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BUSINESS

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Brazil wants to relaunch WTO talks together with US, Germany

AFP, Brasilia

Brazilian President Luiz Inacio Lula da Silva suggested on Thursday making joint efforts with the United States and Germany to relaunch stalled global trade negotiations.

Following talks with German President Horst Kohler, Lula said he would discuss the proposal with US President George W. Bush when the two meet in Brazil on Friday.

He said he would call German Chancellor Angela Merkel after Friday's meeting.

"I believe we are at a stage of political decision," Lula said, expressing hope that "within the next three or four days we will finally

be able to announce that the poorest countries will have an opportunity to develop."

The Doha round of the World Trade Organisation (WTO) talks ground to a halt in July.

The European Union and United States have been unable to agree on the size of cuts in agriculture subsidies and tariffs protecting their farm industries, while rich and poor countries are at loggerheads over trade in industrial goods and services.

Kohler stressed the talks remain a key priority for Germany. "I assured Lula that the chancellor intends to relaunch the Doha negotiations and lead them to a successful

conclusion," the German president said after his meeting with Lula.

"The Doha round is key to battle poverty, and we have to take this opportunity," Kohler said.

Lula also announced he had accepted Merkel's invitation to take part in the meeting of the Group of Eight leading industrialized countries (G8) that Germany will host in the Baltic Sea resort of Heiligendamm in June.

Germany currently holds the EU presidency, and Brazil, together with India, heads the Group of 20 developing nations (G20.)

US, ROK haggle over tariffs in agriculture, auto

AFP, Seoul

US and South Korean negotiators haggled Friday over how to revise trade rules in auto and other sensitive sectors at talks on forging a free trade agreement (FTA), officials said.

Lee Hye-Min, South Korea's deputy chief negotiator, said Seoul hopes to settle most non-sensitive issues during the talks that opened here on Thursday.

"Since our position is aimed at settling all remaining issues, excluding a few core issues, reports of agreement will pour in," he was quoted by Yonhap news agency as saying.

Progress was made in phasing out tariffs on industrial goods, with both sides improving their offers, South Korea's chief negotiator Kim Jong-Hoon said late Thursday.

From Friday, the talks would focus on narrowing differences in sensitive sectors such as automobiles and marine products, he said.

Kim conceded there was a wide gap over auto tariffs -- Washington wants the early elimination of South Korean levies on American cars given that very few are sold here compared with hundreds of thousands moving the other way.

Assistant US Trade Representative Wendy Cutler said removing tariffs on cars would be given "top priority" during the talks.

South Korea's new Prime Minister Han Duck-Soo said Seoul would step up efforts to stike a deal before an early April deadline.

"The deal will bring great benefits to our economy and help our country eliminate unnecessary regulations," he said in a statement after being nominated as prime minister.

Han has served as a presidential advisor on free trade talks with the United States since he resigned as finance minister last July.



PHOTO: BJIT

Timo Vantinen, EVP of BJIT Inc, a software firm operating in Japan and Bangladesh, Vikki Noreila, managing director and CEO of Linja Design, Finland, a software-related interface designing firm, and Ahmedul Islam, COO of BJIT Ltd, the Bangladesh chapter of BJIT Inc, are seen at a partnership agreement signing ceremony on Tuesday in Dhaka. As per the deal, Linja Design and BJIT will jointly enter the Asian and European software markets.



PHOTO: ONE BANK

ONE Bank Ltd organised a training programme on prevention of money laundering recently. Bangladesh Bank's Anti-Money Laundering Department's Deputy General Manager Swapan Kumar Biswas, Joint Director Md Nazrul Islam, ONE Bank's Managing Director Syed Nurul Amin and other senior officials were present.

Oil prices slip

AFP, London

World oil prices pulled back in early European trading on Friday when traders paused for breath following a surprise drop in US energy inventories which had sparked big gains.

The price of Brent North Sea crude for April delivery eased nine cents to 62.24 dollars per barrel in electronic trading. On Thursday, the contract had hit 62.84 dollars -- the highest point since December 26, 2006.

New York's main oil futures contract, light sweet crude for delivery in April, slipped 18 cents to 61.46 dollars per barrel in electronic deals on Friday before the official

opening of the US market.

Steve Rowles, a Hong Kong-based analyst with CFC Seymour Securities, said the market was "digesting" the impact of Wednesday's report on weekly energy stockpiles in key consumer the United States.

The report by the US Department of Energy showed that American stocks of crude oil, distillates and gasoline (or petrol) fell across the board in the week to March 2.

Following the news, crude futures bounced back from Monday's heavy losses that came amid turmoil on world stock markets.



PHOTO: STANDARD CHARTERED BANK

Osman Morad, CEO of Standard Chartered Bank Bangladesh, Sandeep Mookharjee, head of Human Resource, and Shah Masud Imam, head of Corporate Affairs of the bank, pose for photographs with the members of AIESEC, an international youth development organisation that helps students develop their career, on the occasion of 'Developing Leaders Day' recently in Dhaka.

Weekly Currency Roundup

March 04-March 08, 2007

Local FX Market

US dollar remained stable against Bangladeshi taka last week on back of comfortable supply. The market remained unchanged against taka.

Money Market

Overnight money market was steady throughout the week. The call money rate remained unchanged throughout the week and ranged between 6.25-6.75 percent.

International FX Market

The yen rose to an 11-week high versus the dollar on Friday, wrapping up its best week in 14 months as investors unwound bets on riskier assets that were financed by borrowing the Japanese currency. The yen gained about 3.6 percent against the dollar for the week according to Reuters data, its biggest weekly advance since December 2005. In New York, the dollar was down 0.6 percent against the yen. The euro was little changed against the dollar. The week began as the yen rose two percent on the day against the euro on Monday and extended a rally to three-month high versus the dollar as edgy investors unloaded risky carry trades in the face of tumbling stock markets. The euro fell to its lowest against the yen since late November and down 1.8 percent on the day. The single currency's big losses against the yen dragged it down half a percent against the dollar.

In the middle of the week, the yen slipped against the dollar and euro while higher-yielding currencies rebounded on Tuesday as rising stocks helped stem a week-long sell-off in risky carry trades. The euro had risen more than one percent on the day against the yen, before paring gains slightly on the day. The rise came after a week of carry trade unwinding took the euro to a 3-1/2 month low against the yen on Tuesday from its record high near 160 set late in February. The dollar was up 0.8 percent against the yen, after hitting a three-month low on Monday and posting its biggest weekly fall since December 2005 last week. The yen stabilised near recent peaks versus the euro and dollar on Wednesday, as investors took a breather after a week of unwinding carry trades sparked by a rise in risk aversion and tumbling equity markets. Investors have curbed their exposure to risk on concerns about the health of the US economy. The dollar was steady against the yen, in sight of this week's three-month. The euro eased slightly against the yen after posting its biggest weekly loss in 2-1/2 years last week followed by a bounce back of 1 percent on Tuesday.

At the end of the week, the yen fell on Thursday, giving up initial gains against the dollar as investors tentatively took a more benign stance on risk, after more than a week of trying to curb their exposure to yield-dependent carry trades. The dollar was up half a percent on the day at against the yen, pulling further away from a three-month low hit earlier this week, but still well away from a four-year high struck in January. The euro was up 0.3 percent against the yen, while it fell 0.1 percent against the dollar.

- Standard Chartered Bank

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