

Star BUSINESS

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Global shares rally as Paulson salutes Asian economy

AFP, London

European and Asian share prices rebounded on Tuesday following recent heavy falls as US Treasury Secretary Henry Paulson reassured that Asia's two biggest economies, Japan and China, remained sound.

Economists, however, said the rally could be short lived and forecast further drops for blue-chip equities worldwide.

"There may be more selling -- one seldom calls the bottom on these things -- but we suspect the downside would be limited to a 10-percent correction from top to bottom," said Mike Lenhoff, chief strategist at Brewin Dolphin Securities in London.

European markets benefited Tuesday from strong gains to energy and mining shares, which themselves profited from rebounding commodity prices.

In late morning trade, London's FTSE 100 index of leading shares rose 0.88 percent to 6,111.80 points.

In early afternoon deals, Frankfurt's DAX 30 climbed 0.72

percent to 6,581.66 points and in Paris the CAC 40 advanced 0.97 percent to 5,437.43.

Asia's battered stock markets meanwhile rallied Tuesday as bargain hunters emerged after a week of heavy losses.

Paulson, in Tokyo on the first stop of a three-nation Asian tour, said that despite the recent market rout it was meaningful "that the Japanese economy is doing so well.

"This is the second-largest economy in the world and it's very meaningful not only to Japan but to the US and all the major trading partners," Paulson said during a visit to the Tokyo Stock Exchange.

Paulson said that while in China he would make the case for greater competition in capital markets but played down fears of slowing Chinese economic growth, saying: "The Chinese economy is doing very well."

However, analysts based in Asia said it was too soon to say whether the recent turmoil was over.

"I don't think we're out of the woods yet," said Nigel Richardson,

chief investment officer for Asia at AXA Investment Managers in Hong Kong.

"There's still a bit of uncertainty facing investors about how the US economy will pan out and what scale of future monetary tightening will be needed in China."

Tokyo's Nikkei-225 index closed up 1.22 percent, snapping a five-day losing streak as the dollar bounced off near three-month lows against the yen, helping exporter shares to recover some ground.

In Shanghai, where the rout began last week, the composite share index finished the day up 1.97 percent, although low trading volumes pointed to continued investor caution.

"The market saw some bargain-hunting interest in oversold financial stocks, but the relatively low turnover level suggested the rebound might not last very long," said Cai Junyi, an analyst at Shanghai Securities.

Toshiba in talks on power plants in India

AFP, Tokyo

Japanese giant Toshiba Corp. said Tuesday it was in talks with India's Larsen and Toubro Ltd. to enter the coal-fired power plant business in the growing South Asian economy.

The proposed venture would jointly produce and sell equipment for the plants.

"We are in negotiations with L and T to form a joint venture to launch coal-fired power plant businesses in India," said Toshiba spokeswoman Hiroko Mochida.

"If concluded, it will be our company's first step to begin such businesses in the country," Mochida said.

The Nikkei business daily said Larsen and Toubro would likely take a majority stake in the joint venture, which will spend some 20 billion yen (173 million dollars) to build plants for steam turbines and power generators.

The new venture aims at annual sales of 20 billion yen in five years, the newspaper said.

Toshiba, best known internationally for its electronics, has been expanding its power business.



PHOTO: GSP FINANCE COMPANY

Bangladesh Bank and GSP Finance Company (Bangladesh) Ltd signed a master facility agreement recently. Under the deal, GSP Finance Company will lend fund to entrepreneurs of various sectors and sub-sectors. Executive Director of Bangladesh Bank Md Abul Quasem and Managing Director of GSP Finance Feroz U Haider signed the deal on behalf of their sides.



PHOTO: PHOENIX

Phoenix Finance & Investments Ltd Chairman Deen Mohammad addresses the annual conference of the company held in Dhaka on Saturday. Senior officials of the company are also seen.

CURRENCY

Following is Tuesday's (March 06, 2007) forex trading statement by Standard Chartered Bank

Major currency exchange rates

	BC Sell	TT Buy	Per USD	BDT per Currency
US dollar	69.40	68.05		
Euro	92.36	87.68	Indian rupee	44.40 1.55
Pound	135.30	129.50	Pak rupee	60.72 1.13
Australian dollar	55.15	51.32	Lankan rupee	108.90 0.63
Japanese yen	0.61	0.58	Thai baht	35.32 1.95
Swiss franc	57.59	54.54	Malaysian ringgit	3.52 19.54
Swedish kroner	10.21	9.21		
Canadian dollar	59.84	57.13	USD forward rate against BDT	
Hong Kong dollar	8.90	8.69	Buy	Sell
Singapore dollar	46.40	44.34		
UAE dirham	19.05	18.38	1M	68.15 69.52
Saudi riyal	18.66	18.01	2M	68.27 69.73
Danish kroner	12.77	11.48	3M	68.42 69.95
Kuwaiti dinar	236.67	233.74	6M	68.88 70.69

Exchange rate of some currencies

Outside port limit

Sea Drill-6 (rig)	Pro. Equip	--	Ibsa	8/1
Gulf Drill-9 (barge)	Pro. Equip	--	Ibsa	3/1
Pacific Steel	P. Equip	--	Ibsa	R/A(14/2)
Wira Keris	--	--	Ibsa	R/A(21/2)
Pacific Champion	--	--	Ibsa	R/A(5/3)

Vessels at outer anchorage

Vessels ready

Vessels at Kutubdia

Name of vessels	Cargo call	Last Port	Local agent	Date of arrival
Pacific Express	Cont	Sing	Pil(Bd)	22/2
Rio Lawrence	Cont	Ptp	QCCL	25/2
Gao Cheng	Cont	Sing	PML	28/2
Bangla Shikha	Cont	P.Kel	BSC	1/3
Banga Bijoy	Cont	Col	Baridhi	1/3
Kota Rukun	Cont	Sing	Pil(Bd)	1/3

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

STOCK



PHOTO: GREEN DELTA INS

AZ Mohammad Hossain, chairman of Green Delta Insurance Company Ltd, speaks at the 21st Annual Business Conference-2007 of the company on Saturday in Dhaka. Nasir A Choudhury, managing director of the company, among other senior officials, is seen. The company also celebrated its 21st founding anniversary on the same day.