

Star BUSINESS

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Blair, Gates and Bono take Davos spotlight

AFP, Davos

Davos regulars Bill Gates, Tony Blair and Bono sought Friday to stir the collective conscience of the annual huddle of global leaders over the plight of the developing world.

Bono, the U2 frontman -- a rare exception to the bar on celebrity delegates at this year's gathering of the World Economic Forum -- was scheduled to join British Prime Minister Blair in pressing industrialised nations to honour their promises on aid to Africa.

South African President Thabo Mbeki will participate in the same evening discussion, which also seeks to question whether African nations are doing enough to create the conditions for sustainable growth.

Billionaire Microsoft founder Gates kicked off the development theme of the day, briefing reporters on the work of the global immunisation programme funded by the foundation he runs with his wife Melinda.

"Vaccines are a miracle thing," Gates said, adding that vaccination in developing countries had reached record levels, saving the lives of some 2.3 million children.

The global GAVI alliance said it had been able to immunise 138 million children for a variety of preventable diseases in the world's poorest countries since it was set up in 2000.

"GAVI and its partners are leading a major turnaround in children's health," said Melinda Gates. "When GAVI was founded, immunisation rates in poor coun-

tries were on the decline. Today they are at an all-time high."

The Gates Foundation has donated 1.5 billion dollars to GAVI, generating more support from some 17 wealthy governments, international agencies and partnerships with industry, including vaccine makers.

"Seventy-three percent of all children born in Africa now are covered by vaccinations, that's an absolutely remarkable achievement," said Julian Lob-Levyt, executive secretary of the GAVI Alliance.

"In the poorest parts of the world they are now achieving results that are better than in south Asia and better than in some cities in Europe," he added.

Development issues were also high on the agenda of Brazilian

President Luiz Inacio Lula da Silva. He told Davos delegates that wealthy nations must take on board the concerns of poorer countries when seeking a resolution to the stalled Doha round of global trade talks.

"If we wish to send a signal to the poorest countries of the planet that they will have an opportunity in the 21st century, it is necessary that... (rich) countries assume responsibility for developing a pact, so we can reach an agreement," Lula said.

About 30 trade ministers will get together in Davos on Saturday to discuss the World Trade Organisation talks, which were suspended last July because of differences between the European Union, the United States and emerging countries.



PHOTO: ACER

Md Ehsanul Haque, director of Executive Technologies Ltd, distributor of Acer brand IT products in Bangladesh, and Md Azim Uddin, managing director of Rishit Computers Ltd, exchange documents after signing a memorandum of understanding (MoU) on Thursday in Dhaka. Under the MoU, Rishit Computers has become the dealer of Executive Technologies and will sell Acer brand notebook, desktop computer, server and projector.

Weekly Currency Roundup

January 21-January 25, 2007

Local FX Market

Demand for US dollar was stable in throughout the week and USD fell slightly against Bangladeshi taka.

Overnight money market was steady throughout the week. The call money rate remained unchanged throughout the week and ranged between 6.50 and 7.00 percent.

Money Market

In the Treasury bill auction held on Sunday, bid for BDT 7,500.00 was accepted compared to BDT 8,000.00 last week. Weighted average yield remained unchanged for all categories of T-Bills.

International FX Market

At the beginning of the week, the yen was stuck near multi-year lows against major rival currencies on Monday as investors stayed with the hunt for higher yields after last week's Bank of Japan decision to keep interest rates steady. The dollar was up 0.1 percent on the day against the yen, pushing towards the near-four year peak seen last week. The euro firmed to just below the all-time high around 158 yen struck earlier this month. The single European currency also held steady against the Swiss francs, near a recent 8-year peak. Against the dollar, the euro was flat during the day. The dollar stayed on a solid footing after upbeat US consumer sentiment data late last week capped a week of strong economic reports that reinforced the outlook for the Federal Reserve to hold interest rates steady in the months ahead.

In the middle of the week, the yen rallied against major currencies on Wednesday as investors started to unwind positions that had been built on the Japanese unit's low-yielding status. The Australian dollar suffered the most damage against the yen, falling 2 percent on the day. Sterling also fell victim to short-covering, tumbling from 14-year peaks versus the yen and dollar as markets interpreted comments late on Tuesday from Bank of England Governor Mervyn King as being bearish on the outlook for UK interest rates. The Aussie was down 1.30 percent against the dollar on the day and was down 2 percent against the yen, while sterling fell 1 percent against the yen. Against the dollar, sterling was down 0.4 percent on the day, pulling back sharply from Tuesday's 14-year peak. The euro fell 0.9 percent against the yen, having hit a record high in Asian trading overnight according to Reuters data.

At the end of the week, the yen rallied on Thursday as investors became uncomfortable with large short positions amid speculation that Europe could take a tougher tone over the Japanese currency's weakness at the next Group of Seven meeting. A source close to the preparation of next month's G7 talks said on Wednesday that Europe will seek a more forceful message from the meeting on the yen's weakness. The dollar was down 0.5 percent against the yen. The euro was 0.2 percent lower against the yen, around two yen below the previous day's record high. The reversal of carry trades was exacerbated by weakness in high-yielding currencies after dovish Bank of England minutes and below forecast Australian inflation on Wednesday dampened expectations of further rate hikes in these two countries. The euro was up 0.2 percent on the day against the dollar, reversing a brief fall sustained after a weaker than expected reading from the German Ifo business sentiment survey.

- Standard Chartered Bank

Israel, Palestinians, Jordan agree on economic zone

AFP, Davos

Israel, Jordan and the Palestinians have agreed to create a 500-kilometre-long (310-mile) "valley of peace" common economic zone, Israeli Deputy Prime Minister Shimon Peres said Thursday.

"I do believe that the time has come, that while the politics should be done in a couple -- between the Palestinians and us -- the economy in our region should be done by a troika, the Jordanians, the Palestinians and us," Peres said at the World Economic Forum.

"The three countries have agreed to take the whole length of the frontier between Jordan, Israel and the Palestinians (West Bank), 500 kilometres long, and convert it into an ongoing economic zone," he added.

Peres, who was speaking during a public debate with

Palestinian leader Mahmud Abbas and Israeli Foreign Minister Tzipi Livni, did not give details on what parts of the frontier between Israel and Palestinian territory might be involved.

Dubbing the zone a "valley of peace", Peres underlined that a huge market could develop in the Arab world over the next decade and appealed for investment.

"It can lower the tone and the flames of Muslim resistance and do it very quickly," Peres explained.

The economic zone would include cooperation on water, agriculture, joint airports and tourism, Peres said.

Israel, Jordan and the Palestinian Authority -- which all divert waters from the Jordan River for irrigation purposes -- in December launched a two-year feasibility study to try and save the rapidly vanishing Dead Sea.

STOCK



Niazuddin Mahmood, general manager (Customer Care) of Holcim (Bangladesh) Ltd, speaks at the Engineers' Meet 2007 of the company held recently in Rampura, Dhaka. Other senior officials are also seen.

Japan, India to start FTA talks soon

AFP, Tokyo

Japan and India will start talks next week on a comprehensive free trade deal as the two Asian countries try to capitalise on warming political ties, officials said Friday.

A Japanese delegation will head to New Delhi on January 31 for a three-day initial meeting on how to proceed with the negotiations, foreign ministry official Satoshi Isono said.

The talks follow an agreement in Tokyo in December between Indian Prime Minister Manmohan Singh and his Japanese counterpart Shinzo Abe to conclude free-trade talks within two years.