Discord looms as G-7 finance chiefs meet on subprime crisis today

AFP, Tokyo

World finance chiefs will try to bolster confidence in the faltering global economy when they meet Saturday amid signs of trans-Atlantic friction over how to respond to recent market mayhem.

Washington's calls for other major economies to boost domestic demand seem set to fall on deaf ears as Japan and European nations are loath to worsen their public finances to tackle what they see as largely a US-made crisis.

European nations for their part are increasingly concerned about the weakness of the dollar and the yen against the euro, which acts as a brake on their exports.

The Federal Reserve has slashed interest rates by more than two percentage points since September amid growing fears that the US economy is slipping into recession, contributing to the weakness of the greenback.

But the United States and Japan have shown little appetite for any shift from the G7's well-worn call for currencies to reflect fundamentals.

"The Europeans are still concerned they're bearing the brunt of the necessary currency adjustment," said National Australia Bank analyst John Kyriakopoulos.

"Obviously the message is coming out of Japan that currencies won't be at the top of the list of topics for discussion," he said.

The United States has said it will call on its G7 partners to support its efforts to bolster growth amid signs of widening fallout from the US housing slump and related credit crunch.

But European nations, notably France, appear upset by what they see as a lack of sufficient trans-Atlantic coordination on the policy response, to the credit crunch sparked by a wave of defaults on US subprime, or risky, mortgages.

Europe will press the United States to show "more cooperation" in dealing with the global financial crisis, France's European minister said this week.

"It would have been better if there was a more cooperative attitude -- exchanges between treasuries, central banks, fewer unilateral movements before the G7 meetings," Jean-Pierre Jouyet told AFP in an interview, referring to recent interest rate cuts by the US Federal Reserve.

Analysts, however, questioned whether it was realistic to expect the Fed to time its interest rate cuts based on the schedule of the G7 meetings.

"I think the Fed had to act quite quickly given the conditions that were prevailing at the time," said Kyriakopoulos.

One area where G7 ministers may find more common ground is on calls for greater global market transparency in light of the subprime turmoil.

The G7 must "take international action to increase stability and resilience by strengthening risk management by banks, including stress testing and liquidity management," British finance minister Alistair Darling said this week.

Germany's deputy finance minister Thomas Mirow said his country had clear proposals to improve the transparency and regulation of financial markets.

And he called for the International Monetary Fund to play a more important role in observing financial markets and issuing alerts as crises begin to emerge.

The role of ratings agencies, which have been criticised for not flagging up the impending global credit woes, is also expected to be discussed.

Germany top global exporter in 2007

AFP, Frankfurt

Germany defended its rank as top global exporter last year, beating a fast growing China for possibly the last time as it posted a sharp increase in its trade surplus on Friday.

Exports by the biggest European economy came to 969 billion euros (1.4 trillion dollars) last year, an increase of 8.5 percent from 2006, official figures showed.

China sold 1.22 trillion dollars worth of goods abroad, according to the Chinese trade ministry's Internet site.

The World Trade Organisation (WTO) had said last year that China would surpass Germany in 2009.

For 2007, Germany posted a trade surplus of 199 billion euros, up 40 billion euros, the figures showed.

European Union members remained Germany's main trade partners, helping offset in part the impact from the rise of the euro against other major currencies.

Exports to EU members increased 11.1 percent to 627.6 billion euros, while imports grew 8.4 percent to 502.6 billion, the Destatis statistics service said.

Other exports rose by 12.9 percent despite the stronger euro, while imports gained 10.1 percent, the data showed.

"This rounds off another successful year for the German export sector," said UniCredit economist Alexander Koch.

"Germany defended its title as world champion in merchandise exports for the fifth year in a row, after overtaking the US in 2003," he said.

PHOTO: PUBALI BANK

Md Saiful Islam, chargé d'affaires of Bangladesh embassy to Bahrain, Habibur Rahman Jilani, Pakistani ambassador to Bahrain, Enayet Karim, managing director of Dhaka International Exhibition Company, and Helal Ahmed Chowdhury, managing director of Pubali Bank Ltd, among others, are seen at the stall of the bank at the recently concluded 'Bangladesh Trade Fair' in Manama. The bank participated in the fair to expand and promote its foreign remittance business from Bangladeshi expatriates.

PHOTO: AAMRA NETWORKS

Russell T Ahmed, convener of 'Corporate Bazaar 2008', and Kaniz Almas Khan, managing director of Persona Group, pose for photographs at an agreement signing ceremony recently. Under the deal, Persona Group will take part in Corporate Bazaar, a three-day exhibition of corporate houses that begins at Bangladesh-China Friendship Conference Centre in Dhaka today.

Thailand Investment Year 2008 to be launched

ANN, THE NATION

Newly appointed Industry Minister of Thailand Suwit Khunkitti is attempting to restore foreign investors' confidence through a new campaign called "Thailand's Investment Year 2008".

"The biggest problem today is that investors lack confidence, because the industrial sector is the key to driving growth in the country's gross domestic product," Suwit said on his first day in office.

He is confident the campaign will stimulate investment and that total net foreign direct investment commitment will be higher than last year's 655.8 billion baht (US$21.05 billion).

Under the campaign, projects that use advanced and environmentally friendly technologies--particularly in the electronics, automotive and steel industries--are targeted, as well as those involving alternative energy and the software industry.

He has also targeted promotion of the service sector, particularly healthcare, from which the country could generate revenue of more than 100 billion baht ($3.21 billion) from foreign patients.

Suwit is also promoting small and medium-sized enterprises (SMEs) through a package that will help them with production, packaging design, marketing and financing.

Suwit said the government would provide a village fund of 80 billion baht ($2.56 billion) that would stimulate the local economy. The Industry Ministry, the Office of Small and Medium Enterprises Promotion (Osmep) and the SME Bank will seek more funds for small operators to borrow at low interest.

Industry Ministry permanent secretary Chakramon Phasukavanich said more than 20,000 small entrepreneurs registered at Osmep had the potential to expand their business but that they faced financial problems.

Weekly Currency Roundup

February 03-February 07, 2008

Local FX Market

The US dollar/BDT market was a tight in the beginning of the week, and slowly eased towards the end. The USD/BDT rate however almost remained unchanged.

Money Market

Overnight money market was tight at the beginning of the week, but eased a little as the week wore on. Range moved from 8.50-12.00 to 8.00-10.00 The market was mostly steady near the end of the week.

In the Treasury bill auction held on Sunday, bid for BDT 9,000.00 was accepted compared to BDT 9,000.00 last week. Weighted average yield remained rose slightly for the 28D category T-Bills but was almost unchanged for all other categories auctioned on the day.

International Markets

The week started with the euro steady against the dollar at $1.48, as the dollar received a positive view due to release of manufacturing data on Friday. However, the euro fell sharply on Tuesday as surprisingly weak euro zone service sector data increased pressure on the European Central Bank to cut interest rates to shore up growth in the economy. The euro's weakness against the dollar helped lift the greenback across the board. The Federal Reserve's aggressive rate cuts in recent months have given the dollar support as investors took the view the bold action will support the US economy and fuel a recovery later in the year. Sterling has also seen downward trend during the week ahead of the Bank of England's policy meeting on Thursday. The FTSEurofirst 300 share index lost half a percent in early trading hurt by bad news from the technology sector.

Commodities

Gold reached a receded from its record high hit last week, as the US dollar recovered against it major rivals. Oil prices were also down as the market is concerned that the US economy will enter into a recession, as data showed that there was a general fall in consumer spending.

- Standard Chartered Bank

PHOTO: BANK ASIA

Chairman of Bank Asia Ltd M Syeduzzaman speaks at the bank's 'Annual Conference-2008' in Dhaka yesterday. Director M Shamsul Alam and President and Managing Director Syed Anisul Huq were also present.

STOCK

TRADED ISSUES of the WEEK February 03 - 07 ,2008

Company	FV/ML (Tk/No.)	DSE Price Closing	Chg.(%)	Pre.Wk.C	Turnover Share	CSE Price Closing	Chg.(%)	Pre.Wk.C	Turnover Share	Last AGM	EPS (Tk.)	CDPS (%)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

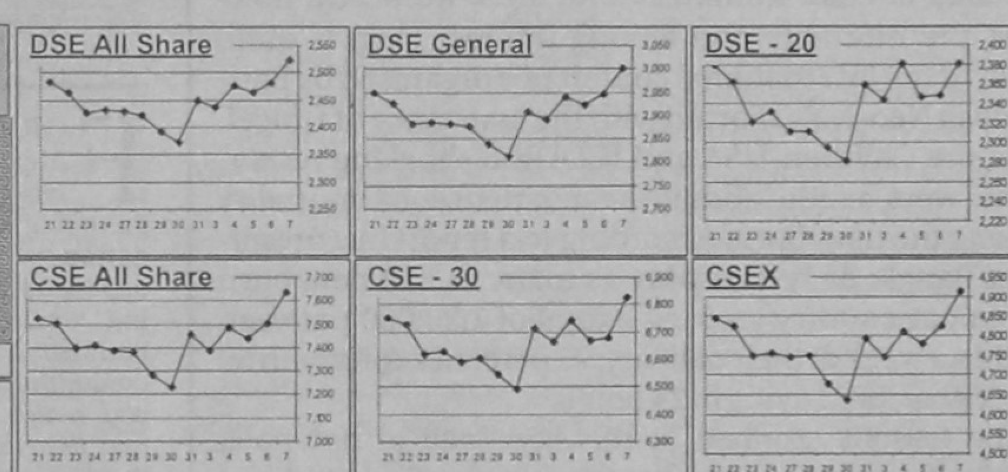
Market Highlights

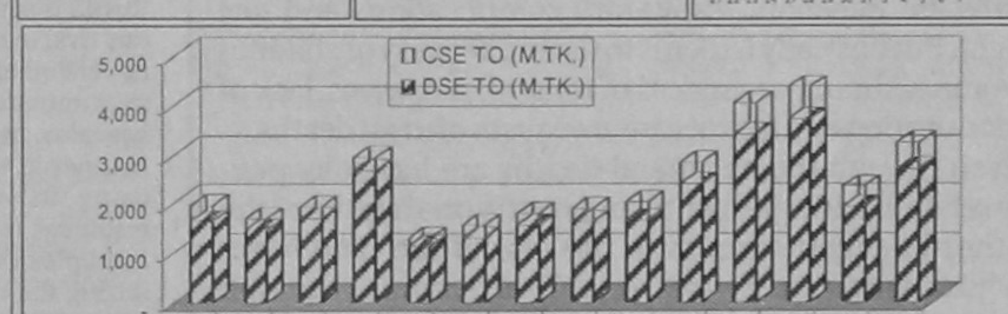
Week February 03 - 07, 08

DSE All Share Index : 2523.08936 (+) 3.01%
DSE General Index : 3000.16977 (+) 3.20%
DSE - 20 Index : 2381.07698 (+) 0.91%
CSE All Share Index: 7634.08160 (+) 2.40%
CSE - 30 Index : 6826.09700 (+) 1.72%
CSE Selected Index : 4911.89280 (+) 2.48%

Indicators	DSE	CSE
Total Turnover (Taka)	14,246,263,697.35	2,687,805,758.25
Total Turnover (Volume)	135,914,928	28,221,499
Number of Contract	281,923	58,589
Total Traded Issues	256	176
No. of Issue Gain (Avg. Price Basis)	167	119
No. of Issue Loss (Avg. Price Basis)	87	54
No. of Unchanged Issue (Avg. P. Basis)	2	3
Market Cap. (Taka)	658,903,766,617	635,016,884,794
Market Cap. (US$)	9,619,033,089	9,270,319,486
Total No. of Listed Securities	287	227
Total No. of Listed Companies	267	211
Total No. of Listed Mutual Fund	14	14
Total No. of Listed Debenture	6	2
Total No. of Share & Deb.	2,086,460,146	414,612,267
Total Issued Capital	101,511,283,150	98,167,031,080
Price Earning Ratio	24.24	23.95
Earning Per Share (%)	30.77	30.49

DSE & CSE Index and Turnover





Turnover Leaders

Company	Turnover (Vol.)	Turnover (M.Tk.)	Turnover (%) T	C Avg. Price
Meghna Petroleum* -N	6,292,300	22,909.64	15.57	364.09
Jamuna Oil* -N	4,387,600	15,964.28	10.85	363.85
Grameen M F One*-A	6,846,300	8,602.38	5.85	125.65
AB Bank * - A	269,082	7,537.18	5.12	2,801.07
AIMS First * -A	71,245,977	7,252.84	4.93	10.18
Summit Power Ltd* -A	319,568	5,296.14	3.60	1,657.28
Brac Bank* -A	326,310	4,705.29	3.20	1,441.97
IFIC Bank* - A	142,176	3,990.07	2.71	2,806.43
LankaBangla Finance* -A	2,719,500	2,879.41	1.96	105.88
National Bank * - A	168,245	2,796.85	1.90	1,662.37
Meghna Petroleum* -N	1,292,100	4,715.65	17.08	364.96
Jamuna Oil* -N	887,800	3,231.06	11.70	363.94
AB Bank * - A	77,260	2,127.22	7.70	2,753.32
Brac Bank* -A	106,090	1,520.45	5.51	1,433.17
AIMS First * -A	12,965,500	1,319.89	4.78	10.18
Fareast Islami Life Ins* -A	32,500	965.33	3.50	2,970.24
Grameen M F One*-A	699,500	880.67	3.19	125.90
Trust Bank*-N	106,600	797.69	2.89	748.30
Summit Power Ltd* -A	40,265	668.52	2.42	1,660.30
LankaBangla Finance* -A	526,000	557.82	2.02	106.05

Capital Gainers

Company	Price Chn. (%) Close	Price Chn. (%) Avg.	Close Price	Turnover M.Tk
Wata Chemicals -Z	79.32	83.07	251.50	1.627
BSC -A	56.78	54.23	2,230.25	1.613
Purabi Gen. Insu. -A	39.47	37.27	185.50	2.468
Karnaphuli Insurance* -A	37.63	31.58	307.25	21.723
BGIC* -A	37.35	39.27	447.75	73.243
Federal Insurance -A	36.09	34.29	217.75	2.125
Central Insurance* -A	35.43	35.96	306.75	7.448
Pragati Gen. Insu.* -A	32.19	28.28	666.25	32.253
Sonargaon Textiles -A	31.01	31.01	113.00	0.113
BDCOM Online*-Z	29.15	27.07	25.70	37.151
Sreepur Textile -Z	47.46	47.46	21.75	0.002
Pragati Gen. Insu.* -A	42.25	42.15	655.75	0.988
BGIC* -A	37.42	40.71	445.25	1.796
BDCOM Online*-Z	34.52	27.31	26.50	5.331
Popular Life Insu.* -A	33.81	33.81	2,810.00	16.2980
Progressive Life Ins.*-Z	33.52	33.52	1,402.00	0.421
Phoenix Insurance* -A	26.49	26.49	468.00	0.037
Keya Detergent-*A	25.93	26.59	34.00	40.356
Asia Pasific G Insu.* -A	24.90	22.31	150.50	0.715
Green Delta Insu* -A	23.81	24.01	1,300.00	0.143

Capital Losers

Company	Price Chn. (%) Close	Price Chn. (%) Avg.	Close Price	Turnover M.Tk
M. Hossain GarmentS -Z	-22.22	-24.20	14.00	0.149
BCIL - Z	-20.00	-20.04	30.00	0.105
BD Luggage -Z	-17.39	-17.61	19.00	0.0124
Alpha Tobacco -Z	-17.17	-17.17	8.20	0.0033
Maq Paper -Z	-16.00	-17.00	21.00	0.2915
Maq Enterprise -Z	-14.61	-14.15	19.00	0.502
Samata LeatheR -Z	-14.21	-12.70	42.25	0.342
BD.Dyeing -Z	-13.98	-14.31	40.00	0.410
Chittagong Vegetable -Z	-12.33	-12.53	32.00	0.026
Sajib Knitwear -Z	-11.45	-11.25	29.00	0.0584
Bangas* -A	-17.14	-17.14	290.00	0.0029
Apex Foods -A	-17.00	-17	664.00	0.531
Maq Enterprise -Z	-14.13	-14.43	19.75	0.1217
Mona Food Ind. -Z	-13.86	-14.44	21.75	0.0519
Rangamati Food -Z	-12.90	-10.46	2.70	0.033
Rose Heaven Ball Pen -Z	-12.20	-13.25	3.60	0.063
BD Luggage -Z	-12.09	-11.23	20.00	0.188
BCIL - Z	-10.81	-10.59	33.00	0.004
BD. Zipper -Z	-9.43	-9.77	24.00	0.006
M. Hossain GarmentS -Z	-8.43	-7.75	19.00	0.0281

Non Traded Issues

LCP=Last Closing Price, LTD=Last Trading Date

Company	FV/ML (Tk./No.)	DSE LCP	DSE LTD	CSE LCP	CSE LTD	Last AGM	EPS (Tk.)	DPS (%)
BANK								
Rupali Bank - Z	100/10	2904.25	01/11/07	2826.75	31/10/07	05/12/07	11.58	----
The Oriental Bank -Z	1000/5	928.00	21/06/06	Not	Listed	15/09/05	-481.2	----
ENGINEERING								
Metalex Corporation -Z	100/5	154.00	26/12/07	Not	Listed	24/04/96	-562.5	----
BEMCO Ltd.-Z	100/10	38.00	21/01/08	Not	Listed	27/12/01	-10.99	----
FOOD & ALLIED								
Fahad Industries Ltd	10/500	Not	Listed	3.70	30/01/08	29/12/07	-1.26	----
BLTC -Z	100/5	104.00	31/01/08	Not	Listed	20/06/06	-168.4	----
E.L. Camellia	100/5	5787.50	21/06/07	Not	Listed	08/05/07	611.00	25.0
Yousuf Flour -B	10/50	23.80	01/04/04	Not	Listed	19/12/07	0.58	----
BD. Plantation -A	100/5	1050.00	17/01/08	Not	Listed	26/12/07	51.64	14.0
Hill Plantation -A	100/5	1100.00	20/05/07	Not	Listed	26/12/07	18.77	12.0
Modern Industries -Z	100/5	22.00	29/01/08	Not	Listed	07/06/07	-3.59	----
TEXTILE								
Al-Haj Textile -A	10/50	60.00	29/10/07	Not	Listed	27/12/07	2.76	----
GMG Indl. Corp. -Z	10/50	30.30	19/02/06	81.00	08/03/06	18/12/07	-6.51	----
Quasem Textile -Z	10/500	3.20	31/01/08	Not	Listed	26/05/05	-1.29	----
Modern Dyeing -B	100/5	72.00	31/01/08	Not	Listed	26/12/07	2.56	4.00
Arbee Textile Mills -Z	10/10	81.00	08/05/99	Not	Listed	29/06/06	-3.75	----
Chic Tex -Z	10/500	2.70	16/01/08	2.50	15/01/08	30/12/04	0.05	----
CMC Kamal Tex. -Z	100/50	52.00	19/12/07	94.00	22/10/03	30/06/05	5.75	----
PHARMA & CHEM.								
JMI-Bangla Co. Ltd.	100/50	Not	Listed	40.00	16/08/07	----	----	----
Bangla Process -B	100/5	200.00	09/12/07	Not	Listed	20/12/06	3.89	----
Petro Synthetic -Z	10/50	7.00	06/01/08	Not	Listed	27/09/07	-1.00	----
PAPER and PACKAGING								
Sonali Paper -Z	10/50	6.30	15/01/08	Not	Listed	20/09/04	-0.04	----
Azadi Printers -A	100/10	60.00	08/06/06	80.00	13/05/07	25/12/06	122.50	10.0
SERVICE								
BD.Hotels -A	10/50	0.00	----	Not	Listed	10/12/07	6.67	35.0
BD.Service -A	10/50	11.00	10/12/03	Not	Listed	11/12/05	2.00	----
MISCELLANEOUS								
Khaza Mosaic Tiles	10/500	Not	Listed	3.00	05/10/05	----	0.76	----
JAGO Corp. Ltd.	100/50	Not	Listed	34.00	24/07/07	26/06/04	2.74	5.00
Phoenix Leather -Z	100/5	360.00	23/01/07	Not	Listed	27/12/07	-3031	----
The Engineers -A	100/5	111.00	01/12/04	Not	Listed	29/12/07	899.57	25.0
Himadri Ltd. -A	10/100	7.20	21/09/04	Not	Listed	16/06/07	1.65	10.0

*Note: Capital Gainer and Loser tables are prepared on the basis of the average price change of the traded issues. In the trade table price change is calculated between closing prices. CDPS= Cash Dividend Per Share in %, EPS=Earning per Share. CDPS & EPS are corresponding to the Last AGM report that held on the date mentioned in the last AGM col. ** CDBL Listed Companies.*