

Philippines probing HSBC, StanChart, Bank of America

Allegation of engaging in illegal currency speculation

ANN/PHILIPPINE DAILY INQUIRER, Manila

Three foreign banks are being investigated by the Bangko Sentral ng Pilipinas (BSP) for allegedly engaging in illegal currency speculation involving 640 million dollars that led to the sharp drop of the peso against the dollar, an Inquirer source said Thursday.

Bank of America, HSBC Corp. and Standard Chartered Bank either put the funds in hidden accounts or did not properly document the transactions, the source said. Besides the BSP probe, the Bureau of Internal Revenue is looking into the tax liabilities of 27 traders from money changing companies. "The Monetary Board instructed the BSP to heighten its vigilance in

monitoring the foreign exchange position of banks, keeping an eye on possible temporary parking by banks of their foreign exchange assets in other accounts to circumvent foreign exchange rules," BSP deputy governor Amando Tetangco Jr. said in a statement.

"The Monetary Board views this as a serious violation that is inimical to the national interest particularly at this time," he said.

President Gloria Macapagal-Arroyo herself warned speculators Wednesday when the peso breached the 55-to-the-dollar level against the dollar that their tax returns and activities were being monitored. To further curb speculation, the Monetary Board reduced by half to five million dollars the ceiling for banks in accumulating dollars for

their own account. The maturity of forward currency contracts was also shortened to no more than six months.

The strong government signals to crack down on speculators helped the peso bounce back to 54 to the dollar Thursday yesterday, closing at 54.95 to the dollar from 55.099 to the dollar Wednesday. From 55.16 to the dollar during the morning trade, the peso rose to 54.93 to the dollar before closing two centavos lower.

Officials of HSBC and Standard Chartered denied their banks were guilty of speculation and of violating any central bank regulation. "We try in every single case to be compliant with the BSP requirements," HSBC treasurer John McGowan said.

Standard Chartered Bank spokesperson Zenaida Iglesias said, "We are in compliance with the BSP documentary requirements."

A senator said currency speculation by foreign banks was behind the peso's sharp drop against the dollar although two congressmen claimed that the war in Mindanao was making the peso weak.

"I believe that the chief factor for the peso slide is speculation," Senator Manuel Villar said. "I'm almost sure although I have no evidence yet. These may be foreign banks."

Villar, chairman of the Senate committees on finance and on foreign relations, pointed out that currency speculation was a form of economic sabotage.



PHOTO: STANDARD INS

Managing Director of Standard Insurance Limited SM Abdul Mannan (C) speaks at the branch managers' conference of the company in Dhaka recently.

India wants EU to buy sugar in exchange for Airbus deal

AFP, New Delhi

India is asking the European Union to buy its sugar in exchange for New Delhi agreeing to purchase planes worth two billion dollars from Airbus, a newspaper reported Sunday.

"It is done the world over for these big deals, so why should India not do it?" an unidentified agriculture ministry official said of the proposed quid pro quo, as quoted by The Indian Express.

In India's largest-ever order for commercial jets, the board of Indian Airlines decided a year ago to purchase 43 Airbus planes in a deal estimated at 2.2 billion dollars to modernise its ageing fleet.

But the purchase needs final

approval by the Indian government and Airbus officials have complained that Washington was putting pressure on New Delhi to instead choose Airbus' US-based rival Boeing.

High-ranking European leaders -- including French Prime Minister Jean-Pierre Raffarin in February and EU Trade Commissioner Pascal Lamy last week -- have lobbied here for India to choose Airbus, a European consortium.

The Indian Express said India's ailing sugar industry urgently needed to export seven million tonnes as domestic demand was dropping and export markets heavily restricted.

India's current sugar exports to Europe are marginal.

Citigroup to cut 2,000 jobs, close 500 outlets in Japan

AFP, Tokyo

Citigroup, the world's biggest bank, will trim its consumer credit operations in Japan by cutting 2,000 jobs and closing 500 outlets due to the country's prolonged economic slump, a report said Sunday.

The job cuts, to be implemented through an early retirement program and a hiring freeze, will amount to some 32 per cent of the total workforce in Citigroup's Japanese consumer credit business, the Nihon Keizai Shimbun said.

The US financial giant aims to close 500 shops, nearly half of its consumer credit outlets in Japan, by the end of this year, the business daily said.

The retrenchment is due to Japan's sluggish economy as Citigroup has recently distributed a document to its senior officials that the company no longer expects robust economic growth in Japan, it said.



PHOTO: JAMUNA BANK

Harunur Rashid Chowdhury, manager of Anti-Money Laundering Department of Bangladesh Bank, speaks as chief guest at a workshop on 'Money Laundering and its Prevention' organised by Jamuna Bank Limited at its head office in Dhaka recently. SA Chowdhury, managing director of the bank, Tawfiq Ahmed Chowdhury, director of BIBM, and other executives were also present in the workshop.

CURRENCY

Following is yesterday's foreign exchange rate by Standard Chartered Bank

Selling		Currency		Buying	
TT/OD	BC	TT Clean	OD Slight Doc	OD Transfer	
58.8500	58.9000	USD	57.9000	57.7299	57.6608
64.2054	64.2599	EUR	61.3161	61.1360	61.0628
93.9835	94.0633	GBP	90.9609	90.6937	90.5852
36.0456	36.0763	AUD	33.9584	33.8586	33.8181
0.5020	0.5024	JPY	0.4848	0.4834	0.4828
43.3901	43.4270	CHF	42.0083	41.8849	41.8347
6.9206	6.9265	SEK	6.6831	6.6635	6.6555
40.1432	40.1774	CAD	39.0688	38.9541	38.9074
7.5534	7.5598	HKD	7.4167	7.3949	7.3861
33.6516	33.6802	SGD	32.8455	32.7490	32.7098
16.1529	16.1667	AED	15.6364	15.5905	15.5716
15.8182	15.8316	SAR	15.3175	15.2725	15.2542

Exchange rates of some currencies against US dollar

Indian Rupee	Pak. Rupee	London Rupee	Thai Baht	Norwegian Krone	NZ Dollar	Malaysian Ringgit
47.61	57.725	96.93	42.705	7.2330	0.6515	3.80

SHIPPING

Chittagong port

Berthing position and performance of vessels as on 16/3/2003

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disch
J/1	Banglar Maya	Wheat	K Dia	Litmond	R/A	18/3	1696
J/3	Galina-III	M.Seed	MUMB	USL	11/3	20/3	446
J/4	Banglar Gourab	Gi	Yang	Royal	5/3	17/3	1889
J/5	Pinya	Rice	Yang	Mutual	7/3	19/3	1166
J/6	Assels Victory	Rice	Visa	Uniship	9/3	20/3	129
J/7	Kranj	Gi	Sing	Prog	12/3	20/3	919
J/8	DS Pioneer	C Clinic (Royal)	Mumut	Move	9/3	19/3	1886
J/9	Ocean Pride	Gi (Y.Ma)	Yang	PSL	11/2	16/3	402
J/10	Eastern Victory	Gi (HR C) (Can. Peas)	Sing	Litmond	14/3	18/3	X
J/12	Kota Berjaya	Cont	Sing	Pil (BD)	13/3	18/3	152/X
J/13	QC Lark	Cont	P Kel	QC SL	13/3	16/3	382/967
CCT/1	QC Dignity	Cont	P Kel	QC SL	12/3	17/3	289/179
CCT/2	Banga Bonik	Cont	Col	Baridhi	14/3	17/3	184/X

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Banga Bodor	16/3	P Kel	BD Ship	Cont	Sing
Banga Birol	16/3	p kel	BD Ship	Cont	Sing
Eka Lestari	16/3	Lumut	Move	Cont	Clink
Val Mustuba	17/3	Viza	CLA	Rice/Wheat	
Asimont	18/3	Pkel	Seaborn	Cont	Sing
Capricorn Ace	18/3	P Kel	Everett	Vehi	Sing
Kota Cihaya	18/3	Sing	Pil (BD)	Cont	Sing
QC Teal	19/3	Pkel	QSL	Cont	Sing
Feng Shun Shan	19/3	-	BD Ship	GI	

Tanker due

Asian Promoter	16/3	-	EQSL	WLD HSF0(DOJ)
Gaz Master	17/3	Kaki	MBL	WLD Ammonia

Vessels at Kutubdia

Name of vessels	Cargo	Last Port	Local agent	Date of arrival
Sea Panther	P Cargo	Sing	Sakhi	4/2
Barge-S-657	P Cargo	Kol	Sakhi	21/2
Onda	C Oil	Rast	Unique	6/3
Banglar Shourabh	C Oil	-	BSC	R/

Vessels at outer anchorage

Vessels ready

Bosowa	Sugar	Tuti	Mutual	13/3
Orient Freedom	Cont	PKel	PSL	15/3
Xpress Manaslu	Cont	P Kel	RSL	15/3
Haneburg	Cont	Sing	Pil (BD)	15/3

Vessels not ready

Jaladoot	HSD(G.Oil)	Ruwa	Atlantic	11/3
Maritime	M.Seed	ADSL	USL	14/

Vessels not entering

Manlist-T	Mop(P)	Jadda	PSL	12/3
Tropical Star	C Clinic	Tanj	ASEL	13/3
Le Chang Ling	C Clinic	Tanj	BSL	13/3

Movement of vessels for 17/3/2003

	Outgoing	Incoming	Shifting
J/4	B Gourab	CCT/2 Hane Burg	CCJ: QC Honor
J/6	A Victory	B Bodor	
J/9	O Pride	J/4/6 A Leader	

The above are shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

STOCK