The Daily Star

BUSINESS

Confidence in European economic outlook soaring

AFP, *Brussels*

The outlook for economic growth in Europe, long the laggard of major economic powers, is running at the highest level for years, according to EU officials and a widely watched survey on Thursday.

Despite the prospect of higher interest rates, firm oil prices and the euro's current strength, confidence in the European economy was the strongest in six years in May, a European Commission survey found.

"We are optimistic that Europe will be able to sustain its recent economic revival," the head of the European Commission's economic department, Klaus Regling, told a conference in Brussels.

Backing up his optimism, the European Commission's economic sentiment indicator rose faster than expected, reaching its highest point since January 2001, due mainly to consumers' upbeat attitude.

The Commission's eurozone economic sentiment indicator increased in May to 111.9 points in the 13 countries using the euro from 111.0 in April, beating economists' forecasts for a steady 111.0 points.

The outlook also improved in the broader 27-member European Union, where the indicator was up to 114.9 points in May from 113.6 in April, the EU's executive arm said.

"Rising consumer confidence was the main driving force behind the improved" outlook, the Commission said. "It in turn was supported by improved services confidence in the EU and retail trade confidence in the euro area."

The survey highlighted a strong improvement in economic confidence in the biggest EU economies, particularly in Britain, followed by France and Germany.

It also showed that overall confidence in Europe was not dampened by broad expectations for the European Central Bank to lift its key interest rates in June.

However, a separate eurozone business climate indicator from the European Commission fell in May to 1.53 points from 1.61 in April, although it remained at a high level.

But while managers surveyed expected lower orders and a weaker production trend, expectations for export orders improved in May despite the euro's strength, which makes eurozone products more expensive on international markets.

"Even if business activity retreated slightly the overall economic picture was brightened by stronger consumer sentiment, which confirms the gradual shift towards consumer spending as the main pillar of growth in the eurozone," said Bank of America economist Gilles Moec.

The European Commission is currently forecasting that economic growth in the eurozone countries will reach 2.6 percent this year, outpacing both the United States and Japan.

But Regling said there was even an "upside risk" that growth would turn out stronger than expected by the Commission. "There is a risk that we underestimated growth in Europe," he said.

Economists said that the soaring economic confidence would only comfort the European Central Bank as it keeps raising interest rates in hope of keeping inflation in check.

"We expect the bank to continue to focus on the strength of confidence and activity and therefore to raise interest rates both next week and again in the following months, probably September," said economist Jonathan Loynes with consultancy Capital Economics.

PHOTO: BASIC BANK

The 18th annual general meeting (AGM) of BASIC Bank Ltd was held yesterday in Dhaka. Chairman of the bank and Secretary to industries ministry Md Nurul Amin presided over the AGM, which was attended by directors, managing director and senior officials among others.

Japanese wages down for fifth month

AFP, *Tokyo*

Japan's average monthly cash wages fell for a fifth straight month in April despite a drop in unemployment to a nine-year low, the government said Thursday.

Average monthly cash earnings per regular employee fell by 0.7 percent in April to 278,193 yen (2,287 dollars) after a 0.1 percent drop in March, the Ministry of Health, Labour and Welfare reported.

The drop reflected an increase in the number of lower-paid part-time workers and the entry of graduates into the workforce at the start of the new business year, analysts said.

The number of regular employees rose 1.6 percent, with part-timers up 3.6 percent and full-time workers up 0.8 percent.

The Japanese government reported Tuesday that unemployment fell to 3.8 percent in April, the lowest level since March 1998.

BASIC Bank declares 38.35pc dividend

The 100 percent state-owned BASIC Bank Ltd has declared a 38.35 percent dividend for the year 2006 of which 32 percent is stock dividend and 6.35 percent cash dividend, says a press release.

The dividend was okayed at the 18th annual general meeting (AGM) of the bank held yesterday in Dhaka.

Chairman of the bank and Secretary to industries ministry Md Nurul Amin presided over the AGM, which was also attended by directors, managing director and other senior officials.

Correction

In a photo caption on a deal signing between Credit Rating Agency of Bangladesh Ltd and Rupali Bank Ltd published on this page on May 21, the name of the bank's managing director was mistakenly written as Md Abdul Halim Miah instead of Md Abdul Hamid Miah.

PHOTO: WARTSILA

Hasan Mahmood, chairman of Malancha Holdings Ltd, and Goran Richardsson, area sales manager of Wartsila Finland Oy, shake hands after signing an agreement recently. Under the deal, Wartsila will supply equipment for a 40-megawatt power plant of Malancha Holdings to be set up in Chittagong Export Processing Zone. KM Ahsan Shamim, director of Malancha Holdings, and Mohammad Shameem, managing director of Wartsila Bangladesh Ltd, were also present at the signing ceremony.

PHOTO: APOLLO HOSPITALS

Apollo Hospitals Dhaka recently signed a corporate agreement with the Embassy of Japan in Bangladesh. Under the deal, the hospital will provide medical services at special rates and other corporate benefits for the staff of the embassy. Atsuhiro Kosho, first secretary to the embassy, and Dr Praful B Pawar, director (Medical Services) and interim CEO of the hospital, signed the deal while other senior officials from both the sides were present.

CURRENCY

Following is Thursday's (May 31, 2007) forex trading statement by **Standard Chartered Bank.**

Major currency exchange rates

	BC Sell	TT Buy
US dollar	69.25	68.25
Euro	94.55	90.16
Pound	138.10	133.22
Australian dollar	58.37	54.78
Japanese yen	0.58	0.56
Swiss franc	57.45	54.37
Swedish kroner	10.44	9.44
Canadian dollar	65.69	62.86
Hong Kong dollar	8.89	8.72
Singapore dollar	46.34	44.50
UAE dirham	19.01	18.44
Saudi riyal	18.61	18.05
Danish kroner	13.07	11.78
Kuwaiti dinar	236.63	234.88

*All currencies are quoted against BDT

* Rates may vary based on nature of transaction

Exchange rate of some currencies

	Per USD	BDT per Currency
Indian rupee	40.55	1.70
Pak rupee	60.75	1.13
Lankan rupee	110.87	0.62
Thai baht	32.70	2.10
Malaysian ringgit	3.40	20.22

USD forward rate against BDT

	Buy	Sell
1M	68.35	69.36
2M	68.47	69.56
3M	68.62	69.79
6M	69.06	70.50

* The forward rates are indicative only and fixed dated.

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 31/5/2007

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/6	Cape Bonavista	Cont	P. Kel	Bdship	30/5	3/6	138
J/7	Golden Rain	Urea(bulk)	Damm	Litmond	15/5	2/6	798
J/8	Ss Cleveland	Wheat(s)	Toam	Lams	20/5	31/5	182
J/10	Banglar Maya	Wheat(p)	Sing	Bsc	21/5	31/5	414
J/11	Hansa London	Cont	P. Kel	Psal	30/5	2/6	98
J/13	Mir Damad	Cont	Kol	Bsca	30/5	31/5	62
CCT/1	Banga Bijoy	Cont	Col	Baridhi	29/5	1/6	-
CCT/2	Wisdom	Cont	Sing	Apl	29/5	1/6	-
CCT/3	Kissama	Cont	P. Kel	Vega	30/5	2/6	-
NCT/1	Banga Bodor	Cont	P. Kel	Baridhi	27/5	31/5	-
TSP:	Banglar Mamata	Repair	-	R/a	31/5	-	
RM/3	Fatimah	[illegible]	Dumai	Rainbow	25/5	31/5	-
DOJ/6	Bounty-7	Repair	Chani	Pml	19/5	5/6	-

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. port call	Local agent	Type of cargo	Loading ports
Banga Biraj	31/5	Sing	Bdship	Cont	Sing
Orestis	31/5	Ctg	Ahz	Scraping	-
Kota Cahaya	1/6	Sing	Pil(bd)	Cont	Sing
Ks Grace	31/5	Thai	Asl	C. Clink	-
Trust	1/6	Chin	Rsship	Scraping	-
Guo Shun	31/5	Lamut	Sunmoon	C. Cement	-
Yong Yue-8	2/6	Hald	Seacon	Cont	Sin
Eagle Progress	1/6	P. Kel	Everbest	Cont	Sing
Megalohori	3/6	Argen	Litmond	Wheat(g)	-
Tzarevetz	2/6	Kol	Jardine	Urea	Ind
Martha Russ	1/6	Sing	Qcsl	Cont	Sing
Kota Rukun	2/6	Sing	Pil(bd)	Cont	Mong
Banglar Shikha	2/6	P.kel	Bsc	Cont	Sing
Coastal Express	1/6	Chenn	Bsca	Cont	Sing
Pac Aquila	2/6	Sing	Seacon	Cont	Sing

Tanker due

Overseas Camar	1/6	Braz	Esl	Cdso(m/3)	19000 M/t
Borak	31/5	Hald	Fsa	Bhsmm(m/3)	-
Banga	1/6	Kuwa	Mspl	Hsd/ms	-
Tabtim	1/6	Indo	Jnship	Cpo(m/3)	-
Al Sabiyah	2/6	Kuwa	Mspl	Hsd/jp-1	-
Rich Duchess	3/6	Rast	Col	Crude Oil	-
Champion Spirit	5/6	Argen	Usl	Cdso(m/3)	22000 M/t
Oriental Wisteria	7/6	Karimun	Barwil	C. Soda (m/4)	-

Vessels at Kutubdia

Name of vessels	Cargo	Last port call	Local agent	Date of arrival

Outside port limit

Wira Keris	-	Ibsa	R/a (24/5)

Vessels at outer anchorage

Vessels ready

Yanee	Cpol	Belwa	Mtcl	29/5
Jin Cheng	Gi	Inch	Cosco	30/5
Dali	Cont	Col	Seacon	30/5
Acoexet Lady	F. Oil	Sing	Cpl	31/5

Vessels not ready

Hoang Son	Feld Clay	Dxua	Pml	21/5
Antares	Hsd	Hal	Ibsa	31/5

Vessels awaiting employment / instruction

Woqoof E-mujtalefa	-	Intraport	R/a (22/5)
Banglar Jyoti	-	Bsc	R/a (8/5)

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

STOCK

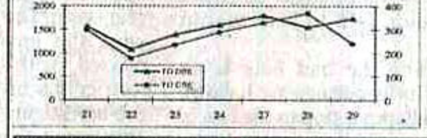
TRADED ISSUES May 31, 2007

Turnover Leaders

Market Highlights

May 31, 2007

DSE All Share Index:	1658.36238 (+) 2.27%
DSE General Index:	2003.58484 (+) 2.41%
DSE - 20 Index:	1794.6783 (+) 2.92%
CSE All Share Index:	4844.0793 (+) 2.35%
CSE - 30 Index:	4449.0376 (+) 3.13%
CSE Selected Index:	3211.6393 (+) 2.40%



Capital Gainers

Capital Losers

Non Traded Issues

Book Closer/AGM/Dividend/IPO