

ECB fails to counter deflation risk

AFP, Tokyo

The risk of deflation is as high, or even higher, in Europe as the United States but the European Central Bank is failing to take pre-emptive action in contrast to the US Federal Reserve, top economists at Lehman Brothers said Tuesday.

Even the central Bank of Japan, which has fought a losing battle against sliding prices for the past nine years, is adopting a more aggressive stance to tackle the problem, they noted at a seminar in Tokyo.

"In the United States we have seen the Fed come out long before we have actually had any deflation..."

and said to people if we look like hitting deflation we will not only cut interest rates to zero but we will use ad hoc monetary policy as well," Lehman's global chief economist John Llewellyn said.

"But we have not had that discussion yet in Europe, and yet we would put the odds of deflation as being as high in Europe if not higher than they are in the United States," he cautioned.

Europe's central bank has adopted a cautious stance towards monetary policy following the slowdown in the world economy, aggravated by the September 11, 2001 terrorist attacks and war in Iraq.

"The European Central Bank is a

new central bank, it is administering a new currency. It has to be concerned about credibility, it cannot be seen to be hasty or rash," reasoned Llewellyn.

A new policy can only be adopted once all 12 euro-zone members agree to it.

"So the (ECB) train tends to move at the speed of the slowest coach," the economist said.

"In practical consequences instead of being forward looking in its policy in the way you tend to see the Fed... it tends to make its policy looking out of the rear-view mirror," Llewellyn warned -- a trend the bank should change.

Japan not considering extra budget

AFP, Tokyo

Japan's Finance Minister Masajuro Shiokawa said Tuesday the government was not considering an extra budget for the year to March 2004 -- a claim that has been repeatedly overturned in previous years.

"At this point we are not considering compiling a supplementary budget," Shiokawa told a news conference.

"The recent moves in the stock market reflect an improvement in the Japan-US investment climate. I believe there is brightness in Japan's economy," he said.

Lawmakers opposed to Prime Minister Junichiro Koizumi's fiscal austerity plans have demanded the government launch an extra budget for this financial year, with increased spending for public-works projects.

But Koizumi is trying to cut the nation's fiscal deficit which, at some 140 per cent of gross domestic product, is the highest of all industrialised nations.

Last year Shiokawa cautioned against additional fiscal spending, but the government still eventually agreed on a supplementary budget.

SIA plans to lay off 2,500 employees

AFP, Singapore

Singapore Airlines (SIA) is considering laying off up to 2,500 workers in a bid to reverse historic financial losses, a media report said Tuesday.

Ground staff would be the most heavily affected under the plan with a reduction in their numbers of between five and 10 per cent, the Straits Times said, quoting unidentified sources.

SIA was also looking to cut its team of 6,600 cabin staff and 1,800 pilots by between two and five per cent, the report said.

"Such a range of cuts being considered could mean as few as 1,200 or as many as 2,500 employees being laid off," the Straits Times quoted its sources as saying.

"The actual numbers have not been finalised but management may decide as early as this week."



Iftexharul Alam, president of Bangladesh Employers' Federation, speaks at the 91st session of the International Labour Conference held in Geneva recently.



A Kohinoor Chemical Co (BD) official hands over prizes among company's retailers and wholesalers at a function in Dhaka on Saturday.



Film actress Mousumi opens a sales centre of Caring brand hair care product of Thailand at Sheltek Siera market at Elephant Road in Dhaka recently.



Oriental Bank Limited Deputy Managing Director Shafiquddin speaks at a meeting on increase of the inflow of foreign remittances between the bank and Placid NK Corporation of USA held at the bank's head office recently.



Md Iqbal Khan, sales manager of White Products and Electronics Ltd, opens a new showroom of Rangs Power Battery at Hathazari Nur Tire and Battery House in Chittagong recently. Musa Kamal Mahmud, area manager of Rangs Electronics Ltd, Sales Executive Omar Mirza and other officials of the company were present at the opening ceremony.

SHIPPING

Chittagong port

Berthing position and performance of vessels as on 17/6/2003.

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disch
J/1	Feng Shun Shan (Liner)	GI	Osaka	BDSHIP	6/6	17/6	1028
J/2	Myeik	Rice (P)	Yang	Total	26/5	19/6	463
J/3	Al Muztuba	Rice/WT(P)	Kaki	CLA	25/5	19/6	461
J/4	Amanat Shah	Rice (P)	Mumb	CLA	28/5	24/6	441
J/5	Dae Gak Bong	Rice (P)	Kaki	Able	2/6	21/6	702
J/6	Maritime Faith	C Clink	Hau	NWSL	5/6	17/6	1210
J/7	Jin Cheng (Liner)	GI	S Hai	BDSHIP	8/5	18/6	1376
J/8	Zang San	Rice (P)	Kaki	Able	1/6	18/6	1406
J/9	Erna OldendorffPeas/WT (P)	GI	Sing	Mutual	8/6	24/6	345
J/10	New Accord	GI (HR C)	Sing	Litmond	16/6	19/6	2136
J/11	QC Honour	Cont	P Kel	QCSL	12/6	18/6	410/
J/12	Banga Bijoy (Turn Change)	Clont	Col	BDSHIP	14/6	17/6	14/x
J/13	Kota Berjaya	Cont	Sing	Ph (BD)	12/6	19/6	314/

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Pearl of Baharain	17/6	Kohi	Uniship	C Clink (MI	MT(CANW)
Banga Borak (Cont)	5/6	P Kel	BDSHIP	Cont	L/Sing
Xpress Manaslu (Cont)	5/6/17/6	P Kel	RSL	Cont	L/Sing
Banglar Robi (Cont)	11/6/17/6	Sint	BSC	Cont	L/Sing
Asimont(Cont)	8/6	P Kel	Seaborne	Cont	L/Sing
Banga Borti (Cont)	8/6	Sing	BDSHIP	Cont	L/Sing
Anne Boye (48)	11/6	Sin	Seacom	GI	-
Bosowa Delpan	19/6	--	Total	Wheat (P)	-
Jutha Buddhachart	19/6	Sing	Everett	GI (St C)	-
Ravenna	18/6	Guja	Litmond	C Clink (Shah)	-
Cool Star (Roro/24)	10/6	Sing	Everett	Vehi	-
Dawei (liner)	18/6	Yang	Everett	GI (St C)	-
Funiu Shan	19/6	Sin	Prog	GI	-
Jubilee	20/6	Birt	CCNL	GI (Log)	-
Mardios (Cont)	9/6	P Kel	RSL	Cont	L/Sing

Tanker due

Ocean Gurnard	17/6	Sing	EOSL	W/LD	Naptha
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Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Danat Qatar	C Oil	Jebe	USS	11/6
Banglar Shourabh	C Oil	--	BSC	R/A (16/6)

Outside port limit

Danat Qatar	C Oil	Jebe	USS	11/6
Banglar Shourabh	C Oil	--	BSC	R/A (16/6)

Vessels at outer anchorage

Vessels ready

CSB Chong Nyon Ho	Sug/WT (P)	Kaki	SSTL	8/6
Leavanchtr	GI (Copra)	Sing	MSA	13/6
QC Lark (Cont)	Cont	P.Kel	QCSL	16/6
Ventura	CDSO	Loise	Rainbow	16/6
Straits Venture	Vehi	Sing	JF	16/6
Orient Grace (Cont)	Cont	P Kel	PSSL	16/6
Hellin	CI	P Kel	TMML	17/6

Vessels not ready

Maritime Trader	Slag (Bulk)	Japa	BSL	16/6
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Vessels Awaiting Instruction

Banglar Kallol	Repair	-	BSC	R/A (11/6)
Freder	C Clink	Cebu	ANCL	7/6
Blue Sea	C Clink	Bring	PSAL	31/5
Oranda	C Clink	Krabi	ASLL	11/6

CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank

TT/OD	Selling		Buying		
	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
58.8300	58.8800	USD	57.9000	57.7299	57.6608
70.3489	70.4087	EUR	67.8183	67.6191	67.5381
99.6345	99.7192	GBP	96.6409	96.3570	96.2417
39.9397	39.9736	AUD	38.1214	38.0094	37.9639
0.6060	0.6056	JPY	0.4889	0.4874	0.4868
45.4426	45.4812	CHF	44.0606	44.9312	43.8786
7.6789	7.6854	SEK	7.5354	7.5133	7.5043
44.1866	44.2241	CAD	42.8762	42.7502	42.6991
7.5507	7.5571	HKD	7.4166	7.3948	7.3860
34.1777	34.2067	SGD	33.3468	33.2488	33.2090
16.1479	16.1616	AED	15.6368	15.5909	15.5722

STOCK