

Fed move his Asian shares

AFP, Hong Kong
A surprise move by the US Federal Reserve to hike one of its lending rates triggered fears in Asian markets Friday that global stimulus measures may bring an unwinding sooner than expected.

The rate hike saw the US dollar rise broadly against other major currencies, sending the euro down to a fresh nine-month low at one point.

Investors reacted cautiously to the Fed's decision to hike the primary credit rate on emergency loans to banks to 0.75 percent from 0.5 percent, despite it stressing the move did not signal a broader tightening of policy.

The Fed slashed the benchmark rate to virtually zero percent in late 2008 in an unprecedented move to induce growth in the world's largest economy as it reeled from a financial crisis triggered from a home mortgage meltdown.

Tokyo tumbled 2.05 percent, or 212.11 points to 10,123.58 as investors digested the impact of the Fed decision.

In afternoon trade the dollar was at 91.76 yen from 91.80 in New York Thursday.

Toyota shares fell 1.78 percent after its president bowed to mounting pressure and agreed to appear before the US Congress to answer questions about safety.

Hong Kong tumbled 2.59 percent, or 528.13 points to end at 19,894.02, reflecting broad market concern of a possible increase in interest rates given the Hong Kong dollar's peg to the US dollar.

Sydney closed down 0.43 percent, or 19.8 points, at 4,635.1.

Shanghai and Taipei remain closed until Monday for the Lunar New Year break.

Maksons Spinning Mills Limited



Abdul Ali, chairman Maksons Spinning Mills Limited, chairs the company's fifth annual general meeting in Dhaka yesterday. The company declared 20 percent stock dividend for the fiscal year 2008-09. Mohammad Ali Khokon, managing director, is also seen.

Oil rises

AFP, London

World oil prices flattened on Friday, with New York crude edging above 79 dollars, as the US currency strengthened at the end of a volatile week for markets.

New York's main futures contract, light sweet crude for delivery in March, rose 27 cents to 79.33 dollars a barrel.

Brent North Sea crude for April delivery dropped eight cents to 77.70 dollars.

A stronger dollar makes dollar-priced oil more expensive for buyers using weaker currencies, hitting demand.

Distillate stocks, including heating oil and diesel fuel, dropped by 2.9 million barrels to 153.3 million barrels.

Euro claws back after US inflation data

AFP, London

The euro, which earlier plunged following a surprise change to the US Federal Reserve's monetary policy, regained the dollar on Friday after an unexpected fall in US core inflation.

The European single currency was changing hands at 1.3550 dollars late on Friday compared to 1.3535 dollars late in New York on Thursday but it had fallen as low as 1.3443 dollars overnight, its lowest level since May 18.

Against the Japanese unit, the dollar rose to 91.91 yen compared to 91.75 yen on Thursday, while the euro advanced to 124.55 yen compared to 124.17 yen.

The euro was boosted by the influential Markit index of private sector business activity across the 16-nation eurozone that remained unchanged at 53.7 points in February after falling in January.

Meanwhile US core prices, not including food and energy, unexpectedly fell for the first time in 27 years amid a sluggish recovery even though the US consumer price index overall advanced by 0.2 percent.

Weekly Currency Roundup

International Markets
The dollar continued on its bull run this week, with the euro having slid to a nine-month low hit earlier this week.

The dollar edged close to a seven-month high against a basket of currencies on Thursday after minutes showed US Federal Reserve policymakers had discussed strategies for withdrawing monetary stimulus.

Analysts said there were concerns that if countries such as Greece implement the harsh fiscal measures needed to cut their debt this will weigh on euro zone growth and mean the European Central Bank will be slower to tighten monetary policy.

Fed minutes on Wednesday supported the dollar, revealing several policymakers want to begin selling securities relatively soon as the US economy finds a footing.

Strong US data on Wednesday also lifted the dollar, with figures showing US housing starts rose to a six-month high in January and industrial output increased solidly.

Greek Prime Minister George Papandreou said on Wednesday his debt-stricken country was not seeking European taxpayers' money but needed a breathing space to cut its budget deficit and borrow "on normal conditions".

Commodity-related currencies came under pressure as the International Monetary Fund said it planned to sell more gold in the market. The IMF said it would begin phased open-market sales of the remaining 191.3 tonnes of gold it plans to sell under a programme launched last year to raise new resources for lending.

Local Money Market

The call money rate traded in the range of 3.25-4.5 this week. However majority of the deals traded at 4.15%, with some stray deals at higher rates.

Local Market FX

The USD moved higher against the BDT this week. The market was active and lighter than the previous week.

Standard Chartered Bank

STOCK

Weekly Market Highlights February 14 - 18, 2010

Table with 3 columns: Index, Change, and Volume. Includes DSE All Share Index (+2.10%), DSE General Index (+2.22%), DSE-20 Index (+2.80%), CSE All Share Index (+2.00%), CSE-30 Index (+2.92%), and CSE Selected Index (+2.12%).

Weekly Turnover Leaders

Table with 4 columns: Company, Turnover (Vol., M.Tk.), and Closing Av. Pr. Lists top performing stocks like BEXIMCO Ltd., Gramsephone, and LankaBangla Fin.\*.

Weekly Capital Gainers/Losers

Table with 4 columns: Company, Price Chn. (%), Close Price, and Turnover M.Tk. Lists top gainers like CMC Kamal Text and Prime Insur.\*.

Weekly Traded Issues February 14 - 18, '10

Table with 4 columns: Issue Name, Price Range, and Volume. Lists various IPOs and secondary offerings.

Weekly News Highlights from Trade Servers

Large table with multiple columns listing various financial news items, company announcements, and market updates across different sectors.