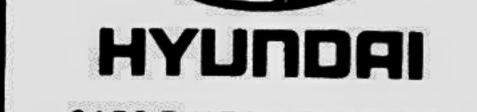
Telephone: 815306-09, 819625-29, Fax: 813062

DHAKA SATURDAY, FEBRUARY 7, 1998



CARS THAT MAKE SENSE

UNSC may meet Monday

Europe favours

increase in Iraqi

oil export

UNITED NATIONS, Feb 6:

European members of the Secu-

rity Council circulated resolu-

tions to increase the amount of

oil Iraq can sell to buy food and

medicine for its 22 million peo-

ple, but Iraq has rejected key el-ements of the proposal, reports

The resolutions, one jointly

sponsored by Britain, Sweden

and Portugal and another circu-

lated by the French, would im-

plement a recommendation by

UN Secretary-General Kofi An-

nan to let Iraq sell 5.2 billion

dollars worth of oil over six

freely exporting oil since its

August 1990 invasion of neigh-

French draft would authorise

Iraq to import oil production

and pipeline equipment. The

other draft makes no such pro-

Iraq is limited to 2.14 billion

dollars worth of exports. Most

of the money goes to buy food

and medicine for distribution

under UN monitoring. The rest

goes to compensate victims of

the 1991 Gulf War and pay ex-

penses for UN weapons moni-

also provides for a one-time ex-

penditure of one billion dollars

to repair Iraqi infrastructure

damaged by US forces during

UN spokesman Fred Eck-

Annan's recommendation

Under the current ceiling.

Iraq has been banned from

A key difference is that the

months.

bouring Kuwait.

Crash-landing of F-28

Biman starts settling claims

From Staff Correspondent SYLHET, Feb 6: The Biman authority has started handing over cheques of insurance claims to the passengers of the

F-28 aircraft which crashlanded near Sylhet airport on December 22.

The Deputy Managing Director of Biman, Lt Col (Retd) Jainul Abedin, handed over cheques to eight passengers at a simple function at Biman's Sylhet office on Tuesday.

Iqbal Yakub and seven other members of his family received cheques for Taka 92,500 each. He along with his family members was travelling to Sylhet from London.

So far, 62 out of 84 passengers have claimed compensations. Claims of the rests would be settled soon.

Speaking on the occasion, the DMD said arrangements were being made to resume Airbus service on Dhaka-Sylhet route from June-July this year. This will help mitigate the sufferings of the Sylhet-bound passengers from

Work on the expansion of the Runway in Sylhet Osmani Airport is also nearing completion, he added.

Delhi, Suzuki Motor reach agreement

NEW DELHI, Feb 6: The government and Suzuki Motor Corporation (SMC), equal part-ners in Maruti Udyog Ltd (MUL) today reached an agreement on the two contentious issues regarding transfer of technology and royalty payment, reports

"We had a detailed discussion on transfer of technology (TOT). Some of the technology has been transferred and Suzuki will continue to transfer the rest," MUL Chairman Prabir Sengupta said after a threehour board meeting today.

Sengupta said royalty payment to SMC was linked to the TOT and after today's discussions at the board, it would be passed to the government for a final decision.

"Suzuki has submitted a project report on a time-bound transfer of technology today amd it will be evaluated by Maruti before a final approval by the government," he said.

He said "no conditions" were put forward by the government on the vexed issue of transferring gear box technology.

Payment of royalty to Suzuki, estimated at 30 crore rupee for 1997-98, for its technology in various models of maruti have been put on hold since April one, 1997, when the existing agreement expired.

Russia offers tax incentives to toreign investors

MOSCOW, Feb 6: Russia said yesterday it was offering tax incentives to foreign companies investing more than 250 million dollars in Russia and guaranteeing jobs and technology transfers, First Deputy Prime Minister Boris Nemtsov said, reports AFP.

A decree signed by President Boris Yeltsin would allow companies to turn their Russian depots into" tax free zones" if, over five years, they undertook to bring the share of production costs in Russia up to 50 per cent of the value of the finished goods, Interfax quoted Netmsov as saying.

"We hope to draw investors into our economy and are saying that we are ready to help you if jobs are created in Russia and new technologies brought to Russia," Nemtsov said.

Asia's crises pose threat to Pacific islands tourism

SUVA, Fiji, Feb 6: Asia's financial crisis threatens to have serious repercussions for heavily tourism-dependent Pacific Island countries, the head of the Tourism Council of the South Pacific said Friday, reports AP.

The devaluation of Asian currencies and lowered cost of Asian travel will attract large numbers of North American, European and Australian travelers who were the bulk of the market for Pacific countries, said Levani Tuinabua, the council's chief executive.

France Polynesia, Fiji and New Caledonia, the three main South Pacific destinations, will suffer the most. All 13 council members, with their restricted resources, "will have to work that much harder and cooperate to save their business." Tuinabua said.

He said the plight of the Pacific Islands, all isolated longhaul destinations, underlined the urgency of the Tourism Council's attempt to persuade the European Union to maintain budget funding to the council, which ended after 11 years in December.

Problems at Chittagong Port

Apparel exporters, ministers to sit with PM soon

Star Business Report

Shipping Minister ASM Ab-dur Rob, Deputy Shipping Min-ister Saber Hossain Chowdhury and apparel exporters are expected to sit with Prime Minister Sheikh Hasina to find a permanent way out of existing problems at the Chittagong sea

Both the ministers on Wednesday exchanged views with Bangladesh Garments Manufacturers and Exporters Association leaders and general apparel exporters at a local hotel about the necessity of such

meeting with the PM. The meeting may take place

Mahbubur Rahman are also seen in the picture.

First zonal

heads' confce

of Rupali

Bank held

Star Business Report

ference '98 of Rupali Bank Ltd

was held at BCIC auditorium in

The Chairman of the bank,

They discussed various

Afzalur Rahman, inaugurated

the conference, says a press re-

maters relating to business

policy and strategy to be

adopted for the overall devel-

opment of the bank during the

The zonal heads also ex-

In his speech, the Chairman

changed views on the perfor-

mance of the bank of last year.

advised all to uphold the pro-

fessional ethics on banking op-

erations and stressed the need

for maintaining chain of com-

mand in each tier of adminis-

ing Director said the officers

and employees of the Bank

must put in their efforts for

procuring business and earning

AKM Nozmul Haque, Manag-

the city on Thursday.

current year.

tration.

The first zonal heads' con-

within 15 or 20 days, says BG-MEA vice president Nurul Huq

BGMEA President Mostafa Golam Quddus, vice presidents Mahbub Ali, Abul Kashem Haider and Nurul Huq Sikder, and Executive Committee Member Atiqul Islam also spoke at the meeting of their

different problems. Rob said Chittagong Port was being controlled by some "god fathers" and that their hands must be cut off to make its operation smooth.

According to BSS report : Shipping minister has said a

Afzalur Rahman, Chairman of Rupali Bank Ltd, addressing the first zonal heads' confer-

ence '98 at BCIC auditorium in the city on Thursday. A K M Nozmul Haque, Managing Di-

rector, Directors Brig Shahid Hasan Selim, Md Hafiz Ibrahim, Dr Ashrafuddin Chowdhury,

Prof Nazma Rahman and General Managers of the Bank S M Moniam Hossein and Kh

KUALA LUMPUR, Feb 6: In-

donesia, Malaysia and Thai-

land have agreed to do business

with each other in their own

currencies as a way of reducing

dependence on the US dollar,

news reports said Friday, says

porters in Thailand, Malaysian

Prime Minster Mahathir Mo-

hamad said the countries would

set up a "central clearing house"

for currency transactions

among the nine members of the

Association of Southeast Asian

using local currencies," Ma-

hathir was reported by the New

Straits Times newspaper as

saying after meeting Thai

Prime Minister Chuan Leekpai

the trade would involve just the

private sector, the respective

ASEAN governments would

work together to oversee new

Mahathir said that although

in Bangkok late Thursday.

"They have agreed to trade

Nations.

Speaking to Malaysian re-

3 SEA countries agree

to reduce dependence

on US dollar

Tong.

Taka 800 crore container depo will be set up opposite to Pagla by the year 2001 to ease pressure on Chittagong Port and help resolve port congestion

He said the government is now formulating a national shipping policy and a master plan to meet the challenges of 21st century. The minister was addressing

a discussion meeting on "Prob-

lems of Chittagong Port and their solutions" organised by BGMEA here.

Deputy Shipping Minister Saber Hossain Chowdhury,

BGMEA President Mostafa Golam Quddus, Vice Presidents Mahbub Ali and Nurul Huq Sikder also spoke.

Rob said container handling capacity in the country will be increased by 100 times by the year 2001 when miseries of the exporters including garments exporters would be removed.

He called for reaching a national political consensus on Chittagong Port development so that no one suffer from the "killer congestion" and handling problems in the Chit-

Cable operators urged to continue boycott of ESPN

Star Business Report

Bangladesh Cable Operators Oikya Parishad has called upon the cable operators in the country to continue boycott of sports channel ESPN.

The organisation at a meeting held at a city hotel on Thursday also urged the operators to renew Star Movies and Zee Cinema channels from today, according to a press re-

Joint convenors of the body KM Raju and Khan Manzurul Islam Palash and members Faruk Amzad Khan, Hamidullah Sarkar Mojibar, Abu Taher Montu, Farhad Hossain Badal, Abu Mia and Shamsuddin spoke at the meeting.

The meeting was presided over by senior member of the organisation Saleh Moham-

Dollar climbs in Tokyo

TORYO, Feb 6: The US dollar climbed moderately against the yen Friday afternoon on growing speculation that a US military strike against Iraq is likely, reports AP,

In midafternoon, the dollar bought 124.06 yen, up 0.38 from late Thursday in Tokyo and also above its late New York rate of 123.43 yen overnight. Traders said the dollar held

its strength from late New York. where the currency fell as low as 122.83 yen, its lowest level since November 6, when it traded at 122.70 yen.

Possible US military action against Iraq over Saddam Hussen's noncompliance with UN weapons inspections helped buoy the dollar, traders said.

The dollar is considered a safe haven in times of international unrest Japanese trust banks and US

hedge funds bought dollars to cover their dollar-short positions, the traders said.

ANZ Regional

David R Smith, Regional General Manager, Middle East region of ANZ Grindlays Bank, arrives in the city on a two-day official visit today, says a press release.

Smith's programme in Bangladesh includes meetings with the Finance Minister and corporate clients and opening the 14th point of representation

in Sylhet.

Ctg Airport upgradation project

Agreement signed with 2 Japanese companies

Bangladesh Civil Aviation Authority (CAA) has signed an agreement with two Japanese companies to upgrade the Chittagong Airport into a full-fledged international airport. reports UNB.

The government has approved a Tk 540.99 crore project in this regard, involving Tk 444.84 crore from OECF of Japan and Tk 96.15 crore from the government resources.

CAA Chairman Air Commodore M Monjurul Alam and Asiharu Kato and Hazimi Tuzda of Shimizu-Marubeni Consortium of Japan signed the agreement Thursday on behalf of their respective sides.

Construction work on the project will begin on the first week of March this year and is expected to be completed by the next 33 months, said an official handout.

The project work includes construction of 3060 meter runway, 18,850 skm passenger terminal building, 2,870 skm cargo terminal.

In addition, the airport will have facilities of category-I ILS system, aeronautical telecommunication system, ground lighting system, meteorological observation system, power and water supply, sewerage system, fire station, fire fighting vehicles and ambulance.

Pakistan confident to win 2nd tranche of IMF loan

LONDON, Feb 6: Finance Minister Sartaj Aziz said yesterday he was confident Pakistan would win an International Monetary Fund (IMF) stamp of approval after a visit by an IMF team to the country this month, reports Reuter.

Pakistan should have little problem securing a second 208 million dollar tranche of a three-year 1.6 billion dollar structural adjustment loan from the IMF, he predicted.

Aziz also played down reports that the Governor of the central bank, Mohammad Yaqub, wanted to leave his post

He said he hoped to dissuade Yaqub from leaving when he returned to Pakistan this week. Pakistan had performed

well in the context of Asia's financial turmoil, despite some slippage in economic targets. Aziz told Reuters after he and other officials met businessmen in London's financial district. "As we have fulfilled all the

major performance criteria the (IMF) have set, and considering the difficulties the region has faced. I see no difficulty in a successful review of the programme and the release of the second tranche, he said. The government has a target

of a budget deficit of five per cent of gross domestic product (GDP) in 1997/98 (July-June). The final figure was likely to

46.5100 46.5500

77.5554 77.6221

25.9832 26.0056

0.3812 0.3816

32.2650 32.2928

23.0259 23.0457

27.8586 27.8826

7.7334 7.7400

32.3435 32.3713

5.8065 5.8115

32.0640 32.0916

12.0492 12.0596

6.0203 6.0255

12.4692 12.4799

30 Days

US Dollar

Market Commentary

for GBP at 1.6482/92.

Buying | Selling

45.7310

Indian Rupee Pak Rupee Thai Baht

TT DOC

46.0150

E LUCIUS I LUCIUS

Currency

USD

NLG

SGD

HKD

SAR

Cash | 46.05 | 46.60 | USD | 5.62500 | 5.62500 | 5.62500

45.90 46.50 GBP 7.50781 7.56250 7.53906

Following is the forex trading statement by Standard Chartered Bank, Dhaka.

Central Bank USD/BDT Rate: Buying-BDT 46.50/Selling-BDT 46.45

TT Clean

46.1100

75.8510

25.4540

0.3689

31.5282

22.5985

27.4219

7.6149

31.6082

5.7226

30.8430

11.2463

5.9516

12.1984

1 Month 3 Months 6 Months

60 Days 90 Days

45.3520 44.9162

Exchange Rates of Some Asian Currencies Against US Dollars

38.67/38.700 44.006 47.40/47.90 3.86/3.89 9250/9700 1551/1557

effective from February 2, '98, and central bank revised its USD/BDT rates to BDT

46.15/46.45 from previous USD/BDT rates of 45.30/45.60. This was the firs

devaluation of taka against USD in 1998. Overall trading in the interbank market was

dull and demand for USD and other foreign currencies remained low. In the interbank

market USD traded between BDT 46.22 and BDT 46.30. The interbank call money

rate was steady and ranged between 6 pc and 7 pc, but on Thursday it shot up to

the range of 12 pc and 17 pc due to payment of treasury bills worth of BDT 724.20

yen level on expectations that Japan will announce large economic stimulus packages

to revive its ailing economy and defend further depreciation of yen. Some of the worst

affected Southeast Asian currencies such as Indonesian rupiah, Thai baht and

Malaysian ringgit also strengthened significantly on reports that a team of Japanese

delegation will visit some of these countries to discuss ways of economic cooperation.

However, dollar gained against DEM on hopes for lower than expected

At 1145 GMT US dollar traded for DEM at 1,7956/60, for yen at 124.23/33 and

unemployment rate of 4.6 pc against a forecast of 4.7 pc.

On Friday, in the international foreign exchange market dollar fell to around 124

Last week in the local forex market Taka was adjusted downward by 85 paisa

be around 5.1 or 5.2 per cent of GDP, reflecting lower-then-ex-pected growth following damage to the cotton crop from heavy rains in October.

The government said last month the economy was likely to achieve GDP growth of 5.3 per cent in 1997/98, still well up on last year's 3.1 per cent but below a target of six per cent.

"To the extent that GDP growth will be less than six per cent, which is likely because of the damage to our cotton crop. than as a percentage of the GDP it (the budget deficit) may be slightly higher," Aziz said on Thursday.

Aziz said budget revenues were "slightly off," following a five billion rupee (114 million dollars) shortfall in collection in the first half of the financial year.

But at the same time expenditure was also lower and the government had a "cushion" in funds from a petroleum sur-Under the loan arrangement

with the IMF Pakistan has to meet four critical targets: seven per cent industrial growth, five per cent agricultural growth, 5.5 per cent GDP growth and 15 per cent export growth,

The country had a chequered history with the IMF in recent years before securing the latest Enhanced Structural Adjustment Facility (ESAF) last Octa

OD Sight

45.9350

75.5631

25.3574

0.3675

31,4085

22.5127

27.3179

7.5860

31,4882

5.7009

30.7259

11.2037

12.1521

Malaysian Indonesian Korean Won

5.9290

OD Transfer

45.8366

75.4012

25.2613

0.3667

31.2771

22.4315

27.2108

7.5660

31.3563

5.6866 30.5226

11.1878

5.9186

12,1357

12 Months

5.65625

120 Days | 180 Days

44.4425 | 43.3813

hard said the 15-member council would probably begin discussions on the plan Monday. But Iraqi Foreign Minister

tors in Iraq.

the Gulf conflict.

Mohammed Said al-Sahhaf rejected several elements of the In a letter to Annan on Thursday, he said Iraq is not willing to pay more for UN

monitoring or to repair electric power stations in northern Iraq, which is not fully under Baghdad's control. He said repairs should be nationwide. The government also opposes plans for UN humanitar-

ian agencies to target aid to vulnerable groups like children and the poor, saying Iraq — not the United Nations — should be responsible for such aid.

He also objected to plans to divert more finals to UN administration, saying increases should be used to buy more food and medicine.

Exchange Rates

The following are the Janata Bank's dealing rate (BD Tk for one unit of Foreign Currency) to public as on 05/2/98.

Buying

	Name of Cu- rrency	TT Clean	OD Sight Export Bills	OD Transfer
1	US Dir	46.1350	45.9462	45.8334
ı	GB Pound	76.0270	75.7074	75.5214
1	D Mark	25.4815	25.3744	25.3120
1	FR Franc	7.6048	7.5728	7.5542
1	JP Yen	0.3705	0.3690	0.3681
ı	C.Dlr	31.7102	31.5769	31.4993
1	S Franc	31.6228	31.4899	31.4125
-	98.159W815501123 http://	Sell	ing	700 8000 00 2000

Currency	1.1.2 0.0.	D.C.
US Dollar	46.5104	46.5488
GB Pound	77.2794	77.3457
D.Mark	25.9298	25.9520
Fr Franc	7.7386	7.7452
JP Yen	0.3796	0.3799
C.Dollar	32.2739	32.3015
S. Franc	32.1960	32.2236
Janata Bank in cash curr	's selling and be ency for public	uying rate
	C-F	V220000000

Name of TT&OD BC

	Selling	Buying
DLR	47.0000	46.5000
BP	76.2800	74.2800
Riyal	12.5000	12.0500
AÉ DH	12.5000	12.0500
JW DI	150.5000	145.5000
e follo	wing are t	he Sona

Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 5th Feb '98. Buving

		June	z ecumono en caso o
ime of i- ncy	TT Clean	OD Sight Export Bills	OD Transfer
S Dlr	46.1300	45,9605	45.8610
Pound	76.0093	75.7300	75.5661
Mark	25.4699	25.3763	25.3214
Franc	7 6006	7.5727	7.5563
Dlr	31.7028	31.5863	31.5180
Franc	31.5959	31.4798	31.4116
Yen	0.3686	0.3672	0.3664
	Sel	ling	

	20000000000000	
Name of Currency	T.T.& O.D	B.C.
S Dollar	46.5098	46.5495
B Pound	77 2594	77.3253
Mark	25.9521	25.9743
Franc	7.7415	7.7481
Dollar	32.2962	32.3238
Franc	32.1873	32.2147
Yen	0.3793	0.3796

A) TT (DOC) US Dollar Spot Buying Tk. 46 0452 B) Usance Rate

90 120 60 Days Days Days Days 45,6559 45,2715 44,8871 44,5026 43,7338 C) US Dollar sight export bill 3 months forward purchase: Same as OD sight export Bill buying rate.

Indicative Rate

Selling Buying Currency 12.4013 12.2273 Saudi Riyal UAE DI 12.6636 12.4853 KUW DI 152.4162 50.1916 22.7576 22.4347 D Guilder S Krona . 5.7811 5.6970

Malaysia, Philippines, Singa-pore, Thailand and Vietnam. Asian stock markets close higher

HONG KONG, Feb 6: Asian stock markets ended the week generally higher Friday, with share prices rebounding sharply in South Korea after the country's militant labour unions agreed to give their employers the power to lay off workers, reports AP.

The agreement by the unions and employers cleared one of the last obstacles to the reforms being pushed by President-elect Kim Dae-jung to salvage South Korea's battered economy.

The Korea Composite Stock Price Index rose 12.40 points, or 2.3 per cent, to 540.45. On Thursday, the index had slumped 3.5 per cent. The South Korean currency also rose in reaction to the

closed the day at 1,556 won to the dollar, compared with Thursday's close of 1,605 won. In Indonesia, the key index surged 4.3 per cent as investors remained optimistic about the country's commitment toward

economic reform.

labour agreement. The won

The Jakarta Stock Exchange's Composite Index rose 21.94 points to 535.43.

Meanwhile, the Indonesian rupiah closed higher against the US dollar following intervention by the central bank. The rupiah closed at 9,500 per dollar in the spot market, higher from its close Thursday at 9,700 rupiah.

Malaysian share prices closed sharply higher despite the announcement of a negative outlook for the country's foreign currency debt from Moody's Investors Service Inc.

The Kuala Lumpur Stock Exchange's main Composite Index rallied 15.38 points, or 2.2 per cent, to close at 728.19. Singapore shares also surged, boosted by gains in second-liner stocks, dealers said. The benchmark Straits Times Industrials Index climbed 44.76 points, or 2.9 per cent, to 1,536.91 on record volume of 1.275 billion shares.

In Tokyo, share prices closed

higher on mild short-covering,

while the dollar rose against the yen on growing speculation of military conflict between the United States and Iraq. HONG KONG: Share prices

foreign exchange mechanism.

Mahathir said he was hope-

"I hope to propose it to the

Mahathir flies to the Philip-

pines Friday to meet President

Fidel Ramos. On Saturday, he is

scheduled to meet in Singapore

with Prime Minster Goh Chok

currencies for trade was pro-

posed late last year at the

ASEAN summit in Kuala

Lumpur. Malaysia's capital

city. Such a policy has been sug-

Area, or AFTA, a regional bloc,

but few economists believe it is

have plummeted amid an eco-

nomic crisis that has gripped

Myanmar, Indonesia. Laos.

ASEAN comprises Brunei,

Most ASEAN currencies

feasible at the present time.

much of Asia since July.

gested by the ASEAN Free Trade

The idea of using regional

ful that the plan could be ex-

panded throughout the region.

Philippines," he said.

closed higher for the second straight session. The Hang Seng Index rose 43.73 points, or 0.4 per cent, closing at 10,485.86. BANGKOK: Thai shares closed mixed, with buying in banking and export-related

Exchange of Thailand (SET) index rose 4.87 points, or 0.9 per cent, to 535.98. TAIPEI: Share prices closed lower, dragged down by a selloff in technology stocks. The

0.9 per cent, to close at 8,544.14. MANILA: Share prices closed lower after Moody's rating of the country's banking sector to negative from stable. The 30-share Philippine Stock

sectors countered by a sell-off in finance shares. The Stock

market's key Weighted Stock Price Index fell 77.83 points, or

Investor Service downgraded its Exchange Index fell 12.37 points, or 0.6 per cent, to

GM due today



of the bank in Sylhet. ANZ is the only foreign bank which will have representation

Rupiah falls, other ailing units soar against dollar until more details on Indonesireportedly intervened in early dealer said it hovered at 1.6650 ing the ringgit which was market and after moody's

SINGAPORE, Feb 6: Asia's troubled currencies shot up against the US dollar today on market confidence about economic reforms in the region, but the embattled Indonesian Rupiah languished despite persistent central bank intervention, dealers said, reports AFP.

"The Rupiah seems to be decoupling from the other Asian currencies which are strengthening," said Maya Pinto, regional analyst with Londonbased research house IDEA. She said the rupiah, which

traded at 9,700 against the US

dollar from yesterday close of

9,800, was likely to be volatile

a's plans to restructure its mountain of debt were released. Indonesia's private sector is saddled with more than 73 bil-

lion dollars in debts, 62.057 billion dollars of which is owed to foreign banks, according to Presidential Finance Advisor Radius Prawiro. "The rupiah is still flirting with the 10,000 level", said Alisonseng, analyst with US Re-

search House Standard and Poor's MMS. The rupiah had climbed to a credible high of 8,660 against the dollar, yesterday but was unable to sustain at that level. The central bank Indonesia trade Friday to prop up the rupiah but to no avail. Seng said the Malaysian to 1 6585.

ringgit and Singapore dollar dominated attention on the currency markets Friday, with the Singapore unit rising strongly to 1.6515 against the greenback from 1.6700 a day earlier. Dealers said the spurt in the

US dollar positions by hedge funds amid a sustained rally on the Singapore stock market. Tracking the movement of the Singapore unit today a

Singapore dollar could be at-

tributed to some unwinding of

in the morning, shot up to 1.6515 and then came off a bit The Monetary Authority of

Singapore (MAS), the de facto central bank, was rumoured to have moderated the strength of the Singapore currency, dealers said. The Malaysian ringgit rose to 3.8850 against the dollar

from yesterday close of 4.0000 amid market-friendly reports that Kuala Lumpur would take a tough stand on inefficient finance companies, dealers said. Analysis say reports of prospective Malaysian bank mergers were also strengthen-

hardly affected by rating agency moody's downgrading of the outlook on Malaysia's foreign currency ceiling for bonds and several other financial instruments to negative. The Thai baht was also up to

48.40 against the dollar from 48.75 but the market felt the currency could face near-term weakness as a bulk of Thailand's short-term debt would mature in March, a dealer with a European bank said.

The Philippine peso dropped to 41.20 against the dollar from 40,620 on yesterday amid weakness in the local stock

downgraded the Philippine banking sector's outlook, deal-The South Korean won was higher at 1,561 against the greenback from 1,608 a day earlier while the Taiwan dollar

was down slightly to 32.90 to

the greenback from 32.84 yesterday. Confidence in the won strengthened as South Korea struck a landmark pact Friday on facilitating layoffs and sharing the pain for the sweeping economic restructuring it needs to ride out its financial

crisis.