WTO heavyweights must break logjam in talks

Analysts say

AFP, *Geneva*

The big hitters of global commerce gathering in London on Monday bear a heavy responsibility -- settle their differences in World Trade Organisation talks or leave the negotiations mired.

As Brazil, the European Union, India, Japan and the United States joust over the give and take, the EU in particular must avoid a repeat of past mistakes that fuelled the collapse of a WTO summit two years ago, analysts said.

US Trade Representative Rob Portman has billed Monday's talks with his EU counterpart Peter Mandelson, Indian Commerce Minister Kamal Nath, Brazil's Foreign Minister Celso Amorim and Japanese Trade Minister Toshihiro Nikai as a last-ditch effort to salvage the WTO's flagging, four-year old negotiations.

WTO chief Pascal Lamy, who is desperately trying to broker a compromise, said the officials "have to make a judgment on the red lines" of their trade partners.

"They will have to start discussing trade-offs," he said.

According to Sergio Marchi, who previously served as Canada's WTO ambassador and led the global body's ruling General Council, Monday's talks "could play a pivotal role because most of the heavy lifting gets done in the world of informal side meetings."

"Then it feeds into the regular, formal process something that has already been cooked and tasted and therefore is probably a lot more palatable to the wider group," Marchi told AFP.

Disputes between the heavyweights are endangering a crucial December ministerial meeting in Hong Kong, where all 148 WTO member states aim to craft a treaty tearing down trade barriers.

"Is is clear we are running out of time," said Brazilian trade ambassador Clodoaldo Hugueney. "We are in a pretty serious situation."

The December 13-18 Hong Kong conference is meant as a final staging post in the Doha Round of trade liberalisation talks, launched in Qatar in 2001.

But while an agreement between the trading powers is seen as crucial because they epitomise many of the diverging interests at the WTO, Lamy cautioned that the interests of all members must be taken into account.

"The time when only three people would decide is totally obsolete," he said.

The WTO works by consensus. Its meetings in Seattle in 1999 and Cancun in 2003 both failed because of persistent discord.

Indian growth outlook improves

REUTERS, *Mumbai*

India's growth outlook has improved but global imbalances and high oil prices pose risks and any large interest or exchange rate adjustments could impact the economy indirectly, India's central bank chief said.

Central bank governor Yaga Venugopal Reddy said in a speech released in Mumbai for delivery in Paris that government borrowing costs could rise if external factors pushed up domestic interest rates.

But because most government borrowing was at fixed rates the rise would be "incremental" providing "greater headroom for a flexible monetary policy to adjust policy rates, as and when warranted, without any excessive impact on the fiscal deficit."

Reddy said the outlook for output growth in India had improved in recent months, particularly with momentum gained in manufacturing.

"However, persistence of global imbalances and high oil prices with a significant permanent component do pose some risks," he said.

Speaking about the implications of global financial imbalances for emerging markets, Reddy said while India by itself hardly contributed to global financial imbalances, big changes in external conditions could indirectly impact the Indian economy.

"It is clear that the impact on India would depend on the pace and extent of currency and current account readjustments, and changes in global interest rates," he said.

Apart from government borrowing, Indian corporates could be affected by deterioration in financing conditions if they had not hedged foreign exchange positions on overseas borrowings.

Indian corporates have been borrowing extensively over the past two years from international markets to fuel their expansion and take advantage of low foreign interest rates.

CURRENCY

Following is Sunday's (November 6, 2005) forex trading statement by **Standard Chartered Bank**

Sell			Buy		
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
66.4200	66.4500	USD	65.4000	65.3782	65.3346
79.9697	80.0058	EUR	76.3218	76.2964	76.2455
117.4106	117.4637	GBP	113.5148	113.4769	113.4013
49.8084	49.8309	AUD	46.9507	46.9350	46.9037
0.5680	0.5682	JPY	0.5485	0.5483	0.5479
51.2500	51.2731	CHF	49.6206	49.6041	49.5710
8.1746	8.1783	SEK	7.6489	7.6464	7.6413
56.6482	56.6738	CAD	54.7509	54.7327	54.6962
8.5785	8.5824	HKD	8.4244	8.4216	8.4169
39.4161	39.4339	SGD	38.2658	38.2530	38.2275
18.2307	18.2390	AED	17.6618	17.6559	17.6442
17.8515	17.8595	SAR	17.2998	17.2940	17.2825
10.9396	10.9446	DKK	9.9581	9.9548	9.9482
223.9555	224.0589	KWD	222.8131	222.8131	222.8131

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
45.47	59.76	101.85	41.025	6.5943	0.6835	3.78

Local Interbank FX Trading
Local interbank FX market was subdued on Sunday. USD was steady against BDT.

Local Money Market
Money market was active on Sunday. Call money rate eased slightly and ranged between 10.00 and 15.00 percent compared with 15.00-20.00 percent previously.

International Market
International market was closed on Sunday.

This memorandum is issued by Standard Chartered Bank and is based on or derived from information generally available to the public from sources believed to be reliable. While all reasonable care has been taken in its preparation no responsibility or liability is accepted for errors of fact or any opinion expressed herein.

PHOTO: **JANATA BANK**

Officials of Janata Bank and different non-banking financial institutions (NBFIs) pose for photographs at a function in Dhaka recently. At the function, Deputy Managing Director of the bank Md Mizanur Rahman distributed term loan sanction letters to the NBFIs officials.

US, China reach tentative deal on textile imports

Says report

AFP, *Washington*

The United States and China have reached a tentative agreement on imports of Chinese clothing and fabric, a deal that would resolve a simmering trade row between the two nations, The Washington Post reported Saturday.

With a few details remaining to be resolved, the agreement is likely to be signed next week by US Trade Representative Rob Portman and Chinese Commerce Minister Bo Xilai, the newspaper said, citing industry sources who requested anonymity because they had learned the details from US administration officials at a confidential briefing.

Portman is due to hold talks in Beijing on November 14 to discuss copycat abuses of foreign brands by Chinese manufacturers and lack of access for US companies trying to enter the booming Chinese market.

According to industry sources, The Washington Post reported, the textiles deal would begin on January 1 and last through 2008 -- a concession by China, which wanted it to expire in 2007.

It provides for a progressive increase in imports of most major textile and apparel products from China -- by eight to 10 percent in 2006, by 13 percent in 2007 and by 17 percent in 2008. That represented a concession by the administration of President George W. Bush, which had proposed keeping annual growth close to 7.5 percent.

If approved, the textile agreement would ease Sino-US tension over the issue, which erupted early this year after a decades-old global quota system on textiles was scrapped on January 1.

In the absence of an overarching agreement, the US Commerce Department has been resorting to temporary quotas to curb the Chinese imports, to the anger of Beijing.

Bush administration officials did not respond to requests for comment, the Post said.

PHOTO: **KDS ACCESSORIES**

Shameem Iqbal, managing director of KDS Accessories, Debasis Daspal, head of Supply Chain, and Nabil Ahmed, head of HR and IT, pose for photographs with the participants of a training course on 'The 7 Habits of Highly Professional Manager' organised by the company recently.

China domestic economic risks on upside: WB

REUTERS, *Beijing*

China's economic prospects are bright and the domestic risks on balance are on the upside, the World Bank said.

In its latest quarterly update, the bank forecast gross domestic product growth of 9.3 percent for this year and 8.7 percent for 2006 with consumer price inflation averaging 2.0 percent in both years.

"Recent developments strengthen the case for projecting a very soft landing," the report said. It particularly welcomed a rebound in domestic demand, which made up 75 percent of growth in the third quarter, compared with 40 percent in the first half.

A possible weakening in the US economy along with high oil and commodity prices meant the international risks were largely on the downside for China.

But home-grown risks point upwards, including the chance of greater-than-expected household spending on the back of fast-rising incomes, which in the first half of 2005 were 17 percent higher than a year earlier.

"The risk that a profit squeeze would trigger a pronounced slowdown in investment and a wider economic slowdown seems small, given the stable macroeconomic environment, underlying growth potential, and favourable financial conditions," the bank added.

A greater threat was that policy makers would fail to rein in investment in industries facing potential overcapacity.

"With enterprises sometimes more market-share oriented than profit oriented, there is a risk of further pressure on prices, corporate sector balance sheet problems, and a new round of non-performing loans," the bank said.

This danger was amplified by a build-up of cash in the banking system that could be turned into new lending and investment. This needed "careful monitoring, and perhaps corrective measures."

Money supply growth has accelerated markedly in recent months, a trend that the bank attributed to a decision by the central bank to sterilise, or mop up, far less of the yuan it issues when it buys dollars flowing into China.

The result has been a sharp drop in money market yields, in line with official policy of deterring speculative inflows of capital scenting gains from an appreciation in the yuan.

Rough estimates suggest the policy has worked, the World Bank said: inflows not related to foreign direct investment fell from more than $8 billion a month in the first half of 2005 to less than half of that in the third quarter.

"Given the current domestic context, it may be difficult, though, to rely too long on this policy. The low money market rate needed to stave off capital inflows does not seem consistent with strong economic growth and concerns about high investment."

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 6/11/2005

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/1	Supreme	GI(S. Eillet)	Vish	Mutual	5/11	8/11	655
J/2	Xiang Jiang	GI	C. Cha	Cosco	3/11	11/11	1595
J/3	Yaad-E-Mostafa	Salt/Soda	Indj	Cla	15/10	9/11	--
J/5	Fbanglar Shikha	Coant	P. Kel	BSL	2/11	8/11	298
J/6	Marisa Green	Cont	P. Kel	Everbest	2/11	--	254
J/7	Oel Freedom	Cont	Tpt	PSSL	2/11	9/11	218
J/8	Meugang	Sugar	Col	Jnship	6/10	2/11	--
J/9	Shan Hai Guan	GI	C. Cha	Cosco	2/11	9/11	2296
J/10	Mandalay	Cont	P. Kel	PML	1/11	8/11	289
J/11	Banga Bijoy	Cont	P. Kel	Bdship	2/11	8/11	244
J/12	Banga Borat	Cont	Sing	Bdship	2/11	8/11	291
J/13	Kota Berjaya	Cont	Sing	Pil(Bd)	2/11	9/11	298
CCT/2	Kota Ratna	Cont	Sing	Pil(Bd)	1/10	8/11	488
CCJ:	Hk Deqin-201	GI Sp/TSP	Sing	KDSA	26/10	8/11	
GSJ:	Banglar Robi	Repair	P. Kel	BSC	24/10	12/11	
DOJ/5	Al Kuwathah	Sko/Jp-1	--	MSTPL	2/11	6/11	
DOJ/7	Huang Shan	TSP Fert	Fang	Unique	2/11	7/11	
RM/9	Dragonis	Repair	--	Seacom	R/A	10/11	-
RM/10	Banglar Jyoti	Repair	--	BSC	R/A		--
Custom Jetty	Tug SBM-1	Ballast	Sing	OTL	9/12	--	

Vessels due at outer anchorage

Name of vessels	date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Oel Wisdom	6/11	Col	PSSL	Cont	Col
Xpress Resolve	6/11	Col	Everbest	Cont	Col
Xpress Nuptse	6/11	P. Kel	RSL	Cont	Sing
Qc Star	7/11	P. Kel	QCSL	Cont	Sing
Samsun Apollo	6/11	--	Seacom	P. Phospate	--
Iran Navab	6/11	Nant	USL	C. Clink	--
Oel Excellence	8/11	Cbo	PSSL	Cont	Col
Banga Bodor	9/11	Ptp	Bdship	Cont	Sing
Banga Borti	8/11	--	Baridhi	Cont	Col
Qc Honour	9/11	P. Kel	QCSL	Cont	Sing
Kota Cahaya	9/11	--	Pil(Bd)	Cont	Sing
Marus	6/11	Lumut	Litmont	C. Clink	--
Arnes	9/11	--	Litmond	Wheat(P)	--
Kota Rukun	9/11	Sin	Pil(Bd)	Cont	Mgl
Oel Enterprise	9/11	Sin	PSSL	Cont	Sing
Cakra Kembar	9/11	Solo	Mutual	Mt Copra	--
Dawei	9/11	Sin	PML	Cont	Sing
Jersey Express	9/11	--	Rsship	Demolition	--
Independent Spirit	9/11	--	APL	Cont	Sing
Banga Biraj	10/11	--	Bdship	Cont	Sing
Feliz-1	10/11	--	SSSTL	Ftsp/Fert	--
Orient Bulker	10/11	--	SSSTL	Wheat	--
Ocean Pride	11/11	--	PSAL	Urea	BCIC
Kota Ratu	11/11	--	Pil(Bd)	Cont	Sing

Tanker due

Siam Sathaporn	6/11	--	SNCL	CPO(RM/3)
Overseas Capemar	6/11	Kuwa	MSTPL	HSD
Orchid-Ii	8/11	--	OWSL	C. Oil(Bpc)

Vessels at Kutubdia

Name of vessels	cargo call	last port	local agent	date of arrival

Outside port limit

Wira Keris	--	Sing	IBSA	R/A(3/11)
Leopard Tide	--	--	IBSA	R/A(3/11)

Vessels at outer anchorage

Vessels ready

Banga Lanka	Cont	Sing	Bdship	R/A(5/11)
Pavonis	GI	Yang	PML	3/11
Mellum	Cont	Sing	QCSL	3/11
Qc Dignity	Cont	Sing	QCSL	3/11
Yong Jiang	GI	Vizag	Cosco	4/11
Coastal Express	Cont	Cal	BSC	4/11
Romny	Cont	Sing	Pil(Bd)	5/11
Andhika Ashura	Cpo	P. Kel	USL	5/11
Da Hua	P. Cargo	Vizag	Frank	5/11

Vessels not ready

Alison	Slag	Sing	Move	20/10
Layer Sentosa	Sugar(P)	Bank	Able	2/11
Brave Royal	C. Clink	--	Brsl	3/11
Golden Pacific	C. Clink	Krabi	BSLL	3/11
Manila Star	C. Clink	Sing	--	3/11
Pan Express	C. Clink	Krabi	ASLL	4/11
Ks Glory	C. Clink	Koh	--	4/11

Vessels awaiting employment / instruction

Bumi Jaya	--	Visa	Unicorn	1011
Banglar Shourabh	--	--	BSC	R/A(5/11)
Amar	--	Indo	Seacom	R/A(3/11)

Vessels not entering

Prestigious	Sugar	Santos	Mutual	R/A(29/9)
Winona	C. Clink	Nant	USL	09/10
Fcc Prosperity	Tsp. Fert	Fang	Unique	31/10
Diamond	C. Clink	Lumut	Move	31/10
New Hope-Ii	C. Clink	Sing	SSA	26/10
Novokazalinks	Scraping	Nakh	Intraport	1/11
Konstantin Alekseev	Scraping	Nakh	Intraport	1/11

Movement of vessels for: 7/11 & 8/11/2005

OUT GOING		IN COMING		SHIFTING	
7/11/2005					
J/3	Y.E. Mostafa	J/4	Pavonis		
J/4	Da Hua	J/3	Yong Jiang		
RM/3	S. Sathaporn				
RM/10	B. Jyoti				
8/11/2005					
J/1	Supreme	J/12	Qc Dignity	CCT/2	Mellum
J/5	B. Shikha	J/11	C. Express	J/8	H. Shang
J/6	M. Green	J/10	B. Lanka		
J/11	B. Bijoy	J/6	Romny		
J/12	B. Borat	J/8	Yong Jiang		
CCT/2	K. Ratna	RM/3	Sakura		
RM/4	A. Ashura	J/5	Xp. Resolve		
J/10	Mandalay	D/6	O. Capemer		
		D/7	B. Jyoti		

The above are the shipping position and performance of vessels at Chittagong Port as per berthing sheet of CBA supplied by **Family,** Dhaka.