

China agrees to buy 6 submarines from Russia

HONG KONG, Mar 5: China has agreed to buy six submarines from Russia...

Lack of control causes Barings collapse: Singapore PM

SINGAPORE, Mar 5: The collapse of British investment bank Barings was caused by internal problems...

Monetary Exchange, who said Australia and Singapore were determined to get on with making Osaka a success.

Nick Leeson, the vanished futures trader at the heart of the Barings financial collapse...

Nick Leeson fined for indecency!

SINGAPORE, Mar 5: Nick Leeson, the vanished futures trader at the heart of the Barings financial collapse...

Iraq doesn't hope for easing UN ban soon

NICOSIA, Mar 5: Iraq said Saturday it does not expect the UN Security Council to ease a four and a half years old embargo...

Madeleine Albright. Although an extension is widely expected, Aziz said the meeting is nonetheless important because it will influence the outcome of a crucial sanctions review in April.

Benazir to visit Singapore to attract traders

SINGAPORE, Mar 5: Pakistan's Prime Minister Benazir Bhutto's first official visit to Singapore on Tuesday will be aimed at attracting investors...



Premiere in Hanover: For the first time Volkswagen introduces a transporter in the 7.5 tonne class. With the L 80, a joint development with Brazilian subsidiary Autolatina, VW will expand its commercial vehicle range.

Li puts price hike target at 15 pc

BELJING, Mar 5: China must end corruption and bring down inflation, Premier Li Peng said in his annual report Sunday, touching on the two big areas of discontent among China's 1.2 billion people...

control of Hong Kong in 1997. He urged government officials not to lose touch with the people's views and to set good examples to honest government.

Inflation is another explosive issue. Li put the target for price hikes at 15 per cent. Last year he put it at 10 per cent, but retail prices rose 21.7 per cent.

Vietnam's emerging oil industry enters critical phase

HO CHI MINH CITY, Mar 5: Several new oil wells must prove they hold rich reserves or Vietnam's petroleum industry risks losing some of its luster for foreign exploration companies...

BHP, which leads a consortium operating at the Dai Hung (Big Bear) offshore field, is the first foreign company to produce oil in Vietnam.

Tehran plans to boost fishing industry

TEHRAN, Mar 5: Iran plans to build 23 ports and jetties to promote the fishing industry in the next five years.



Futures trader Elizabeth Buttrose signals an order at the Sydney Futures Exchange Wednesday after the release of the balance of payments figures for January...

Call money rate

Money rates in the call money market during the week ended on March 1 from 1.70 per cent to 5.50 per cent.

Scam in India, panic in the Pacific

The need for better treasury control

by M Mamun-ur-Rashid

Barings bank - the oldest and most esteemed of British Merchant bankers, was forced into receivership on February 26, after the Bank of England failed to put together a rescue operation to help cover share trading losses of over 500 million British pounds.

(even from top management) and lack of efficiency of the back office people. It is told, in 1992's India and 1995's Barings, senior management were given warnings of poor internal control - but nobody paid any heed.

This risk arises when according to market practice, bank pays out in one centre before receiving counter value at another centre because of time zone difference. Banks endeavour to control these risks by setting up i) Spot Limit and ii) Aggregate forward contracts limit.

Risk of Overtrading. This usually happens when a trader takes a position with initial judgement of making profit but is suffering a loss due to adverse movement in rate. So, he takes a double position in the hope that the profits on large position will outweigh earlier losses and leave him with profits.