

Emerging economies aim to boost trade as WTO deadlocked

AFP, New Delhi

Brazil, India and South Africa aim to boost business between the fast-growing emerging economies that are also key players in now deadlocked global trade talks, Brazil's foreign minister said Tuesday.

Brazil's Celso Amorim said after talks with his counterparts in New Delhi that the nations agreed to raise trade flows 50 percent by the end of the decade from around 10 billion dollars now.

"We have set the challenge to bring our mutual trade to around 15 billion dollars by 2010," Amorim told reporters following the fifth meeting of the countries dubbed IBSA since 2003.

Amorim also called for more contact between India and the South American trade bloc known as Mercosur and the five-member South African Customs Union.

Such a combination would form "the largest economic space in the developing world," Amorim added.

South African Foreign Minister Nkosazana Dlamini Zuma described IBSA as a "unique

forum" that needed to focus on increasing transport and connectivity to boost trade.

"I think we should keep together wherever we are," Zuma said seeking a common position among the three nations.

The foreign ministers confirmed South Africa would host the second summit of leaders from their countries in October. The first meeting of the heads of government was hosted by Brazil's President Luiz Inacio Lula da Silva in September.

Mukherjee added that IBSA had identified energy as a key component of cooperation adding it was seeking expertise to develop alternative fuel from Brazil, which taps into its huge sugar cane production to produce ethanol for cars.

A joint statement also called for an expansion of the UN Security Council to make the institution more "democratic" and "representative."

The countries also urged the 150-member World Trade Organisation (WTO) to try and resolve a deadlock linked mainly to farm subsidies paid by rich countries

and import barriers in "the agricultural sector, which is of utmost relevance for the well-being of our most vulnerable populations."

"In particular, agreement has to be reached to eliminate trade distortions specially those limiting access to the developed markets," the foreign ministers said in a statement.

The remarks follow the failure of talks in Germany among the United States, Brazil and India on June 21 to relaunch the near six year-old talks on reducing barriers to commerce.

In an interview to the Hindu newspaper published Tuesday, Amorim said the best way to arrest poverty and the growth of terrorism "is a trade deal that is really development friendly."

"I still think the the WTO is important," he said adding "the WTO continues to be essential. It is the only multilateral trade body there is."

Q- Cash, Brac Bank sign deal on ATM sharing

BRAC Bank Limited and IT Consultants Limited (ITCL) Q-Cash have signed a memorandum of understanding to establish Omnibus, an association of member institutions which will provide shared ATM and POS network facilities to banks through a neutral switch.

The deal was inked by Imran Rahman, managing director & CEO of Brac Bank Limited, and Dr Kazi Saifuddin Munir, managing director & CEO of ITCL, on behalf of their organisations in Dhaka recently, says a press release.

Omnibus aims to leverage the strengths of all ATM/POS networks in the country to form a truly nationwide e-payment gateway.

Operating as a not-for-profit association of members, Omnibus will be managed on the basis of mutual consensus of all member institutions.

Speaking at the signing ceremony, Imran Rahman said Omnibus will appeal to individual bank customers who wish to enjoy the full benefits of electronic banking channels in Bangladesh.

US, Malaysia FTA likely by June 2008

AFP, Kuala Lumpur

The United States is aiming to seal a free trade agreement with Malaysia by June next year, a top official said Monday, after both nations missed a key deadline to fast-track the agreement.

United States assistant trade representative Barbara Weisel said the countries will return to negotiate the deal which has become bogged down partly because of Malaysia's affirmative action policies for ethnic Malays.

"We would like to finish this as quickly as possible and there's an ideal window to do that ... we'd prefer it not to go on past next year, in the second quarter," Weisel told reporters.

"Given that there are some sensitive issues here," it would take time, she said.



PHOTO: LEMON COMMUNICATIONS

Taleya Rahman, founder director of Democracywatch, a non-government organisation, and Tanvir Ibrahim, head of Corporate Sales of mobile phone operator Banglalink, pose for photographs at a corporate agreement signing ceremony recently. As per the deal, Democracywatch will enjoy special tariff plan and value added services under Banglalink's 'Enterprise' package. Senior officials from both the sides were also present.



PHOTO: FIRST SECURITY BANK

The 'Half Yearly Manager's Conference-2007' of First Security Bank Ltd was held on Saturday in Dhaka. Managing Director of the bank AAM Zakaria presided over the meeting.

CURRENCY

Following is Tuesday's (July 17, 2007) forex trading statement by Standard Chartered Bank

Major currency exchange rates			Exchange rate of some currencies	
	BC Sell	TT Buy	Per USD	BDT per Currency
US dollar	68.85	67.85		
Euro	96.27	92.01		
Pound	141.69	136.68		
Australian dollar	61.52	57.88		
Japanese yen	0.58	0.55		
Swiss franc	58.21	55.10		
Swedish kroner	11.01	9.77		
Canadian dollar	67.25	64.29		
Hong Kong dollar	8.82	8.66		
Singapore dollar	46.45	44.60		
UAE dirham	18.90	18.33		
Saudi riyal	18.50	17.95		
Danish kroner	13.37	12.01		
Kuwaiti dinar	236.58	234.76		
* All currencies are quoted against BDT.			* The forward rates are indicative only and fixed dated.	
* Rates may vary based on nature of transaction.				
Local Market FX			The volume of cross currency transactions was steady.	
Local inter-bank FX market was active on Tuesday. The demand for USD was stable and there was ample liquidity in the market. The USD remained almost unchanged against the Bangladeshi Taka.			Money Market	
			Money market was active on Tuesday. Call money rate was stable and most of the deals ranged between 6.50- 6.65 percent.	



PHOTO: BRAC BANK

Imran Rahman, managing director & CEO of Brac Bank Limited, and Dr Kazi Saifuddin Munir, managing director & CEO of IT Consultants Limited, sign an MoU to establish Omnibus, an association of member institutions which will provide shared ATM and POS network facilities to banks through a neutral switch in Dhaka recently. Senior officials of the two sides were also present.

NEW CREDIT RULES

Thai RMG makers fear losing market

ANN/ THE NATION

Thai textile and garment exporters, whose baht-denominated income is being steadily eroded by the strengthening baht, are facing another problem: financial institutions have toughened their attitude towards extension of new credit, out of concern for borrowers' declining income.

Thai Garment Manufacturers' Association secretary-general Vallop Vitanakorn said that previously, exporters obtained loans simply by showing sales orders to the bank.

"Now, they're required to show letters of credit [issued by the buyers' banks] before the banks will extend new credit lines."

"Following the Thai Silp (South East Asia Import Export) factory closure, the situation is getting worse. Banks have pressured some small operators for early debt repayment. Under these conditions, many plants can be shut down like Thai Silp, because they cannot adjust their strategies to match the baht appreciation in time," Vallop said.

Thai Silp's closure on July 11 sent a shock wave through the entire economy for fear that more

export companies could go under following the sharp appreciation of the baht from 39 to the US dollar early this year to yesterday's level of slightly above 33.

Bankers have declined to comment on their tougher credit conditions.

Garment Manufacturers' Association president Dej Pathanasethpong said he estimated the total loans of the textile and garment industries were about 150 billion baht (US\$5 billion).

Yesterday, representatives of the association met Industry Minister Kosit Panpiemras to discuss problems in the industry. Dej later said that although garment industry operators had prepared themselves to handle current risk factors, half had suffered losses because the baht had appreciated much faster than adjustments in raw-material costs.

"Raw-material prices have become cheaper because of the baht's appreciation, but this won't be felt for six to nine months," he said.

He said it was very important for operators to focus more on material-requirement plans and making products that met customer demand.

Brazil hopeful of WTO accord before US polls

AFP, New Delhi

Brazil Tuesday held out hope for an agreement on the Doha Round of talks to liberalise global commerce despite a deadlock hit last month among key members of the World Trade Organisation.

"No, the Doha Round is not dead, I have hope" for an agreement, Brazilian Foreign Minister Celso Amorim told reporters in New Delhi, referring to talks launched in the Qatar capital Doha in 2001.

Amorim, who is in New Delhi to attend a trilateral meeting of foreign ministers of India, Brazil and South Africa, said it was important to focus on targets rather than deadlines to clinch the all important deal.

If the United States could agree to a "substantial reduction in subsidies" and "elimination of export subsidies" it would speed an accord that would be seen as "a very important legacy of the Bush administration."

Amorim said it would be "useful" if the 150-member WTO "could have something done before the US gets into election mode for presidential polls due in November 2008."

"So if you work now with the target of some sort of agreement by September or maximum early October that would still allow for a full agreement before the elections in the United States. That would be the best thing," Amorim said.

STOCK