

Flood washes away tk 3.52cr fish in Pabna

PABNA, Oct 11: Fish and fish fry worth about Tk 3.52 crore have been washed away from the ponds of the district by the flood waters, reports APB.

Fisheries Department sources here said 802 tonnes of fish and 102 tonnes of fish fry of 3,025 ponds were washed away during the two-and-a-half-month long floods.

Most affected was the Chatmohar thana, they said, adding 175 tonnes of fish and fish fry were washed away from some 1,000 ponds of the thana alone.

The sources, however, said the extent of losses could be much higher.

Thai central bank buys dollars as baht rises

BANGKOK, Oct 11: Thailand's central bank bought an undisclosed amount of dollars as the Thai currency, the baht, rose to a four and a half month high, a senior central bank official said on Thursday, reports AP.

The Bank of Thailand bought the dollars on Wednesday to settle forward foreign currency contracts, and not to halt or slow the rapid appreciation of the Thai currency, said the official who spoke on condition of anonymity.

Bank of Thailand governor Chatu Mongkol Sonakul had said earlier that the central bank would buy the dollar whenever it fell to an attractive level for settling its foreign currency obligations.

On Thursday, the baht was trading at 38.45 to the dollar.

In July 1997, the Thai government unmoored the baht from its narrow peg of about 25 to the dollar, after the central bank had depleted most of the country's foreign reserves defending the currency against speculative attacks.

That set off a series of competitive devaluations around the region that sparked a financial crisis and wiped out much of the economic gains of several nations achieved over the last decade.

Several, including Thailand, required massive bailouts by the International Monetary Fund.

The crisis has since spread globally, hitting countries as far away as Russia and Brazil.

Despite the financial disaster in Thailand, the cheaper baht has been a boon to Thai exports, which had become uncompetitive and were stagnating when the baht was fixed against the dollar.

The Thai central bank official did not disclose the amount of the purchase or the price, but currency traders in Bangkok said that the baht's rise against the dollar was capped by market talk of intervention at around 38.70-38.80 baht to the dollar.

Wednesday's closing level was the highest against the dollar since May 14, when the US currency closed at 38.65 baht.

Meeting on trade among Islamic states begins today in Tripoli

Star Business Reports
The three-day 5th private sector meeting for promotion of trade and joint venture investment among Islamic countries opens in Tripoli today.

Managing Director of Paramount Securities Ltd Mohammed Zaimul Abedin has left Dhaka to attend the meeting, says a press release.

On way back home he will visit Bahrain and Saudi Arabia.

US plan to build Caucasus pipeline seems to be failing

NEW YORK, Oct 11: A US plan to persuade major oil companies to build a multi-billion-dollar pipeline in the Caucasus seems to be failing, the New York Times reported in its Sunday editions, reports Reuters.

For the past two years, the paper said, the Clinton administration has been trying to convince the oil firms to construct the pipeline from Baku, the capital of Azerbaijan, through Turkey to its Mediterranean port of Ceyhan.

Describing the pipeline plan as "a centerpiece of American foreign policy," the report cited administration officials, congressional aides and oil executives who said that the companies will probably decide that the American backed pipeline is too expensive to build right now. Its cost had been estimated at four billion dollars.

Instead, the companies are expected to rely on a shorter pipeline already under construction between Azerbaijan to the port of Supsa, to transport the large quantities of oil believed to lie near the Caspian Sea.

Although the proposed route of the US-backed Caspian project was the longest and most expensive, the United States was pushing it hard because such a route would guarantee that the oil passed through countries friendly to US interests: Azerbaijan, Georgia, and Turkey.

The oil companies decision to choose the shorter route means that Turkey, a US ally, would potentially lose billions of dollars in revenues. "I think it is a defeat on state department official told the paper.

Rift over IMF's role in dealing with crises

CHICAGO, Oct 11: Economists and financial experts at a Federal Reserve Bank of Chicago conference divided sharply here over the International Monetary Fund's role in dealing with financial crises, reports Reuters.

"Abolishing the IMF may be the right policy to pursue if it turns out that the path to reform — including credible IMF enforcement of meaningful membership criteria that limit the safety-net abuse — is blocked by those with vested interests in preserving the status quo," Charles Calomiris, Professor of Finance and Economics at Columbia University, told the Chicago Fed's three-day conference, dubbed "Asia: An analysis of financial crisis."

"Moral hazard is the key villain in the recent, unprecedented wave of financial collapses," Calomiris said, referring to the notion that prospects of an IMF-led bailout led investors to take too much risk — this leading to financial crises.

Calomiris proposed the creation of a new international body with strict membership

rules that would limit the moral hazard and "replaced not only the current IMF, but other lending programme, including the (Treasury's) exchange stabilisation fund and ad hoc emergency lending by the World Bank and the Inter-American Development Bank."

Allan Meltzer, professor of Political Economy at Carnegie Mellon University, said the conditions that led to the creation of the IMF in 1944 had dramatically changed.

Meltzer said he supported creating an international lender of last resort to replace the IMF.

Roberto Chang, senior economist at the Atlanta Fed, said the IMF might change its approach to dealing with crises.

The IMF can be part of the solution, but I would like to see how the IMF or some other international lender of last resort evolves, Chang told Reuters after taking part in a panel discussion at the conference.

Such a new institution should provide liquidity when needed but at the same time should not encourage moral hazard, said Chang, who added that the IMF might become an

active intermediary between debtor countries and international lenders.

What the IMF can do is try to facilitate these credit arrangements between governments and creditors, Chang said.

The IMF also needs to change in the area of research, where more transparency is needed.

IMF Director of Research Michael Mussa defended IMF-led rescue packages that help lessen the economic toll taken by financial crises.

Moral hazard is a great-sounding topic, Mussa told the conference. But he stressed: IMF makes loans it intends to be full repaid. It does not make gifts.

Mussa said IMF financial packages helped lessen the true economic damage associated with economic crises, and called Russia the only case in which prospects of IMF backing were a key consideration for investors.

There is no doubt that in financial markets there was a perception Russia was too nuclear to fail... in the case of South Korea, that's not plausible he said.

KL's forex controls draw Asean support

MANILA, Oct 11: Malaysia's currency controls are gaining sympathy from within Asean after the group failed last week to draw up clear alternatives to ease the pain from the regional financial crisis, reports AFP.

Association of the Southeast Asian Nations (ASEAN) economic ministers held two days of discussions over a proposed package of bold measures to steer the region out of the turmoil.

But talks ended with the ministers failing to approve any actions or even divulge detailed proposals.

Ministers from Brunei, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam said they referred the measures back to their senior officials who are to conduct further studies in consultation with their finance ministries.

The measures could then be announced during the Asean leaders' summit in Hanoi in December.

But with the crisis hitting ordinary southeast Asians, Malaysia's move to squeeze out currency speculators it blames for triggering the malaise appeared to be gaining sympathy, or at least tolerance, from neighbours.

We each have our individual responses. We maintain our flexibilities because we have our respective milieux to respond to, the Philippine Trade secretary Jose Pardo said.

Malaysian Prime Minister Mahathir Mohamad imposed the controls last month to curb offshore currency speculation in the ringgit and regulate short-term capital flows. The ringgit was also fixed at 3.80 to the dollar.

The abrupt and massive withdrawal of short-term capital, previously poured into the region, has destabilised financial systems and sent stock markets tumbling to historic depths.

While ASEAN's nine member countries see convergence in their commitment to tear down import tariffs on most products by 2003 in the region is also mindful that we have our own peculiarities and demands that separate economies have to contend with Pardo said.

What the economic managers of Malaysia have done, I think, suits their environment and the conditions in their country.

Rodolfo Secerino, Secretary General of the Jakarta-based ASEAN Secretariat, said Malaysia was entitled to do whatever it takes to ease the human suffering.

We should not approach this in an ideological manner, said Secerino, who attended the meetings here, we have to consider the effect of capital movements on the lives of our people.

Malaysian Trade Minister Rafidah Aziz used the Manila meeting to assure her counterparts that the controls did not contradict Kuala Lumpur's commitments to free trade.

The controls were targeted only against jet-setting capital infused into the financial and stock markets she said. Long-term foreign direct investment would be unaffected, she added.

The stability of the exchange rate in fact facilitates trade for us, Rafidah said. "It enables traders to deal with Malaysia and Malaysia to deal with the rest of the world with certainty and predictability."

However, "for those who are speculating, those who are arbitraging, their business is dead, that's for sure."

She said Malaysia would not ask its neighbours to adopt the same measures, because "you cannot apply one prescription to every country even if the countries are in the same region."

Buthal Hill, an economics professor at the Australian National University, warned that countries "with even more precarious political equations, shakier economies and weaker bureaucracies may be tempted to go down this route, emboldened by the Malaysian experiment."

In an article for the Asian Wall Street Journal on Friday, Hill said: "Indonesia is the most obvious case in point, but there are others."

Indonesian coordinating minister for the economy Gi-nangkar Kartasasmita said at the Manila meeting that Jakarta was considering regulating short-term capital inflows, although he clarified later at home that the government was in "no hurry" to do it.

In Washington on Sunday, the International Monetary Fund (IMF) said controls on capital movements, while never an effective long-term measure, could be appropriate in certain circumstances.

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to clients.

Currency	Selling TT & OD	Buying TT & Clean	Selling BC	Buying OD Sight	Buying TT & OD
USD	47.3050	46.9100	47.3450	46.7570	46.6850
GBP	81.0335	79.6532	81.1020	79.3934	79.2711
DEM	29.0678	28.5740	29.0924	28.4808	28.4370
JPY	0.4083	0.3911	0.4087	0.3898	0.3892
FRF	8.7280	8.4620	8.7354	8.4344	8.4214
SAR	12.6477	12.4741	12.6584	12.4334	12.4142
MYR	12.4497	12.3457	12.4610	12.2562	12.2865
AED	12.9153	12.7362	12.9263	12.6947	12.6751
KWD	162.7279	150.7391	162.8655	150.2474	150.0161
QAR	13.0310	12.8506	13.0420	12.8087	12.7880

USD usance export Bill buying rates:

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
46.8112	46.5191	46.1282	45.7373	45.3463	44.5645

US dollar London Interbank Offered Rate (LIBOR) as of October 11, 1998

	Buying	Selling	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
Cash	46.6850	47.3050	USD	5.40625	5.34375	5.15625	5.0	4.9375
TC	46.6850	47.3050	GBP	7.3125	7.25	7.0625	6.9375	6.8125

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
42.33/42.43	54.15/54.20	38.50/38.60	3.7997/3.8005	9200/9500	1325/1325

Amex notes on Sunday's market

USD/BDT market was sluggish on Sunday as most of the international centres were closed due to weekend. USD/BDT mostly traded within range of 47.23-47.2450.

Call money market was active on Sunday. Call rates reached as high as 8.5% after opening at 8.00%. The rates later came down to 6.5%. Most of the deals were done between 7.00-7.55%.

The dollar opened in New York lower against the yen in volatile dealings as Japanese officials dismissed intervention speculation amid fears of hedge fund selling. At the open, the dollar was at 117.80 from 118.85 at the close on Thursday, but well off its overnight low at 115.32. Speculation that the United States and/or Japan would brake the dollar's slide against the yen with intervention was shelved overnight as Japanese Finance Minister Kichii Miyazawa told parliament it would be okay to only monitor forex market movements unless they became intolerable. Following two days of eight to ten yen ranges, traders said the market was frazzled and might look to square lingering dollar/yen short positions ahead of the weekend, but poor liquidity portended choppy action.

Dollar/mark edged higher in New York on Friday following a key technical reversal on Thursday, helped by rallies in overseas equities.

The Indian rupee ended at 43.34/35 per dollar on Friday, barely changed from its previous closing level of 42.345/355.

In New York, the majors closed on Friday against the USD at 1.6344/47 DEM, 1.65/60 JPY, 5.4799/09 FRF, 1.3225/35 CHF, and GBP at 1.7050/60 USD.

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 11-10-98

Berth No	Name of vessels	Cargo	L port agent	Local agent	Date of Leaving arrival
J/1	Salinthip Nargee	Wheat(P)	Adel	Litmond	23/9 13/10
J/2	Bintang Harapan	GI	Osak	Prog	1/10 12/10
J/3	Yang Lin	GI	Sing	Bdship	28/9 11/10
J/4	Safar	GI	-	ASLL	R/A 17/10
J/5	Makron	Wheat(P)	P Sayed	Seacom	7/10 18/10
J/6	Feyu	Cement	0	USTC	27/9 14/10
J/7	Malika Naree	R Seed	Sord	Litmond	7/9 18/10
J/8	Sibel Deval	Wheat(P)	Imat	Seagloy	26/9 14/10
J/9	Songlin	GI	S Hai	Prog	23/9 19/10
J/10	Xpress Padma	Cont	Sing	RSL	8/10 13/10
J/11	Pinar Kaptanoglu	What(P)	Txox	PSAL	22/9 16/10
J/12	Bunga Mas Enam	Cont	P Kel	EOS	8/10 13/10
J/13	Banglar Momi	Cont	Sing	BSC	8/10 12/10
CCT/1	Abuja	Cont	Col	Bardhi	8/10 12/10
CCT/2	Qe Pintal	Cont	Sing	QCSL	9/10 13/10
CCT/3	Kota Bintang	Cont	Sing	Pil(BD)	7/10 12/10
RM/14	B J Energy	Cement	P Kel	USTC	23/8 13/10
CSJ	Sea Dania	Wheat(G)	Jedd	Ancient	3/10 11/10
TSP	Tia Estela	R Sulp	BABB	Seacom	22/9 18/10
RM/5	Stavanger Oak	Cement	Indo	Delmure	25/9 11/10
RM/6	Pavolovo	Cement	Indo	Delmure	25/9 11/10
DDJ	Banglar Shourab	C Oil	-	BSC	R/A 11/10
DD	Banglar Kallor	Repair	-	BSC	R/A 21/10
DDJ/1	Tanary Star	Idle	Para	PSAL	-
RM/8	Als Salamas	Repair	Visa	ASLL	29/8 13/10
RM/9	Banglar Mamata	Repair	-	BSC	R/A 15/10

Vessels due at outer anchorage

Name of vessels arrival	Date of call	L port agent	Local agent	Cargo port	Loading
Ocean-1	13/10	-	SMSL	Logs	-
Tug et Ocean-8	11/10	-	Total	P Cargo	-
Iliac Island	12/10	Sing	Seacom	R Seed	-
Kingdong	15/10	kaki	MSJ	Rice(P)	-
Kota Berjaya (Cont)	3/10	13/10	-	Pil(BD)	Cont Sing
Wania	12/10	-	Litmond	TSP	-
Banglar Robi(Cont)	4/10	13/10	Sing	BSC	Cont Sing
Busung Mal-11	13/10	-	EOSL	Cont F Kelang	-
Kollentum Majestic	15/10	Turk	OTBL	What(P)	-
Makassar Express (Cont)	4/10/14/10	16/10	Col	Bardhi	Cont Col
Kota Naga (Cont)	4/10	16/10	Sing	Pil(BD)	Cont Sing
Manaslau(Cont)	4/10	15/10	Sing	RSL	Cont Sing
Corali	18/10	-	Prog	GI	-
Marine Kingdom	17/10	Sing	RML	Combi	-
Hunter	16/10	Pira	JF	Scrapping	-
Jiang Chuan	16/10	-	Bdship	GI	-
Xpress Resol Ve (Cont)	7/10	16/10	Sing	Ancient	What(G)
Oversas Arctic	17/10	-	-	-	-
Jurong Balsam (Cont)	8/10	17/10	Sing	Nol	Cont Sing
Banglar Biraj (Cont)	7/10	18/10	Sing	Bdship	Cont Sing
QC Teal(Cont)	7/10	19/10	Sing	QCSL	Cont Sing
Ocean Blue (Roro)	24/13/9	19/10	Col	BBA	Cchi
Sun Mateo(Roro)	24/13/9	19/10	Col	JF	Vehi
Prosric(Cont)	7/10	20/10	Sing	QCSL	Cont Sing
Sea Pioneer	20/10	-	-	Oil	GI
An Ansal Eagal	13/10	-	-	-	-

Tanker due:

Grigory Ordzhonikidze	12/10	-	TSL	CDSO	-
Hesiod	12/10	-	MEL	-	-

Vessels at Kutubdia

Name of vessels	Cargo call	Last port agent	Local arrival	Date of
Seabuk Command	-	-	lbs	R/A(2/8)

Vessels at outer anchorage

Ready on:

Dubai Merchant	R Seed	Bang	Rainbow	27/9
Banglar Jyoti	C Oil	-	BSC	R/A
Kota Singa (Cont)	Cont	Sing	Pil(BD)	9/10
Keishun (Ror/24)	Vehi	Col	BBA	10/10
Pranedyar Pratama	F Oil	Sing	CTPL	11/10

Vessels not ready:

Zarina-1	Mop	Ilyl	Litmond	4/10
Eastwood	Gtsp	Tampa	OWSL	8/10
Alpha Bravery	GtspqTampa	SSST	-	9/10
Banglar Shobha	Rice(P/G)	Kand	Seacom	9/10
Undok-1	Cement	Indo	PSAL	10/10

Vessels awaiting instruction

Karya Sentosa	Rice(G)	-	UST	R/A(18/9)
Rong Jiang	Rice(G)	Kaki	OWSL	R/A(9/9)
Eka Lestari	Rice(G)	Prra	MHCSL	R/A(26/9)
Shong Chong Gang	Rice(G)	Kaka	MHCSL	R/A(24/9)
Ritz	Rice(P)	Kaki		