

Star BUSINESS

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Japan protects farming despite free trade stance: WTO

AFP, Geneva

Japan's agricultural sector remains highly protected from foreign competition despite overall measures to open up the economy, the World Trade Organisation said Wednesday.

The WTO's regular Trade Policy Review of Japan said the overall level of government assistance for agriculture was "well above" the average for industrialised countries in the Organisation for Economic Cooperation and Development (OECD).

The report also found that average import tariffs in agriculture had increased, from 17.7 percent in 2004 to 18.8 percent last year.

Japanese authorities paid out almost as much to the farming industry as the sector contributed to the economy, according the report.

Payments to farming were equivalent to 1.3 percent of gross domestic product (GDP) in 2004, compared to agriculture's 1.4 percent share of GDP.

Rice, wheat and barley were thought to be the most heavily supported, but the WTO's secretariat said it was unable to obtain fresh data on the amount of subsidies for rice, a staple food in Japan.

Most imports enter Japan free of duty or with low tariff rates, which are kept at largely predictable levels, the report said. Most of the "few" non-tariff barriers used by Japan are on imports of fish, another local staple.

Japan was the world's fourth-largest exporter and importer of goods in 2005.

The Japanese government said in its report to the WTO that it had not made any significant change in its trade policy since the last review, emphasising that it was a "firm supporter" of the global free trade system.

The reports are being examined at a meeting of the WTO's 150 members until Friday.

Overall, the global body under-

lined a favourable outlook on Japanese trade policy, saying several measures had been introduced since the last report two years ago to open the economy even more to foreign competition.

The central bank however kept other rates unchanged including its overnight deposit rate at 6.0 percent after inflation hit 6.12 percent in January.

"The objective will be to bring inflation as close as possible to the 5.0-5.5 percent rate at the earliest," the central bank said in its policy review.

The central bank raised its full-year growth forecast for the year to March 2008 to 9.0 percent from an earlier forecast of above 8.0 percent.

Prices in India are now well above the annual rise of 5.0 to 5.5 percent expected by the central bank for the year ended March which had led analysts to expect rate increases in both short-term rates.

India raises key interest rate

AFP, New Delhi

The Reserve Bank of India on Wednesday raised its key short-term borrowing rate by a quarter percentage point to 7.50 percent citing inflation risks as it also hiked its full-year growth forecast.

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ROK mulls FTA with Gulf states

AFP, Seoul

South Korea is actively considering forging a free trade agreement with six Gulf nations, its top economic official said Wednesday.

"South Korea is actively reviewing an idea of pursuing a free trade agreement (FTA) with the Gulf Cooperation Council," Finance and Economy Minister Kwon O-Kyu told a Qatar economic forum being held in Seoul.

The council groups Qatar, Saudi Arabia, Bahrain, Kuwait, Oman and the United Arab Emirates.

South Korea has already signed FTAs with Chile and Singapore. Free trade talks are well under way with the United States and Seoul will open talks with the European Union in March.



A Qadir Choudhury, managing director of Phoenix Finance and Investment Ltd, speaks at a press conference in Dhaka on Monday regarding the change to the company's name. The previous name was Phoenix Leasing Company Ltd.

CURRENCY

Following is Wednesday's (January 31, 2007) foreign exchange rate statement by Standard Chartered Bank

Major currency exchange rates	Exchange rate of some currencies		
	BC Sell	TT Buy	Per USD
			BDT per
US dollar	69.60	68.25	USD forward rate against BDT
Euro	91.61	86.94	Indian rupee
Pound	138.13	132.28	Pak rupee
Australian dollar	55.16	51.32	Lankan rupee
Japanese yen	0.58	0.56	Thai baht
Swiss franc	56.48	53.45	Malaysian ringgit
Swedish kroner	10.42	9.38	Canadian dollar
Canadian dollar	59.98	57.28	Hong Kong dollar
Hong Kong dollar	8.94	8.72	Singapore dollar
Singapore dollar	46.33	44.27	UAE dirham
UAE dirham	19.11	18.43	Buy
Saudi riyal	18.70	18.05	Sell
Danish kroner	12.65	11.37	1M
Kuwaiti dinar	237.29	234.38	2M

* All currencies are quoted against BDT
* Rates may vary based on nature of transaction

Local Market

FX: Local inter-bank FX market was active on Wednesday. The demand for USD remained stable and the volume of cross currency transactions was steady. The USD remained unchanged against the Bangladeshi taka.

Money Market

Money market was active on Wednesday. Call money rate remained unchanged and ranged between 6.50-7.00 percent.

International Market

The yen bounced from this week's four-year low against the dollar and rose versus the euro on Wednesday as jitters grew that the Group of Seven financial chiefs might raise concerns over the Japanese currency's in March.

recent weakness. Such worries escalated after the German finance minister, who will chair the G7 talks, said on Tuesday Europe's concerns about yen weakness will be raised at the meeting next week. Investors are reluctant to build sizeable positions ahead of the Federal Reserve's policy decision and a statement due later in the day. The Fed is set to hold rates on hold at 5.25 percent but the statement might reflect recent strong US data. The dollar was down 0.2 percent against the yen, after hitting a four-year high on Monday. The euro was down 0.3 percent against the yen, pulling further away from the record high hit last week. The euro was down 0.15 percent against the dollar. The euro hit an 8-year high against another low-yielding currency, the Swiss franc.

Chittagong port

Berthing position and performance of vessels as on 31/1/2007.

Berth no.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch.
J1	Hpaan	GI	Yang	MTA	24/1	31/1	691
J2	Zenovia	Wheat(P)	Novo	Mutual	19/1	10/2	—
J3	Eid-A-Mostafa	GI	P.Band	Cla	23/1	2/2	396
J5	Cheng Yun	TSP	Chin	Cosco	24/1	31/1	602
J6+5	Jin Ping	GI(Y. Peas)	Vanc	Litmond	14/1	5/2	2266
J7	Komsomolsk Sakhala	Urea(Bcic)	Sing	Seacom	22/1	2/2	949
J9	Markovo	Urea(Bcic)	Long	PSL	18/1	1/2	369
J10	Banga Borat	Cont	Sing	Bdship	22/1	2/2	58
J11	Kota Rakayet	Cont	Sing	Pil(Bd)	21/1	1/2	203
J12	Sea Master One	Cont	Sing	PML	27/1	1/2	124

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Athos	30/1	Vanc	Rainbow	GI(Y. Peas)	—
Oel Enterprise	1/2	Col	Cont	Col	—
Golden Star	31/1	Chin	Litmond	Urea(Bcic)	—
Cs Topper	1/2	—	IBSA	Pr. Equip	—
Mir Damad	4/2	Kol	BSC	Cont	Viza
Precious River	1/2	Sing	Vega	Cont	Sing
Qc Wisdom	1/2	P.Kel	QCCL	Cont	Sing
Xpress Reslove	1/2	Sing	Seacon	Cont	Sing
Noblesse	1/2	Stax	SST	Tsp/Badc	—
Ja Vesta	2/2	Sing	Vega	Cont	L/Sing
Phu Tan	4/2	—	PSSL	Cont	Sing
Xpress Manasu	2/2	Col	Seacon	Cont	Col
Banga Bonita	4/2	Cbo	Baridhi	Cont	Cbo
Cape Bonavista	2/2	Pkl	Bdship	Cont	Pkl

Tanker due

Sardagna	1/2	Braz	USL	CDSO	14500 W/LT
Venal Grace	1/2	Belwa	Rainbow	CPO(RM4/3)	—
Al Sabiyah	3/2	Kuwa	MSTPL	HSD/Sko	—
Hawaiian Star	4/2	Rast	DSL	C.Oil	—

Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Dali	Cont	Col	Seacon	23/1

Vessels ready:

Eagle Pioneer	Cont	Sing	CT	25/1
Banga Borat	Cont	P.Kel	Baridhi	25/1
Kota Ratna	Cont	Sing	Pil(Bd)	26/1
Eshan	Cont	Pasi	CEL	26/1
Banga Bodor	Cont	P.Kel	Baridhi	27/1
Pacific Express	Cont	Sing	Pil(Bd)	28/1
Cape Henry	Cont	Sing	APL	28/1
Eastern Star	Cont	—	PML	R/A(16/1)
Yong Jiang (Liner)	GI	Tian	Cosco	29/1
Yongxing	Cont	Col	PSSL	29/1
Pacpalawan	Cont	Pasi	CEL	29/1
Hoang Son	GI	Yang	Gla	30/1

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

STOCK