

# UK calls for EU signal on farm reform viewing WTO talk

AFP, London

British finance minister Gordon Brown on Thursday challenged the EU to send a "signal" to help unlock WTO trade talks by reforming its own agricultural subsidies.

Chancellor of the Exchequer Brown said his country, which currently holds the rotating presidencies of both the European Union and the

Group of Eight (G8) rich nations' club, must be at the vanguard of efforts to secure a deal at crunch WTO talks in Hong Kong next month.

"Britain should lead the way to a new trade agreement next month in Hong Kong which unites the world and makes globalisation work for the poorest of the world," Brown said in an address to business leaders in London.

The talks face deadlock unless

agreement can be reached with Brazil and India over issues such as the freeing up of international agricultural markets.

The requirement was for "progress in the negotiations that allows countries like India and Brazil to positively support the liberalisation of services and greater market access," Brown said.

"And the key that will unlock that

door is America and Europe offering progress by reducing protectionism in agriculture," he argued.

"Indeed, what better signal could Europe send of its commitment to wider economic reform than tackling wasteful subsidies that consume 40 per cent of the European budget, even at a time when agriculture accounts for just two per cent of the European economy."



Steve Wallace, country director of CARE in Bangladesh, inaugurates a cash booth of Standard Chartered Bank at the annexe building of Sonargaon Hotel recently in Dhaka. Osman Morad, chief executive officer of Standard Chartered Bank, and other officials are also seen.



Ahmad Bin Ismail, managing director of Akitel and MK Bashar, chief executive officer of BSB Global Network, sign a corporate agreement on behalf of their respective companies recently. Under the agreement, BSB Global network has become a corporate client of the mobile phone operator.

## StanChart opens cash booth at Sonargaon Hotel

Standard Chartered Bank has opened a cash booth at the annexe building of the Pan Pacific Sonargaon Hotel.

Steve Wallace, country director of CARE in Bangladesh, inaugurated the booth recently, says a press release.

Osman Morad, chief executive officer of SCB, Hassan Mazumdar, deputy country director of CARE, Ahmed Ali Shah, head of client relationships, Selim RF Hussain, chief financial officer of SCB, and senior bank officials were present.

SCB is completing the conversion of American Express Bank Ltd outlets to the Standard Chartered brand and technological platform following its recent purchase of AEBL's domestic business and branches in Bangladesh.

## Oil prices fall

AFP, London

World oil prices fell on Thursday as strong rises in US crude inventories helped offset concerns about high demand for heating fuel during the northern hemisphere winter, dealers said.

In London on Thursday, the price of Brent North Sea crude for January delivery dropped 74 cents to 55.47 dollars per barrel in electronic dealing.

New York's main contract, light sweet crude for delivery in January, had closed down 13 cents at 58.71 dollars per barrel on Wednesday in the wake of the inventories data.



Qatar Airways Chief Executive Officer Akbar Al Baker, centre, and Senior Regional Manager Europe and America Peter Spencer, right, after picking up four key awards in London recently. With them is Graham Cooke, president of the World Travel Awards.

## Asia's economy perking up

REUTERS, Singapore

A string of strong indicators throughout Asia is sending a clear message to the market: the regional economy is perking up.

A retreat in oil prices, soft local currencies and robust demand from the United States and China all bode well.

After a weak patch earlier in the year, Asian economies do seem to be growing at a faster pace again," said Rob Subbaraman, an economist at Lehman Brothers.

"The recovery is gaining momentum and what is encouraging is that it is broad based. We've seen strong growth in the third quarter and that is feeding into some of the data for the fourth quarter."

A few of the more notable recent developments are:

Singapore's economy racked up a 7.1 percent annualised growth rate in the third quarter.

Taiwan's October export orders surged 22 percent from a year earlier to a record US\$24.6 billion.

Taiwan, like China, Singapore, South Korea and Indonesia, exceeded third-quarter growth expectations.

South Korea's central bank said the country should enjoy favourable

conditions at home and abroad in 2006, with exports of key products such as cars, chips and ships remaining brisk.

Jan Lambregts, head of Asia-Pacific research at Rabobank, said it has been a particularly good month of data.

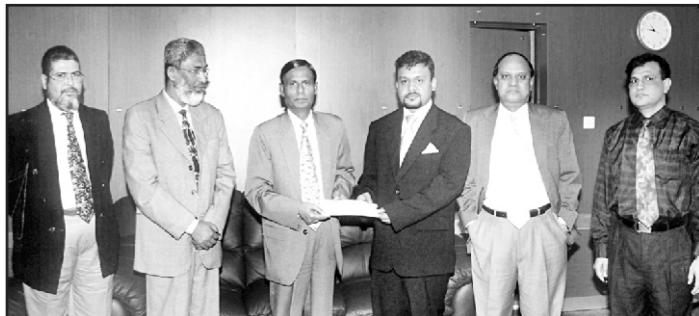
"The US economy is very resilient. Closer to home, China accelerated in the third quarter and is still running at a pace of over 9 percent every quarter. That is what Asia is tapped into and benefiting from."

There could be a slight pull back next month, but he said the trend is solid as the world economy is firing on many cylinders.

Demand from the United States and China is a particularly big factor for Asian economies. For instance, South Korea, Asia's fourth-largest economy, ships around two-fifths of its exports to those two countries.

Another boon: the unexpected weakness of Asia's currencies in the face of a resilient dollar. Most Asian currencies have fallen this year, except for the Philippine peso, Malaysian ringgit and Chinese yuan.

A global recovery in the technology sector is also helping. Asia is both tech-heavy and highly geared to global trends.



Yeasin Ali, managing director of Dutch-Bangla Bank Limited (DBBL), hands over a payment order of Tk 10 lakh to Ariful Bari Majumder, director and member of Board of Trustee of Atish Dipankar University of Science and Technology (ADUST), in Dhaka recently. DBBL donated the amount to ADUST to set up a pharmacy, chemistry and computer lab.

## Weekly Currency Roundup

Nov 20-Nov 24, 2005

### Local FX Market

Demand for US dollar remained steady. USD was stable against taka.

### Money Market

In the Treasury bill auction held on Sunday, bid for BDT 18,757.00 million was accepted, compared with total of BDT 14,111.00 million in the previous week's bid. The weighted average yields were unchanged.

Call money rate was steady this week. The rate ranged between 6.00 and 6.50 percent throughout the week.

### International FX Market

The euro jumped to a two-week high versus the dollar on Monday underpinned by comments by European Central Bank President Jean-Claude Trichet who last Friday signaled an imminent interest rate hike in euro zone. Trichet on Saturday refused to elaborate on his comments on Friday, when he had said the ECB was ready to moderately augment interest rates, saying he had made himself clear. Investors now await Trichet's testimony before the European Parliament's Committee on Economic and Monetary Affairs at 1400 GMT. Markets have fully priced in a 25-basis-point rate rise at the ECB's next meeting on December 1 to 2.25 percent from an historic low of 2.0 percent which has been held since mid-2003. By 0900 GMT, the euro was up 0.4 percent against dollar and gained nearly a third of a percent against the yen. The dollar slipped from a near two-year high against the yen, but traders expected the Japanese currency to weaken as interest rates as Japanese policymakers debate over the timing of the end of ultra-loose monetary policy.

The dollar hit a three-week low against the euro on Wednesday after the minutes of the US Federal Reserve's last meeting indicated that the central bank could be close to ending its monetary tightening cycle. The dollar had slipped in late New York trading on Tuesday after traders read the minutes to mean that some policy makers were less worried about inflation than about a continued rise in the benchmark interest rate. Trading was expected to be subdued as Japanese markets were closed for a holiday and US markets were likely to slow down ahead of Thanksgiving on Thursday. Sterling held steady against the dollar before the Bank of England releases the minutes of its policy meeting earlier this month, when rates were kept unchanged at 4.50 percent.

The dollar edged away from a three-week low against the euro on Thursday as investors sought clues as to whether the Federal Reserve is close to ending its tightening cycle. In thin trading due to a US Thanksgiving holiday, the dollar trimmed losses made after the Federal Reserve's November minutes suggested on Tuesday that some policymakers were wary of allowing interest rates to rise too high after raising them to 4 percent. The euro awaited Germany's closely-watched Ifo business climate index due at 0900 GMT with the focus on what the European Central Bank would do after its expected rate hike from the current 2 percent in December. The headline Ifo index is expected to come in at 98.6 in November from 98.7 in the previous month.

- Standard Chartered Bank

## STOCK