital Dhaka is witnessing sluggish sales due to high prices," said Raju, a salesman of Venus Jewellers.

"Gold witnesses high demand ahead of the Eid-ul-Fitr. But the sale this year is just about 40 percent lower than that of the last year," he said.

Ganga Charan Malakar, a jewellery trader in Dhaka, said there are five to seven jewellers in Dhaka that sell gold worth Tk 7 lakh per day on an average, while the middle-range traders sell Tk 3 to 4 lakh worth of gold a day.

However, the jewellers hoped the sales may go up again when the wedding season begins with the arrival of winter.

South Korean exports hit record high in October

AFP, Seoul

South Korea's exports hit a record monthly high of more than 25 billion dollars in October thanks to strong overseas demand for cars, ships and machinery, government data showed Tuesday.

Customs-cleared exports rose 13.4 percent year-on-year to 25.71 billion dollars -- the first time the country's exports have topped 25 billion dollars in a single month, the commerce, industry and energy ministry said.

Imports rose 11.6 percent year-on-year to 22.78 billion dollars in October, the ministry said in a monthly trade report.



PHOTO: IFIC BANK LTD

Ataul Haq, managing director of IFIC Bank Limited, formally inaugurates the 63rd branch of the bank at Choumuhan in Noakhali district recently. Other higher officials of the bank are also seen.

Japan signals softer approach to gas row with China

AFP, Tokyo

Japan's new trade minister Toshihiro Nikai on Tuesday called for flexibility in settling a gas field row with China in the East China Sea, signalling a change from his predecessor's hard-line stance.

The comments come despite a rightward shift in a cabinet reshuffle Monday, in which Prime Minister Junichiro Koizumi placed outspoken hawk Taro Aso in the foreign ministry.

"Some people advocate a hardline stance, but I doubt whether it is good for the two countries to confront each other by stressing their national interests," Nikai, the Minister for Economy, Trade and Industry, told Japanese media.

"It is important for us to use both hard and soft approaches to solve the issue and find a point where the interests of both the countries can be met," said Nikai, who has personal friendships in China.

Beijing and Tokyo have been sparring for years over the potentially lucrative gas fields in an area where their 200-nautical-mile exclusive economic zones overlap.

The Japanese side proposed joint gas and oil development in the area

straddling both sides of what Tokyo says is the maritime boundary.

China, however, does not recognize the boundary and has started digging.

"Now the ball is on the Chinese side, as we wait for the country's response to our offer," Nikai said. "I believe China is a country moving with a longer time span, so we also have to take time in our negotiations."

The comments marked a change in tone from Nikai's predecessor Shoichi Nakagawa, who was appointed farm minister in Monday's reshuffle.

Nakagawa had repeatedly made strong protests against China's gas projects and granted test-drilling rights in the disputed area to a Japanese oil firm.

China has said relations with Japan are at their worst since diplomatic relations were established 30 years ago, due to the energy dispute and Beijing's perception that Japan has not atoned enough for its wartime past.

However, trade has been booming with China last year becoming Japan's largest commercial partner.

Tokyo Stock Exchange suffers worst-ever system crash

AFP, Tokyo

The Tokyo Stock Exchange was forced to suspend trading in all shares for the first time ever Tuesday after its computer system crashed in an embarrassment for Asia's largest bourse which plans to go public.

Software failure delayed the start of trade for the entire morning and the first 30 minutes of the afternoon session but shares still managed to rise 1.92 percent after dealing resumed to close at a four and a half year high.

The crash came a day after two important events for the market -- Prime Minister Junichiro Koizumi's cabinet reshuffle and the publication of an upbeat twice-yearly economic outlook from the Bank of Japan.

It also comes at a delicate time for the TSE, which has already been forced to delay a planned initial public offering of its own shares that it hopes will boost efficiency and competitiveness.

"The technical glitch... may cause further delay to the TSE's initial public offering," said Mitsuru Yoshikawa, head of the Capital Market Research Headquarters of the Daiwa Institute of Research.