

# EU candidates eager to adopt euro despite ECB warnings

AFP, Vienna

Former communist countries in central Europe hope to adopt the euro by 2010, but while feasible for a few, such a move could in fact curb economic growth, some economists believe.

Despite repeated warnings from the European Central Bank (ECB) and before formally joining the European Union next year, eight candidate states have proclaimed their intention to adopt Europe's single currency as soon as possible.

For these countries, the euro symbolises economic stability and prosperity and their central banks have set dates: 2006 for Estonia, 2007 for Latvia, Lithuania and the Czech Republic, 2008 for Hungary, Slovakia and Slovenia, and 2009 for Poland.

But in order to adopt the euro, countries must respect restrictive economic criteria in the 1991 Maastricht treaty concerning public deficits, inflation, interest rates and exchange rate variations.

Taken together those variables

set limits on what governments can do to boost economic growth.

Joining the euro zone by 2008 or 2009 "is theoretically possible, but difficult for the main countries, Poland, Czech Republic, Slovakia and Hungary, mainly because of public deficit criteria", according to Walter Pudsched, an economist at Bank Austria Creditanstalt, a prevalent bank in eastern Europe.

Countries wishing to adopt the euro "will be required to reduce their structural public deficits, through cuts in social protection systems but

also in investments, which poses a threat to growth", he told AFP.

The Vienna Institute for International Economic Studies (WIIW) recommends that candidate states take their time.

"2008 is a very ambitious objective. It would be wise to wait," says WIIW director Peter Havlik.

"Deficits (in candidate states) are currently well above the three per cent ceiling established in the EU's Stability and Growth Pact, which France, Germany and Portugal have already breached.



## S'pore on right track in helping jobless: Poll

ANN/ The Straits Times

A new survey shows Singaporeans have given a strong but qualified vote of confidence to the government in the way it is helping the unemployed.

Although many think having fewer foreign workers would be helpful, close to nine in 10 Singaporeans are convinced that attracting foreign investment is the way to help their out-of-work fellow citizens.

It was the most favoured solution, demonstrating Singaporeans' support for the country's long-standing growth strategy driven by foreign investment, which has been averaging \$8 billion a year.

They chose it over such solutions as the Government giving these workers financial aid or letting them use their CPF savings.

Nearly seven out of 10 also believe retraining is another way out of a jobless rut.

However, their applause is qualified, according to a Straits Times survey on unemployment and wage reform.

Although six in 10 are satisfied with the actions being taken to help the unemployed, the unhappiness over foreign workers persists, with three out of four saying that reducing the pool will help the jobless.

PHOTO: BATA  
B Rhodes, managing director of Bata Shoe Company (Bangladesh) Ltd, poses for a photograph with the officials of the company with the Retail Cup of Asia Pacific Region that the company won in the worldwide contest of Bata Shoe Organisation in 2002.



PHOTO: CITY BANK LTD  
Md Asaduzzaman Khan, executive director of Bangladesh Bank, speaks as chief guest at the six-day course on credit management for officers of The City Bank Limited at the bank's training institute in Dhaka on Saturday. A H M Nazmul Quadir, acting managing director of the bank, is also seen in the picture.

# Japan, Mexico start free trade talks

AFP, Tokyo

Foreign and trade ministry officials from Japan and Mexico began five-day talks here Monday towards concluding a free trade accord possibly in October, a Japanese official said.

"It would be practically difficult to scrap tariffs on 100 per cent of products (in line with Mexico's hope) and we are trying to negotiate on that point," the Japanese foreign ministry official said.

The public Japan Broadcasting Corp. said Japan wanted to exempt pork and leather products from the free trade agreement to protect domestic industries while Mexico wanted total abolition of tariffs within 10 years.

"We are aiming to reach at least a

basic accord by October" when Mexican President Vicente Fox is to visit Japan, the official said.

If concluded, it would be Japan's second free trade pact after the signing of an accord with Singapore in January last year, removing import and export tariffs on 98 per cent of goods traded between the two nations.

But the Japan-Singapore deal avoided the sensitive issues of agriculture and fisheries, both of which are heavily protected in Japan.

Japanese Prime Minister Junichiro Koizumi agreed to begin free trade talks with Mexico last October after he attended an Asia-Pacific Economic Cooperation summit in the Mexican resort city of Los Cabos.

# CURRENCY

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

Selling	Currency	Buying	TT Clean	OD Sight/Doc	OD Transfer
58.7500	58.8000 USD	57.8200	57.6502	57.5812	
66.9398	66.9967 EUR	64.4751	64.2857	64.2088	
94.7931	94.8738 GBP	91.8760	91.6061	91.4965	
39.0218	39.0550 AUD	36.9875	36.8788	36.8347	
0.4992	0.4997 JPY	0.4833	0.4819	0.4813	
43.3900	43.4269 CHF	42.0968	41.9732	41.9229	
7.1945	7.2006 SEK	6.7225	6.7027	6.6947	
42.4126	42.4487 CAD	41.1765	41.0555	41.0064	
7.5403	7.5467 HKD	7.4060	7.3842	7.3754	
33.5868	33.6154 SGD	32.7741	32.6772	32.6387	
16.1268	16.1405 AED	15.6161	15.5702	15.5515	
15.7913	15.8048 SAR	15.2963	15.2514	15.2331	
9.2593	9.2671 DKK	8.4532	8.4284	8.4183	

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
45.99	57.69	97.125	41.865	7.2640	0.6325	3.80

**Local Interbank FX Trading:**  
The local interbank foreign exchange market was active yesterday. Dollar/Taka remained unchanged in a thin trading day.

**Local Money Market:**  
Liquidity position remained stable in the local money market. Call rate remained in the same range between 4.00-4.25 per cent.

**International Market:**  
The yen hit three-week highs against the dollar and euro on Monday, extending last week's gains as expectations grew for yen-positive

flows including talk of sizable Treasury coupon-related repatriation by Japanese. The Fed announces its rate decision on Tuesday but many expect to leave interest rates steady at one per cent and its stance of economic outlook broadly unchanged. Aside from the Fed, the market faces a barrage of US economic data this week, including retail sales, inflation figures, industrial production and consumer sentiment.

At 1615 hours on Monday, euro was at 1.127679, GBP at 1.5999/04 and Yen at 118.48/53 against dollar.

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# SHIPPING

## Chittagong port

Berthing position and performance of vessels as on 11/8/2003

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disch
J5	Leo-T	Wheat (P)	Viza	Litmond	5/8	21/8	545
J6	Myeik	Pulse/Maize	Yang	Total	1/8	14/8	541
J7	Continent-4	Sug/Soda	Prog	Cia	31/7	14/8	X
J8	Banga Bodor	Cont	Haid	Baridhi	8/8	11/8	53/ X
J9	Gul Jiang	Rice(P)	Kaki	Total	2/8	20/8	566
J11	Sea Elegance	Cont	Sing	Pil (Bd)	7/8	11/8	434/517
J12	Banga Borak	Cont	Col	Baridhi	7/8	11/8	70/507
CCT/1	Orient Freedom	Cont	P. Kel	Pssl	9/8	13/8	374/349
CCT/2	Xpress Resolve	Cont	Col	Everbest	8/8	12/8	326/ X
RM/14	Banglar Kallol	Repair	--	Bsc	R/A	12/8	
RM/15	Ja Gang	Feret (Bag)	Sing	Bsc	R/A	12/8	
GSJ	Banglar Robi	Repair	K. Dia	Bsc	R/A	--	
TSP	Banglar Gourab	Repair	--	Bsc	R/A	11/8	
DOJ	Banglar Jyoti	C. Oil	K. Dia	Bsc	R/A	11/8	
DDJ/1	Banga Barta	Cont	Chenn	Baridhi	3/8	12/8	
DDJ/2	Dea Captain	--	K. Dia	Ibsa	R/A	--	
RM/9	Banglar Urmi	Idle	Okha	Royal	27/7	12/8	
RM/10	Banga Lanka	Repair	Col	Baridhi	30/6	20/8	
SM/10	Dredger Gemini	--	Chand	Karna	--	30/8	

(Re. Export Cargo: 499)

## Vessels due at outer anchorage Date: 11/8/2003

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
New Sea Star	11/8	P. Kel	Ccsl	Cont	Sing
Asian Prime	11/8	Phil	Aacl	Clink	Cemex
Banga Biraj	11/8	P.Kel	Bdship	Cont	Sing
Cebu	11/8	Sing	Ascl	Wheat (G)	-
Moku Pahu	11/8	Sing	Owsl	WT (G)	-
Amalfi	11/8	Mong	Owsl2"	Lt. Of Moku Pam	-
Blue Star	11/8	Indo	Move	Clink	-
Yasin	14/8	Mala	Uniship	GI (Log)	Sing
Anny Dp	12/8	Viza	Uniship	Wheat (G)	-
Ocean Pride	12/8	Yang	Psal	GI (Log)	-
Feng Shun Shan (Liner)	12/8	Kore	Bdship	GI	-
Asimont	12/8	P. Kel	Seaborne	Cont	Sing
Pagan	15/8	Yang	Mta	GI (Pulses)	-
Kota Singa	14/8	Sing	Pil (Bd)	Cont	Sing
Bosowa Sembilan	15/8	Kaki	Abbe	Rice (P)	-
Banglar Moni	14/8	Sing	Bsc	Cont	Sing
Chieflain-II	13/8	Indo	Nwsl	Clink (Ara/Star/M)	-
QC Teal	13/8	P. Kel	Ccsl	Cont	Sing
QC Honour	14/8	P. Kel	Ccsl	Cont	Sing
Love Letter	14/8	Sing	Jf(2 Units Patrol Boat)	GI	-
Keng Tung	14/8	Chenn	Everett	GI	-
Jutha Vasana (Liner)	14/8	--	Everett	GI	-
Magic Sky (Roro/24)6/9	14/8	--	Everett	Vehi	-
Banga Bijoy	15/8	Cbo	Bdship	Cont	Cbo
QC Lark	15/8	P. Kel	Ccsl	Cont	P. Kel
Pioneer Runner	15/9	P. Kel	Jf	Vehi	-
Banglar Shikha	16/8	Sing	Bsc	Cont	Sing

## Outside Port Limit:

Onda	C/Oil	Sing	Owsl	08/08
Banglar Shourabh	C/Oil	--	Bsc	R/A (10/08)

## Vessels awaiting employment/instruction

Banga Borti	Repair	--	Bdship	R/A (5/8)
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## Movement of vessels for 12/8/2003

Outgoing	Incoming	Shifting
Cct/2 Xp. Resolve	Cct/2 Asimont	Ddj: B. Barta
RM/14 B. Kallol	Doj: B. Jyoti	RM/9 B. Urmi
Doj: B. Shourab		

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

# STOCK