

South American nations form new development bank

AFP, Rio De Janeiro

Seven South American countries agreed to launch a new development bank, the Banco del Sur, a brainchild of Venezuela's leftist President Hugo Chavez...

The bank is being founded by Argentina, Brazil, Bolivia, Ecuador, Paraguay, Uruguay and Venezuela, and the ministers said Monday their respective presidents will have to sign off on the deal.

The main drive behind the bank is Venezuela, whose ebullient leader Chavez has sought to turn his country's oil wealth into regional leadership.

The bank will be based in Caracas, and the countries hope it will begin operating in 2008.

Brazil's treasury minister Guido Mantega said that the next step will be the most difficult: establishing the legal, financial and administrative structures for the bank.

Technical groups will organize the bank's capital base, how it will be structured, what the contribution of each country will be, Mantega said.

"This will be a multilateral institution led by us, something that could not be said for other multilateral institutions," he said.

EU ready to lower trade barriers with ex-colonies

AFP, Brussels

The European Commission said Monday, for the first time, that it would be ready to lower the bar in trade talks with the 78 African, Caribbean and Pacific rim countries making up the so-called ACP group.

The Commission's trade directorate chief David O'Sullivan told members of the European Parliament that Brussels would be prepared to reduce its ambitions on services oriented agreements and focus only on a goods deal.

"Given the state of the negotiations we will probably not be able to conclude -- and that is an understatement -- six full all-singing all-dancing EPAs (Economic Partnership Agreements) by the end of the year," he said.

"But we are willing to look at the possibility of concluding a goods-only arrangement to ensure that the trade flows continue or improve beyond January 1, 2008 if it is possible."

The ACP countries and the

European Union are struggling to clinch new agreements by the end of the year, when current preferential market access is due to expire.

Existing trade agreements giving preferential market access to the former colonies have to be replaced by the end of the year because the World Trade Organisation (WTO) ruled that they were illegal.

The Commission, which negotiates trade deals on behalf of the 27 EU nations, is conducting the talks with regions because of the large number of countries involved.

With the year-end deadline looming ever larger, the EU sought in April to boost the negotiations with an offer to scrap all tariffs and quotas on ACP countries' exports with the exception of sugar and rice.

The agreements are supposed to help ACP countries develop while they diversify their economies and meet WTO requirements that they allow for some opening of their markets to European goods and services.

WB to focus on Arab states, high-income countries

AFP, Washington

World Bank President Robert Zoellick said Arab countries have been "underserved" by the development lender and that he wants to develop an initiative to get more involved in the Arab world, according to an interview published in the Wall Street Journal Tuesday.

Zoellick also said that the bank will continue to lend to middle-income countries like China, Brazil and India despite criticism of the practice because a large majority of the world's poor live in those countries.

"There are some 70 percent of the poor in middle-income countries. If we are going to deal with the poverty agenda, we need to be engaged with these countries," he told the journal, ahead of a major

policy address planned for Wednesday.

"(Also) if you look at what's happening in the fields of diplomacy and political and security affairs, one of the big challenges is how we integrate the Indians, the Chinese and the Brazils in the multi-lateral system."

"It strikes me as illogical that you would be trying to engage them in creating a new multilateral order, and not do it in the multilateral economic system."

Zoellick has been trying to motivate staff at the bank who were dispirited by the tenure of Paul Wolfowitz, who left the bank's presidency earlier this year over his management style and a favoritism scandal, the journal said.

The paper said Zoellick, unlike Wolfowitz, had not recruited aides

from the administration of US President George W. Bush, and had not "frozen out" top bank staff since he took the helm on July 1.

"I have tried to spend considerable amount of time listening to some people, hearing the anxieties, trying to give people a chance, but my purpose is always to start to turn that towards productive energy."

Zoellick, 54, former Deputy Secretary of State and US Trade Representative, said the World Bank needed to do more work in the Arab states.

"This is a set of countries (that have) probably been underserved by the bank, and so what I'm trying to identify is how can we work with some of these governments and the private sector to create additional opportunity and development."

Investment jumps 115pc in Indonesia

AFP, Jakarta

Indonesia's direct domestic and foreign direct investment in the first nine months of 2007 rose 115 percent from a year before to 109.73 trillion rupiah (12 billion dollars), officials said Tuesday.

National Investment Coordinating Board chairman Muhammad Lutfi said actual foreign direct investment grew 99 percent to 76.86 trillion rupiah.

The board approved domestic and foreign direct investment proposals worth 468.73 trillion rupiah, 131 percent more than a year before.

"Investors should have seen a pickup in consumer purchasing power, so they think there is a market that needs to be supplied," the board's secretary-general Yus' said.



Apollo Hospitals Dhaka has recently entered into a corporate agreement with HeidelbergCement Bangladesh Ltd, to provide medical services at special rates and other corporate benefits for the staff of the cement manufacturing company.

China's Chery buys shipyard to boost auto exports

AFP, Shanghai

China's Chery Automobile has bought a domestic shipyard in the rapidly growing private company's latest effort to meet an ambitious export target, state press reported Tuesday.

Chery, based in Wuhu city of the eastern province of Anhui, has bought the local Wuhu Shipyard and is restructuring it, the China Securities Journal reported, citing unnamed sources with Chery.

"Chery expands its business scope by foraging into the very promising shipbuilding industry," a company official was quoted as saying.

OUR DEATH IS NOT AN END IF WE CAN LIVE ON IN OUR CHILDREN AND THE YOUNGER GENERATION. FOR THEY ARE US, OUR BODIES ARE ONLY WILTED LEAVES ON THE TREE OF LIFE.

Advertisement for Sheikh Akijuddin featuring a portrait of him and the text 'WE HOLD OUR HEADS UP HIGH AND SOAR AMONG THE DREAMS THAT YOU HAVE LEFT.'

STOCK MARKET

Large table containing financial data including 'TRADED ISSUES October 09, 2007', 'Turnover Leaders', 'Market Highlights October 09, 2007', and 'Capital Gainers/Losers'. It lists various companies, their stock prices, and market performance metrics.