

UK 'disappointed' by WTO talks

Seeks EU farm concessions

AFP, Brasilia

British Foreign Minister Margaret Beckett regretted Monday the failure of weekend WTO trade negotiations and called for the European Union to make greater concessions on agriculture. "I was deeply disappointed to learn that Sunday the WTO ministerial meeting had ended without agreement," Beckett said in a speech to the Getulio Vargas Foundation in Sao Paulo, her first stop in a two-day visit to Brazil. Beckett said she wanted to discuss with Brazilian President Luiz Inacio Lula da Silva her proposal of a meeting of leaders of the

Group of Eight advanced economies and several countries of the Group of 20 (G20) emerging countries aimed at advancing the global trade talks. The top British diplomat also underscored the role of Brazil, a G20 leader, in the World Trade Organization's current Doha round of negotiations, begun in the Qatari capital in 2001. The goal is to slash barriers to agricultural, services and manufactured goods trade and harness trade for economic growth in the developing world. Talks were meant to end in 2004 but the target was pushed back to December 2006. Three days of

negotiations in Geneva ended Saturday in failure. Beckett warned that the Doha Round could collapse, particularly as negotiators face the expiration of a special US trade negotiating authority in a year. On July 1, 2007, the White House is due to lose its special authority from US lawmakers to fast-track trade deals, which could hamper the WTO negotiations if they overrun. "We are coming to a crunch, a window for agreement that can be measured not in years or even in months, but in weeks and days, and not many of them," Beckett said. "If we allow this window of oppor-

tunity to pass before US trade promotional authority comes to an end, we can probably forget about any progress till 2008 at the very earliest, if at all," she said. "The key to a deal is clear... the EU must allow greater agriculture access to others who are more competitive... it is simply not credible for the EU to go further on agriculture at the right time," she said. "There is no doubt at all in my mind that it is perfectly possible for us to have a deal in the Doha Round and it is even possible for there to be an ambitious deal," Beckett continued.



Standard Chartered Bank signs a Memorandum of Understanding with Farzana Shakil's Makeover Salon Ltd in Dhaka recently. Under the deal, the salon will offer exclusive privileges to Standard Chartered Priority Members and their immediate family members. Tanim Noman Sattar, head of Wealth Management of the bank, and Farzana Shakil, managing director of the salon, signed the accord on behalf of their organisations. Senior officials from both the sides were also present.

India-Lanka tea pact soon

ANN, Kolkata

With a view to give a boost to tea trade, India and Sri Lanka would be signing a Comprehensive Economic Partnership Agreement (Cepa) very soon, according to the Indian Tea Board chairman, Basudev Banerjee. Speaking to reporters on the sidelines of the annual general meeting (AGM) of Tea Auction Buyers' Association of Calcutta (Tabac), Banerjee favoured greater imports of tea from Sri Lanka saying that this will only be possible if Sri Lanka takes the initiative and India develops a taste for the orthodox tea. While India can import up to 15 million kg of tea at 7.5 per cent duty from Sri Lanka, it only imported 0.1 million kg last year.

Russia to ditch WTO rules if not admitted to body

AFP, Moscow

Russia will stop adhering to rules set by the World Trade Organization (WTO) if it is not formally admitted to the group, President Vladimir Putin said here Tuesday. "If for some reason we cannot reach agreement" on WTO membership, "we will no longer be responsible under accords that we have not only approved but that we are fulfilling, despite the fact that we are not a member of this organization," Putin was quoted by news agencies as saying. Speaking at a meeting with international trade and business leaders, Putin noted that Russia had not yet been admitted to the WTO

and stressed that the only country still refusing to endorse Russian membership in the trade body was the United States. "We believe that conditions in the functioning of the Russian economy are more open and liberal than they are in several other WTO member states," Putin was quoted by Interfax and RIA Novosti news agencies as saying. The Russian president stressed that new national legislation to strengthen protection of intellectual property rights -- Russia has regularly been criticized for tolerating piracy -- had been formally adopted and the problem was now one of implementation of these laws. However enforcement of intel-

lectual property protection laws was a problem not just for Russia but also for other countries, especially developing economies, and Putin said the issue would be addressed at the Group of Eight (G8) summit in Saint Petersburg July 15-17. Asked to comment on the current Doha round of WTO trade negotiations, Putin said that Russia would not be opposed to removing agricultural subsidies. "This is not problem for us at the moment," he said, noting that Russian agricultural subsidies were close to nil anyway. Countries that heavily subsidize their agricultural sectors, he said, were not helping create a level global economic playing field.

Copying Western consumer culture not an option: India PM

AFP, New Delhi

India's reformist Prime Minister Manmohan Singh says economic growth is crucial to fight poverty but that aping Western consumer culture would be a big mistake for the country. "I am not unambiguously attached to reforms. I feel that India has to compete with the rest of the world on its own strength," Singh told the Economic Times in an interview published Monday. "I am not enamoured of India copying the Western consumption style. That is certainly not an option for us when we talk of reforms," he told the newspaper while on a tour of central India, which has reported hundreds of suicides by debt-ridden farmers. "The challenge for us is how to pursue a growth strategy and prosper and become a modern self-sufficient country even at a per capita income of 1,500 dollars," he said. India's current annual per capita income is around 700 dollars. Singh, who is credited with introducing market reforms as finance minister in India in 1991, added: "We need to copy the West in production and raising productiv-

ity, and not in consumption. "When we talk of growth and catching up with the West, we must be aware that, in the end, only a small proportion of the population will enjoy Western standards of living and high consumption," he said. The Indian economy grew 8.4 percent in the year to March, beating previous estimates of 8.1 percent, but inflation had also picked up, hitting 5.44 percent in the week to June 17, its highest level in 13 months. Singh's comments come as the Congress-led government tries to deflect criticism from its Communist allies that it has forsaken the poor and instead is focusing too much on selling off state-owned firms and attracting more foreign investment. While recent reports have said the 15-year-old economic reforms were making millionaires at a record rate, World Bank figures showed about 40 percent of India's billion plus population live on less than a dollar a day. Singh said huge investments in retail stores, commercial farming and special economic zones were not the right solution to the problems of India's landless and "marginalised people."

Microsoft not complying with decision: EU

REUTERS, Brussels

An EU committee ruled on Monday that Microsoft failed to comply with a landmark antitrust decision, paving the way for fines of up to 2 million euros (\$2.56 million) a day, a source familiar with the situation said. Sources had previously told Reuters that the advisory committee would decide against the U.S. software group and that another meeting was scheduled to take place on July 10 to decide the size of the fine. In March 2004 the Commission said the software giant was abusing its dominant position of its Windows operating system and ordered it to give information to rivals so they could create software that runs smoothly with Windows. But since then, the Commission charged Microsoft with what it saw as foot-dragging in handing over reliable and accurate information to the rivals. Microsoft has separately appealed the original decision but maintains it is complying.



Kazi Akramuddin Ahmed, chairman of Standard Bank Limited, inaugurates the 23rd branch of the bank at Ekuria at Keraniganj near Dhaka recently. The bank's Vice Chairman Mohammad Abdul Aziz and Managing Director Mosharrar Hossain were also present.

Developing countries key to feeding world: FAO

AFP, Paris

Developing countries such as Brazil, China and India hold the answer to providing food and fuel for growing global consumption in the next decade, a study said Tuesday. Trade barriers must also be dismantled to boost output, the Organisation for Economic Cooperation and Development (OECD) and the UN Food and Agriculture Organization (FAO) said in a joint report. Referring to struggling World Trade Organisation (WTO) talks, the two groups said that if a deal was finally struck to free up global exchanges, the result would be "higher world prices for a number of agricultural commodities and increased trade". Meanwhile, world farming would depend on growing output from developing nations to meet increasing demand for food and fuel. And even if barriers remained in place, trade in wheat, coarse grains, and rice in particular was forecast to

expand by 2015. Demand for dairy and meat products would also strengthen owing to rising incomes and growing trade. "Developing countries are now increasingly determining the contours of the world agricultural landscape" with Brazil, China and India in particular "becoming the new epicentre of forces shaping world agricultural production and trade", the report said. But "projected growth in agricultural commodity trade to 2015 will continue to under perform due in large part to the persistence of higher trade barriers for agricultural products", it added. The study was released a few days after WTO members had failed again to overcome obstacles in the Doha Round of negotiations aimed at freeing up trade to boost the economies of poorer nations. The OECD and the FAO identified the talks as a "major uncertainty" hanging over their outlook, and warned that the least-

developed countries would increase net imports of basic commodities in the next 10 years. That would lead to "greater reliance on world markets for their food security, and greater exposure to international market price fluctuations", the report said. The world's population was projected to reach about 7.2 billion people, with more than one-half living in cities. "The question of how to adequately feed the growing numbers of urban consumers, many of whom in developing countries are currently and will in the future be living in poverty, remains a key challenge to policy makers." While increased local production and more efficient distribution systems would help keep costs down, rice prices in particular could rise owing to pressure "in the form of rural labour shortages, growing competition for land and water and high fuel costs".

China starts building largest wind power plant

AFP, Shanghai

China has begun building the nation's biggest wind power plant that will generate enough electricity for 400,000 homes, state press reported Tuesday. A unit of Shenhua Group, the country's biggest coal producer, will build the 200 megawatt plant at a cost of 1.7 billion yuan (210 million dollars) in the eastern coastal province of Jiangsu, the Shanghai Daily reported. The plant in Dongtai city, north of Shanghai, will produce enough electricity for 400,000 homes, it said. Shenhua subsidiary Guohua Energy Investment Corp said it planned to expand the capacity at its Dongtai plant to 1,000 megawatts over the next 10 to 15 years, the paper reported.

China, which currently relies on heavily polluting coal for around 70 percent of its power needs, is trying to diversify its energy mix. China is intending to increase its wind power capacity from the current level of 1,260 megawatts to 5,000 megawatts by 2010, according to the China Electricity Council. But the 760 megawatts of installed wind power from 43 wind farms at the end of 2004 was less than one percent of the total national electricity production, previous government figures showed. According to previously announced Chinese studies, the nation has the potential to tap over one million megawatts of wind power resources, of which 250,000 megawatts are land based and the rest offshore.

Japan's central bank may raise rates soon

AP, Tokyo

Japanese ministers gave conflicting signals Tuesday about what the central bank should do about interest rates amid rising speculation the Bank of Japan will raise rates next week. Banking and economy minister Kaoru Yosano said that the economic price and market conditions were beginning to fall into place to allow the bank to lift interest rates after keeping them at zero for five years. But later in the day, Finance Minister Sadakazu Tanigaki urged the bank to hold off so as not to torpedo the economy's budding recovery. The comments come a day after the central bank's closely-watched "tankan" survey showed that companies are more optimistic about the future. Those results and signs of consistently rising prices after years of deflation has spurred speculation that the central bank will raise interest rates by a quarter point after its two-day policy meeting that starts July 13. Yosano appeared to express support for raising borrowing rates soon.



Managing Director of LankaBangla Finance Limited Mafizuddin Sarker and Managing Director & CEO of Central Depository Bangladesh Limited (CDBL) MH Samad sign an agreement on behalf of their organisations in Dhaka recently. The deal paves the way for LankaBangla Finance IPO shares to be issued in dematerialised form in the Central Depository System (CDS). Senior officials of both the organisations were present.

SHIPPING

Chittagong Port

| Berthing position and performance of vessels as on 4/7/2006 | | | | | | | | | |
|---|-----------------|--------------|--------------|-------------|---------------|---------|--------------|--|--|
| Berth No. | Name of vessels | Cargo | L. Port call | Local agent | Dt of arrival | Leaving | Import disch | | |
| J/1 | Vera | Wheat(P) | Ukra | Jnshp | 01/6 | 7/7 | 136 | | |
| J/2 | Yaad-E-Mohammed | Sugar | Mum | Cla | 09/6 | 4/7 | 82 | | |
| J/3 | Xuan Cheng | Gypsum/Tsp | Fang | Cosco | 17/6 | 7/7 | 416 | | |
| J/4 | Huang Shan | Gl | Chin | Cosco | 03/7 | 9/7 | -- | | |
| J/5 | Santa Suria | Gl (R. Log) | Yang | AMBL | 29/6 | 9/7 | 1231 | | |
| J/6 | Rv Sonne | Recharch | Sing | Bdshp | 04/7 | 7/7 | -- | | |
| J/7 | Grela-C | Cont | P. Kel | Everbest | 29/6 | 8/7 | 107 | | |
| J/8 | Golden Star | Urea(Boic) | Ruwai | PSAL | 27/6 | 15/7 | 264 | | |
| J/9 | Ocean Park | Cont | Sing | Seacon | 29/6 | 7/7 | -- | | |
| J/10 | Cape Bonavista | Cont | P. Kel | Bdshp | 27/6 | 8/7 | 70 | | |
| J/11 | Banga Borak | Cont | P. Kel | Baridh | 28/6 | 6/7 | 221 | | |
| J/12 | Ultima | Cont | Sing | FSSL | 27/6 | 5/7 | 132 | | |
| J/13 | Banga Lanka | Cont | Col | Baridh | 27/6 | 5/7 | 75 | | |
| CCT/1 | Rio Lawrence | Cont | Ptp | QCSL | 24/6 | 9/7 | -- | | |
| CCT/2 | Banglar Shikha | Cont | P. Kel | BSC | 22/6 | 4/7 | 133 | | |
| CCJ: | Sinar Sejal-2 | Wt. Cement | Bang | MBL | 30/06 | 07/7 | -- | | |
| RM/3 | San Carlo | Cdso | P. Louis | ESTL | 02/07 | 06/7 | -- | | |
| DDJ/6 | Puma | Hsd/JP-1 | Kuwa | MSTPL | 24/06 | 05/7 | -- | | |
| DDJ/1 | Banglar Gourab | Survey | -- | BSC | R/A | 07/7 | -- | | |
| RM/8 | Sakura | Cpo | P. Kel | MTCL | 03/07 | 05/7 | -- | | |
| RM/9 | Banglar Doot | Repair | K. Dia | BSC | 03/06 | 07/7 | -- | | |
| RM/10 | Santa Suria-II | Sod/Chloride | Sing | AMBL | 17/05 | 06/7 | -- | | |
| Custom | Tug SBM-1 | Ballast | Sing | OTL | 09/12 | -- | -- | | |
| Jetty | | | | | | | | | |
| CULFJ | Banglar Moni | Survey | -- | BSC | R/A | 7/7 | -- | | |

| Vessels due at outer anchorage | | | | | | |
|--------------------------------|-----------------|--------------|-------------|---------------|----------|---------|
| Name of vessels | Date of arrival | L. Port call | Local agent | Type of cargo | Loading | Ports |
| Yong Jiang | 5/7 | Inch | Cosco | Gl | -- | -- |
| Evangelos-1 | 6/7 | Ukra | Pol | Wheat(P) | -- | -- |
| Continent-4 | 4/7 | Tuti | Col | Sugar | -- | -- |
| Banglar Bobi | 4/7 | Ptp | BSC | Cont | Sing | Sing |
| Banga Rorai | 5/7 | Sing | Bdshp | Cont | Pkl. Sin | 3 Units |
| Thor Scan | 5/7 | Sing | Sunshine | Rtg Crane | Mong | Cont |
| Kota Petani | 5/7 | Sing | Pj(Bd) | Cont | Sing | Sing |
| Banga Biraj | 5/7 | Sin | Bdshp | Cont | Sing | Sing |
| Esham | 5/7 | P. Kel | CEL | Cont | Sing | Sing |
| Long Grow | 5/7 | Tuti | Limdon | Sugar | -- | -- |
| Sarim | 6/7 | Indo | Limdon | C. Clink | -- | -- |
| Banga Bijoy | 6/7 | Col | Baridh | Cont | Col | Col |
| Coastal Express | 8/7 | Viza | BSC | Cont | Col | Col |
| Kota Cahaya | 6/7 | Sing | Pj(Bd) | Cont | Sing | Sing |
| Maritime Chiangmai | 7/7 | Tarj | BSL | C. Clink | HCLB | HCLB |
| Bangkhusri | 7/7 | -- | ABJ | Scraping | -- | -- |
| Emily-C | 7/7 | Pkl | Seacon | Cont | Col | Col |
| Kota Rajin | 7/7 | Sing | Pj(Bd) | Cont | Sing | Sing |
| Bina | 7/7 | Batta | Pacific | Scraping | -- | -- |
| Eastern Fortis | 8/7 | -- | Prog | Gl(Pa/St) | -- | -- |
| Oel Excellence | 8/7 | -- | PSSL | Cont | Col | Col |
| Cape Henry | 8/7 | -- | APL | Cont | Sing | Sing |
| Xpress Malaku | 9/7 | -- | SCBL | Cont | Sing | Sing |
| Xpress Manaslu | 9/7 | -- | SCBL | Cont | Col | Col |

| Tanker due | | | | |
|-----------------|-----------------|----------------|-------------|-----------------|
| Name of vessels | Date of arrival | Last Port call | Local agent | Date of arrival |
| Victory Prima | 04/07 | Pasir | USL | CPQ(RM/4) |
| Al Kuwaitah | 07/07 | Kuwa | MSTPL | HSD/MS |

| Vessels at Kutubdia | | | | |
|---------------------|-------|----------------|-------------|-----------------|
| Name of vessels | Cargo | Last Port call | Local agent | Date of arrival |
| Wira Keris | -- | -- | IBSA | R/A (30/6) |

| Vessels at outer anchorage | | | | | | |
|----------------------------|----------|----------------|-------------|-----------------|--------------|-------|
| Vessels ready | | | | | | |
| Name of vessels | Cargo | Last Port call | Local agent | Date of arrival | Import disch | Ports |
| Banga Bodor | Cont | P. Kel | Baridh | 26/6 | -- | -- |
| Kanok Naree | Wheat(P) | Turk | Limdon | 21/6 | -- | -- |
| Osg Bosset | Cont | Col | Seacon | 29/6 | -- | -- |
| Marisa Green | Cont | P. Kel | Everbest | 30/6 | -- | -- |
| Banga Bonik | Cont | Col | Baridh | 30/6 | -- | -- |
| Kota Rancak | Cont | Sing | Pj(Bd) | 1/7 | -- | -- |
| Oel Freedom | Cont | Ptp | PSSL | 1/7 | -- | -- |
| Delmas Kaveri | Cont | P. Kel | Bdshp | 2/7 | -- | -- |
| Oel Wisdom | Cont | Ptp | PSSL | 2/7 | -- | -- |
| Selatan Megah | Cont | Sing | Pj(Bd) | 3/7 | -- | -- |
| New Sea Star | Cont | Mala | QCSL | 3/7 | -- | -- |
| Qc Teal | Cont | Col | QCSL | 4/7 | -- | -- |

| Vessels not ready | | | | |
|-------------------|------------|----------------|-------------|-----------------|
| Name of vessels | Cargo | Last Port call | Local agent | Date of arrival |
| Altair-Ss | Gypsum/TSP | Sing | Cosco | 19/6 |
| Dynamic Express | HSD/Sko | Kuwa | MSTPL | 30/6 |
| African Protea | Slag | Viza | Move | 30/6 |

| Vessels awaiting employment/instruction | | | | | | |
|---|---------|----------------|-------------|-----------------|--------------|-------|
| Name of vessels | Cargo | Last Port call | Local agent | Date of arrival | Import disch | Ports |
| Banga Barta | Ballast | Col | Baridh | 10/3 | -- | -- |
| Banglar Shourab | -- | -- | BSC | R/A (21/6) | -- | -- |
| Banglar Jyoti | -- | -- | BSC | R/A (24/6) | -- | -- |
| Noor-E-Mostafa | -- | Anna | FML | 12/06 | -- | -- |
| F. Jahan | -- | -- | Brl | R/A (1/7) | -- | -- |
| Paige | Idle | Argen | Rainbow | 14/06 | -- | -- |

| Vessels not entering | | | | | | |
|----------------------|----------|----------------|-------------|-----------------|--------------|-------|
| Name of vessels | Cargo | Last Port call | Local agent | Date of arrival | Import disch | Ports |
| Joviality | Wheat(P) | Novo | Mutual | 11/6 | -- | -- |
| Blitzi Belle | Wheat(P) | Odeas | Limdon | 17/6 | -- | -- |
| Golden Globe | Wheat(P) | Novo | AMBL | 18/6 | -- | -- |
| Yong An-4 | R. Sugar | Sant | Rainbow | 24/6 | -- | -- |
| Vana | C. Clink | Sing | Move | 2/7 | -- | -- |
| Padang Halaban | CPO | Dumai | MTCL | 2/7 | -- | -- |
| Jag Vikas | Gypsum | Sala | Unishp | 28/6 | -- | -- |
| Seal | Scraping | Indo | Sigma | R/A (28/06) | -- | -- |

The above are the shipping position and performance of vessels at Chittagong port as per berthing sheet of CPA Supplied By Family, Dhaka.

CURRENCY

| Following is Tuesday's (July 4, 2006) forex trading statement by Standard Chartered Bank | | | | | | |
|--|----------|----------|----------|----------|--------------|-------------|
| TT/OD | BC | Currency | TT Clean | Buy | OD Sight Doc | OD Transfer |
| 70.3200 | 70.3500 | USD | 69.1000 | 69.0770 | 69.0309 | 69.0309 |
| 91.1769 | 91.2158 | EUR | 87.1904 | 87.1613 | 87.1032 | 87.1032 |
| 130.9358 | 130.9917 | GBP | 125.8657 | 125.8237 | 125.7398 | 125.7398 |
| 53.3729 | 53.3957 | AUD | 50.5467 | 50.5298 | 50.4961 | 50.4961 |
| 0.6234 | 0.6237 | JPY | 0.5989 | 0.5987 | 0.5983 | 0.5983 |
| 58.1445 | 58.1693 | CHF | 55.9107 | 55.8920 | 55.8548 | 55.8548 |
| 110.2223 | 10.2266 | SEK | 9.2403 | 9.2372 | 9.2311 | 9.2311 |
| 63.9040 | 63.9313 | CAD | 61.4823 | 61.4618 | 61.4209 | 61.4209 |
| 9.0733 | 9.0772 | HKD | 8.8751 | 8.8722 | 8.8663 | 8.8663 |
| 45.4910 | 45.5104 | SGD | 43.5880 | 43.5734 | 43.5444 | 43.5444 |
| 19.3075 | 19.3158 | AED | 18.6726 | 18.6664 | 18.6540 | 18.6540 |
| 18.8981 | 18.9062 | SAR | 18.2780 | 18.2719 | 18.2597 | 18.2597 |
| 12.6037 | 12.6091 | DKK | 11.3737 | 11.3699 | 11.3624 | 11.3624 |
| 239.8553 | 239.9598 | KWD | 237.2643 | 237.1875 | 237.0340 | 237.0340 |

| Exchange rates of some currencies against US dollar | | | | | | |
|---|-----------|--------------|-----------|------------|-----------|-------------------|
| Indian rupee | Pak rupee | Lankan rupee | Thai baht | Nor kroner | NZ dollar | Malaysian ringgit |
| 45.845 | 60.38 | 104.01 | 37.905 | 6.2334 | 0.6082 | 3.65 |

Local Interbank FX Trading
Local interbank FX trading was active on Tuesday. USD remained unchanged against the Bangladeshi taka.

Local Money Market
Money market was active on Tuesday. Call money rate remained unchanged and ranged between 6.50 and 7.00 percent.

International Market
The euro hit a four-week high against the dollar on Tuesday as a recent run of strong euro zone data raised expectations that the European Central Bank could signal a faster pace of interest rate increases. The ECB is seen leaving interest rates on hold at its policy meeting this week but many in the market are betting on a rate rise in August, following the bank's hike to 2.75 percent last month. The Fed followed its 17th rate increase in as many policy meetings last week