

EU trade chief fingers US in WTO setback

AFP, London

The United States needs to be more "realistic" if the Doha round of World Trade Organisation (WTO) talks is to succeed, EU Trade Commissioner Peter Mandelson said Friday.

Speaking on BBC radio as the WTO missed its deadline for sealing a deal, Mandelson deflected blame away from the European Union, the world's biggest single trading entity, by pointing an accusing finger at

Washington.

"In return for dealing with soaring farm subsidies in the United States, the American government is asking for very radical access to agricultural markets around the world that neither we in Europe nor most developing countries -- countries that speak for half of mankind -- can possibly accept or implement," he told BBC radio.

"It is this that is holding up decisions. Until they convert their demands into some rather more

reasonable or realistic requests, we are going to continue to be painted into this corner."

Despite difficulties which have seen a Sunday deadline for agreement rolled back to July, Mandelson -- who negotiates trade deals on behalf of all 25 EU member states -- said he believed an agreement was still possible.

"The talks are in trouble, that is certainly true. They are struggling -- but they are not derailed," he said.

Office bearers of Basis executive council

Sarwar Alam and Shoeb Ahmed Masud have been elected president and secretary general of the executive council of Bangladesh Association of Software & Information Services (BASIS) for 2006-2007.

The hand-over ceremony of the office bearers was held on Sunday in Dhaka, says a press release.

The other members of the executive council are Rafiqul Islam, senior vice president, Ahmed Hasan, vice president, Shameem Ahsan, joint secretary general, M Shoeb Chowdhury, Shafquat Haider and TIM Nurul Kabir, directors, and AKM Fahim Mashroor, treasurer.



PHOTO: BASIS

A function of Bangladesh Association of Software & Information Services (Basis) was held on Sunday in Dhaka, where new office bearers of the association took over.

Euro nears eight-month peak against dollar

AFP, London

The euro neared an eight-month high against the dollar on Friday as the market digested signs that US interest rates are near a peak and ahead of the publication of US economic growth data.

The euro stood at 1.2559 dollars in European trade, up from 1.2531 dollars late on Thursday in New York.

The dollar dipped to 114.11 yen from 114.14 on Thursday.

In Friday's early morning deals, the European single currency hit 1.2567 dollars -- marking the highest level since September 5 last year.

Meanwhile, market participants were keenly awaiting Friday's first estimate of economic growth in the United States for the first quarter of 2006.

US Federal Reserve Chairman Ben Bernanke hinted overnight that the US central bank was close to pausing in its string of interest rate hikes.

Bernanke told a Congressional committee that Fed policymakers may decide "at some point in the future" to call a pause to allow more time to assess incoming economic data.

Dealers said those remarks have reignited speculation the expected increase next month to 5.0 percent could be the last.

"Bernanke effectively indicated that the Fed is close to a pause in its tightening cycle, with May likely to be the last hike in the current cycle in our view," said Calyon currency analyst Mitul Kotecha.

Bernanke's comments added to the spate of dollar-negative factors, including the G7 call for greater currency flexibility in Asian currencies, central bank reserve diversification away from the dollar and China's rate hike.

Expectations of an imminent Fed suspension, in contrast to predictions of tighter monetary policy from the European Central Bank and the Bank of Japan, have pushed the dollar lower on foreign exchange markets in recent weeks.

While the Fed is now expected to hike rates once more in May, the ECB is projected to continue lifting its key refi rate over the coming year from its current level of 2.50 percent.

The market was also digesting the Bank of China's decision to raise interest rates by 0.27 percentage points to 5.8 percent, its first rate hike since October 2004. The hike came into effect on Friday but dealers said the actual impact was likely to be muted.

The euro was changing hands at 1.2559 dollars against 1.2531 late on Thursday, 143.29 yen (143.07), 0.6956 pounds (0.6955) and 1.5738 Swiss francs (1.5780).

The dollar stood at 114.11 yen (114.14) and 1.2530 Swiss francs (1.2586).

The pound was being traded at 1.8059 dollars (1.8018).

On the London Bullion Market, the price of an ounce of gold stood at 638.70 dollars per ounce, from 638 dollars late on Thursday.



PHOTO: ETIHAD CRYSTAL CARGO

Ingo Roessler, VP of Etihad Crystal Cargo, receives on behalf of the company the 'Best Airline to the Indian Sub-Continent' award from Natasha Kaplinsky, BBC news anchor, and Vipul Jain, CEO and managing director of KALE Consulting, at the 'Cargo Airline of the Year Award' ceremony held on Sunday in London.

Weekly Currency Roundup

Apr 23-Apr-27, 2006

Local FX Market

Demand for US dollar was stable in this week and USD remained almost unchanged against Bangladeshi taka.

Money Market

In the Treasury bill auction held on Sunday, bid for BDT 1,497.00 million was accepted, compared with total of BDT 1,558 million in the previous week's bid. Weighted average yield was almost unchanged.

Overnight money market was stable in the beginning of the week and ranged between 16.00 and 18.00 percent. The rate eased by the end of the week and ranged between 15.00 and 17.00 percent.

International FX Market

The dollar slid sharply to a three-month low against the yen and a seven-month low versus the euro on Monday after Group of Seven powers said China should let its yuan appreciate as a way of fixing global imbalances. The yen climbed around 1.3 percent against the dollar and 1 percent on the day versus the euro which gained additional support as comments from Qatar and Russia added to speculation that central banks are shifting their reserves away from the dollar. However the yen's rally stalled slightly after Japan signaled its displeasure at the rapid move when Vice Finance Minister Koichi Hosokawa said he was watching forex moves with "strong interest" and would always take appropriate action on forex as needed.

In the middle of the week, the euro hovered close to the previous day's seven-month high against the dollar as strong euro zone data and comments from top European Central Bank officials suggested the ECB pace of interest rate increases could accelerate. ECB executive board member Lorenzo Bini Smaghi said that if the European economic recovery strengthened, the central bank would adjust rates to avoid inflation, in comments published in an Italian newspaper. Meanwhile, ECB governing council member Axel Weber told Bloomberg television that risks of second-round inflation effects had risen. The euro was slightly lower on the day but hovering near a seven-month peak struck on Tuesday on the back of an unexpected rise in the April German Ifo sentiment index to a 15-year high.

The dollar held near this week's seven-month low against the euro on Thursday as investors turned to congressional testimony from Federal Reserve chairman for clues on when US interest rates are likely to pause. The greenback has been pressured this week as weekend comments from Group of Seven rich nations put renewed focus on US deficits and structural problems. That took attention away from otherwise solid US economic data on housing and durable goods on Wednesday. Fed chief Ben Bernanke is due to testify before Congress on the economic outlook from 1400 GMT. Most analysts expect Bernanke to repeat that future Fed tightening will depend on the shape of upcoming economic data.

- Standard Chartered Bank



PHOTO: GRAMEENPHONE

Mainur Rahman Bhuiyan, additional general manager (Finance) of mobile phone operator GrameenPhone (GP) Ltd, and Ahsan Afzal, head of Cards & Unsecured of Standard Chartered Bank, pose for photographs at an agreement signing ceremony recently. Under the deal, the bank will offer a wide range of bill payment solutions to the GP subscribers.



PHOTO: BANGLALINK

Kamrul Islam Khan, director of Accurate Builders & Developers Ltd, and Tanvir Ibrahim, head of Corporate Sales of mobile phone operator Banglalink, exchange documents after signing a corporate agreement recently.

StanChart offers bill payment solutions to GP subscribers

GrameenPhone (GP) Ltd and Standard Chartered Bank (SCB) recently signed a bill collection agreement to offer a wide range of bill payment solutions to the GP subscribers.

Under the deal, GP subscribers will be able to settle their post-paid bills through their MasterCard and Visa Cards (credit/debit/prepaid-issued by any bank) over the counters at all customer management centres of GP across the country, says a press release.

Mainur Rahman Bhuiyan, additional general manager (Finance) of GP, and Ahsan Afzal, head of Cards & Unsecured of the bank, signed the deal on behalf of their companies.

In addition, common customers of SCB and GP will be able to use any of the five convenient bill payment channels offered by the SCB, which are Auto BillsPay, ATMs (35 across the country), 24-hour Call Centre, iBanking and BillPay Machines at selected branches.

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