

HK central bank chief says Asia should mull own single currency to weather crisis

HONG KONG, Jan 6: Hong Kong's de-facto central bank chief said yesterday that Asia should look to Europe's example by considering its own single currency to anchor the regional economy once it emerges from crisis, reports AFP.

The euro will "radically change the way in which the global currency system works and has important implications for our own region," Hong Kong Monetary Authority chief Joseph Yam said in a speech in Manila.

"The introduction of the euro will challenge the supremacy of the dollar ... by introducing a second currency pole in the global currency system," he said in the speech to Philippine bankers, a copy of which was received here.

"It will also offer another solid investment option to Asian central banks."

"The time may come when we might want to consider the

possibility of our own Asian currency — perhaps something along the lines of an Asian currency unit — that would form an anchor currency for our region."

Yam said the Japanese yen had failed to live up to this role and that while Hong Kong had been "well served" by its currency link to the dollar, "less solid commitments to the dollar in other economies have proved to be expensive and disruptive."

A single Asian currency was "a long-term possibility, but it would have the advantage of reflecting the strong trade linkages in the region," Yam said.

It would also help prevent "manipulation" of local foreign exchange markets and help address problems of intermediating financial resources within Asia.

"At present, Asia's central banks invest massive amounts

in foreign securities, particularly US dollar assets, only to see volatile funds flow back to the region from overseas markets," Yam said.

"By investing reserves directly in Asian financial assets, this type of costly and unstable recycling through developed markets could be reduced."

Yam added there were "many obstacles" to creating a single Asian currency, notably differing outages of economic development and political divisions.

"But I believe that now is a useful time to raise this topic for discussion," he said.

"Successful implementation in the longer term would go a long way towards addressing the currency instability we have seen in the region over the last year and a half."

Yam called for greater transparency in global financial markets and curbs to be placed on the activities of hedge funds, along with efforts by

countries to put their houses in order and economic action on an international scale.

"All of these diverse approaches are vital if we are to pull ourselves out of the crisis," he said.

Leaders of southeast Asian countries last month called for a study into the feasibility of a common currency.

The Association of South-east Asian Nations (ASEAN) commissioned the study as part of a plan to promote economic recovery and free trade in the region.

ASEAN comprises Brunei, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

Many Asian currencies have depreciated vastly against the dollar since the Thai baht's float in mid-1997 sparked a contagion that spread through regional markets.

Top WTO post candidacy Leekpai to ask Clinton to back Supachai

BANGKOK, Jan 6: Thai Prime Minister Chuan Leekpai said yesterday he would ask US President Bill Clinton to support Bangkok's candidate for the top job in the World Trade Organisation (WTO) reports AFP.

Chuan said he had written to Clinton to urge Washington to make clear who it would support in the race to be the WTO's new director-general, adding that Thailand had no concessions to offer in return for Washington's support.

Thailand's Commerce Minister Supachai Panitchpakdi is regarded as the front-runner but the United States and many European Union countries have yet to make their choice.

"If the US regards Supachai as suitable choice and wants to see a representative of a developing country in the WTO, I asked President Clinton in the letter to support him," Chuan told reporters.

Chuan said he had written to nearly 100 countries to drum up support for Supachai.

He said that he has asked for similar support from every

country and that the request to Clinton was no different.

The appeal is contained in a letter to President Clinton to be carried by Deputy Foreign Minister Sukhumbhand Paribatra who is travelling to the United States on Saturday.

Thailand has been campaigning for support since it formally announced Supachai's candidacy in August to succeed Renato Ruggiero as Director General of the 132-member global forum.

Most of Asia, including Japan, has already thrown its weight behind Supachai, along with several European and South American countries and Australia.

Britain last month became the first European Union country to back Supachai, who by most straw polls is leading the race.

Supachai is up against former New Zealand Prime Minister Mike Moore, Canada's High Commissioner to London Roy McLaran and former Moroccan Trade Minister Hassan Abouyoub.

Exchange Rates

Following is yesterday's forex trading statement by Standard Chartered Bank.
Central bank USD/BDT rate: Buying BDT 48.35/Selling BDT 48.65

TT/OD	Selling		Currency	Buying	
	BC	OD		OD Sight	Transfer
48.7100	48.7500	USD	48.3150	48.1549	48.0708
0.4386	0.4390	JPY	0.4270	0.4256	0.4248
35.6458	35.6751	CHF	34.9476	34.8317	34.6956
29.2324	29.2564	SGD	28.7196	28.6244	28.5744
32.4409	32.4675	CAD	31.7340	31.6288	31.5115
6.1185	6.1235	SEK	6.0182	5.9983	5.9856
30.7311	30.7564	AUD	29.4915	29.3937	29.1982
12.8529	12.8635	MYR	12.6808	12.6387	12.6067
6.2951	6.3002	HKD	6.2275	6.2069	6.1937
13.0241	13.0348	SAR	12.8463	12.8037	12.7712
13.2989	13.3099	AED	13.1180	13.0746	13.0411
0.0421	0.0421	KRW	0.0416	0.0415	0.0414
0.81778	0.81778	GBP	79.4299	79.1666	78.8841
57.7701	57.8175	EUR	56.2870	56.1004	56.0025

USANCE EXPORT BILLS

TT DOC	30 Days	60 Days	90 Days	120 Days	180 Days
48.2154	47.9179	47.5208	47.0641	46.5677	45.4558

Exchange Rates of Some Asian Currencies Against US Dollar

Indian Rupee	Pak Rupee	Thai Baht	Mal. Ringgit	Indo. Rupiah	Sing. Dollar
42.45042/600	51.45/51.55	6.260/36.31	3.79/3.8001	7800/7900	1.6738/1.6748

US DOLLAR LIBOR

Buying	Selling	1 Month	3 Months	6 Months	12 Months	
Cash	48.15	48.75	USD 5.62875	5.28063	5.15813	5.15609
notes	48.1	48.7	GBP 6.5	6.34813	6	5.67531

Market Commentary

In the local forex market, pretty high demand for dollar persisted as the supply of the greenback was scarce. The supply situation of the dollar deteriorated mainly because of decreased inward remittances. The demand for forward cover among corporate clients also ignited the demand of dollar. As a result, US dollar traded in a high range of BDT 48.6510 and BDT 48.6550 in the interbank market. The money market passed another quiet day due to absence of significant activities. The call rate ranged between 6 and 6.5 per cent. In the kerb market, cash US dollar traded between BDT 48.80 and BDT 48.95.

In the international markets, dollar recovered from a 27-month low against yen, rising about 2.2 per cent from Tuesday's low of 110.46 yen as the market realised that the downfall of dollar was exaggerated in view of economic fundamentals. Euro was comparatively weaker against dollar due to growth slowdown concerns of European economies at 1515 hours local time. USD traded at 112.51/61 JPY. GBP at 1.6555/65 USD and euro at 1.1747/55 USD.



Britain's Princess Diana is honoured on a special memorial coin struck by Britain's Royal Mint. Royal Mint executive Michael Sedgewick inspects the five-pound legal tender coin picturing Diana on one side and Queen Elizabeth II on the other, in New York on Dec 24, 1998. Sedgewick was in New York for the North American launch of the coin, which debuted worldwide Tuesday. It is about the size of a US silver dollar. The unique memento is the only remembrance sanctioned by Queen Elizabeth II, the British government and Diana's family. A contribution from the sale of the coins will go to funding memorials to the "People's Princess" — the first time a British legal tender coin has been used this way.

Ford in BMW, Honda buyout bid

WASHINGTON, Jan 6: With a cash flow of 22 billion dollars, Ford, the world's second largest vehicle producer, is clearly strong enough to make a bid for BMW, maker of Europe's top-of-the-line cars, and Japan's Honda, reports AFP.

James Kelleher, and analyst for Argus Research, confirmed Ford's new president Jack Nasser, who succeeded Alex Trotman Layh Friday, "has big global ambitions."

A source close to Ford management said yesterday it was in takeover talks with the European and Japanese companies but BMW and Honda have issued denials.

The buyout would strengthen Ford's hand in Europe, and allow it to reach its objective of expanding its market share in Asia to 10 per cent, a gain many analysts believe would be hard without an Asian partner.

Founded by Henry Ford in 1903, today Ford is a world leader in four-wheel drive and sport utility vehicles, and ranks second in the automotive industry worldwide.

In 1997, Ford produced more than seven million vehicles for an annual turnover of 157.6 billion dollars and a net profit of seven billion dollars.

A Ford-BMW-Honda merger would follow in the footsteps of US's Chrysler joining forces with Europe's Daimler-Benz — making it the world's fourth largest automotive company.

In the first nine months of 1998, Ford's turnover was 86.8 billion dollars, down for the previous year, but still second worldwide behind giant General Motors and ahead of Japan's Toyota.

Ford, which includes the Jaguar, Lincoln, Mercury, Aston Martin and Mazda (with a 33 per cent stake) makes, has 11 plants in 38 countries, employing about 226,000 people.

It has 15,800 dealership franchises in 200 countries.

Ford's biggest money make is the North American market where it earns 72 per cent of its profits, compared to 20 per cent in Europe, four per cent in South America and another four per cent in the rest of the world.

Its four-wheel drive sales now total 45 per cent of overall sales, with classic makes totalling 54 per cent of sales.

The Michigan-based company also owns the giant Hertz rental car agency that rents some 30 million vehicles a year across 140 countries.

Ford's biggest recent success was the Ford Taurus — which from 1992 to 1995 — was the most widely sold car in the United States. In the 1920s 60 per cent of the cars on American roads were Ford's.

The company's mass production techniques were responsible for popularising the car as a mode of transport in the United States.

Shipping Intelligence

Chittagong port
Berth position and performance of vessels as on 6.01.99.

Berth No.	Name of vessels	Cargo	L.Port call	Local agent	Date of arrival	Leaving arrival
J/1	Jiang Chuan	CI	Tian	BdShp	11/12	6/1
J/2	Coral Trader	CI	AASS	28/12	10/1	
J/3	Chalkidion	CI	Mumb	OWSL	25/12	9/1
J/4	Rangtun	CI	Sing	IPL	18/12	8/1
J/5	Samuda	Rice(P)	Kand	Seacom	1/1	12/1
J/6	Fu Shan	C.Clink	Thai	MBL	27/12	8/1
J/7	Orion Glory	CI	Sing	Prog	23/12	11/1
J/8	Coaster P/C Irene	Wheat(G)	CI	MHST	-	7/1
J/9	Xing Ye	Rice(G)	Kand	MHST	1/1	12/1
J/10	Banglar Mamata	Wheat(G)	K.Dia	BSC	R/A	11/1
J/11	Adventure	Wheat(P)	Truk	Seaglor	1/12	10/1
J/12	Xpress Padma	Cont	Sing	RSL	24/12	6/1
J/13	Qc Teal	Cont	Sing	QCSL	2/1	7/1
CC/1	Sin Hai	Cont	Sing	RSL	31/12	8/1
CC/2	Bunga Mas Enam	Cont	P. Kel	EOSL	28/12	9/1
CC/3	Banga Biraj	Cont	Sing	Bdshp	29/12	8/1
CC/4	Anodad Naree	C.Clink	Indo	Delimur	30/12	9/1
TSP	Golden Rose	Wheat(G)	Sing	Ancient	26/12	9/1
RM/6	Qingling-3	R.Phos	Nanj	Seacom	4/1	14/1
DDJ/1	Tanary Stary	Idle	Para	PSAL	13/12	7/1
RM/8	Al Muztaba	Repair	CI	R/A	31/1	31/1
RM/9	Banglar Shourabh	Repair	CI	R/A	30/1	30/1

Vessels due at outer anchorage

Name of vessels	Date of arrival	L.Port call	Local agent	Cargo	Loading port
Jurong balsam (Cont)	29/12	6/1	Sing	NOL	Cont
Jollity	6/1	Sing	USTC	Cement	-
Berge Lord	6/1	Mum	Ahr	Scraping	-
Nazlig	8/4	Mong	MBL	Urea	-
Pulau Mawar	7/1	Sing	QCSL	Cont	Sing
Shinzan	7/1	Sing	SSL	CI	-
Banglar Maya	8/1	Mong	BSC	Cont	-
AA Venture	15/1	-	CLA	Rice (P/G)	-
Mariupol	8/1	-	Seacom	R.Seed	-
Kim dong	10/1	-	MSL	Rice	-
Richmond (Cont)	30/12	8/12	Sing	QCSL	Cont
Diligence Cont	8/1	Sing	QCSL	Cont	Sing
Lucky Oldendorff	8/1	Sing	QCSL	Cont	Sing
Filokittis	8/1	p.Said	Luftl	Mseed	-
Diler-4	9/1	-	Ancient	Wheat(G)	-
Meghna (Cont)	31/12	9/1	-	SSL	Soya Meal/Y.corn
Banga Birol	10/1	Sing	Bdshp	Cont	Sing
Kota Berjaya 3/1	10/1	Sing	Pil (BD)	Cont	Sing
Vishva Kaumudi	11/1	-	SSSL	Rice(G)	-
Banglar Shikha (Cont)	31/12	11/1	Sing	BSC	Cont
Esco Argo	11/1	-	Prog	CI	-
Sea Gallant 5/1	11/1	Sing	Pil (BD)	Cont	Sing
Anshun Jiang	12/1	-	Bdshp	CI	-
Oscar venture (Roro)	24/9/12	13/1	Sing	BBA	Vehi
Coral hero (48)	27/12	13/1	-	Everett	CI
Ocean-1	14/1	Yang	SMSL	CI	-
Ahuja 4/1	15/1	Sing	Baridhi	Cont	Col
Kota Naga 5/1	15/1	Sing	Pil	Cont	Sing
Qc pintail	16/1	SDing	QCSL	Cont	Sing
Asian century (roro)	24/24/12	17/12	Col	JF	Vehi
Xpress Resolve	17/1	Sing	BBA	Vehi	-
Bright Vega (Roro)	24/30/12	18/11	-	BBA	Vehi
Yasmina	18/1	Yang	Smsl	CI	-
Ocean Brave 4/1	20/1	-	Everett	CI	-

Tanker due

Name of vessels	Date of arrival	L.Port call	Local agent	Cargo
Eburna	9/1	Sing	ECSL	HSD
Hassbat Qatar	9/1	-	USS	Crude Oil

Vessels at Kutubdia

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Sea bulk Command	Wheat(G)	Sing	IBS	R/A/22/12
Anton Topic	Wheat(G)	Sing	SSST	2/01
Banglar Asha	Wheat(G)	Sing	BSC	R/A/4/11

Vessels at outer anchorage

Ready on

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Prima Cynthia	CI	Sing	Prog	29/12
Song Lin	CI	Sing	Bdshp	30/12
Makassar Express (Cont)	Cont	Sing	Baridhi	1/1
Kota Chaya (Cont)	Cont	Sing	Pil(BD)	1/1
ACA/1A	Cont	Sing	RSL	1/1
Golden Aman (Cont)	Cont	Sing	RSL	3/1
Budh D	Wheat(G)	K.Dia	Lams	R/A (2/1)
Al Swamruz	Wheat(G)	K.Dia	ASLL	Lams
Lynx	Wheat(G)	K.Dia	BSC	R/A
Banglar Jyoti	C.Oil	Cont	BSC	4/1
Prosrich	Cont	Sing	QCSL	4/1
Banglar Moni	Cont	Sing	BSC	5/1
Golden Rose	Wheat(G)	Sing	Ancient	26/12
Banglar Shobha	Wheat(G)	Sing	BSC	R/A/2/11
Great Fortress	Wheat(P)	Cont	OWSL	28/12
Min Jiang	CI	Col	Bdshp	5/1
Ava	CI	Yang	MTA	5/1
Alpine	CI	Yang	SMSL	6/1
Banglar Robi	Cont	Sing	BSC	6/1

Vessels awaiting instruction

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Karya sentosa	Rice(G)	-	USTC	R/A (18/09)
Ritz	Rice(P)	Kaki	Cross	R/A/24/09
Delta Star	-	-	RSA	R/A/07/07
Suthathip Naree	-	-	Move	R/A/1/11
Barge : Wombat/le Macareux/PDC-1	-	-	Karna	R/A/30/10

Vessels not entering

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Martina	Cement	Sing	USTC	27/12
Sunsin	Mop	Col	Litmond	29/12
Rio Venture	Cement	Tanj	USTC	4/1
Izmail	-	Col	USTC	3/7
Ivan Korobtsov	Scraping	Sing	OTL	17/12
Al Salamas	-	-	ASLL	R/A/28/11
Namreen-1	Repair	Darb	Ahz	11/12

Movement of vessels for 7.1.99

Outgoing	Incoming	Shifting
J/13 Qc Teal	J/8 Shinzan	J/8 Costar A/C Irene to be
J/4 Rangtun	J/13 B. Moni	J/10 B. Mamata to J/11
RM/6 Mzhinzh-3	J/4 P.Cynthia	J/11 Adventure to J/10

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

Strong yen, weak stock prices worry Japan businessmen

TOKYO, Jan 6: Japanese business leaders yesterday voiced concern about the negative impact of the yen's rapid rise against the dollar and weak stock prices as they nurse hopes of an economic recovery in late 1999, reports AFP.

"I feel upset at the current (market) moves," Jiro Ushio, Chairman of the Japan Association of Corporate Executives (Keizai Doyukai), said at a New Year news conference with the heads of the three other major business groups.

Ushio, also Chairman of precision lamp maker Ushio Inc, said the recent market movements could pressure the Japanese economy, which he described as "moving sideways after hitting bottom."

Japanese stocks fell 1.4 per cent Tuesday with blue-chip exporters sold on the dollar's slide against the yen.

The Nikkei average of 225 leading issues on the Tokyo Stock Exchange lost 183.15 points to end at 13,232.74, the lowest finish since October 15.

The dollar tumbled to its lowest level for more than two years here, touching 110.70 yen in early trading.

Kosaku Inaba, Chairman of the Japan Chamber of Commerce and Industry and

Ishikawajima-Harima Heavy Industries Co Ltd, acknowledged the economic situation was "severe."

But he vowed to make efforts to help the country achieve positive growth in next fiscal year starting in April.

In December, the Japanese government predicted the economy would grow 0.5 per cent in the year to March 2000 with a record budget. But most analysts here have warned that it is highly unlikely, saying Japan's worst post-war recession is likely to drag on.

Takashi Imai, Chairman of the Federation of Economic Organisations (Keidanren) and Chairman of Nippon Steel Corp, said Japan would achieve "positive growth with the government's economic stimulus packages taking effect in the latter half of this year."

Jiro Nemoto, Chairman of the Japan Federation of Employers' Association (Nikkeiren), said the economy would "show a gradual recovery after the middle of the year" towards the 0.5 per cent growth Nemoto is also Chairman of shipping company Nippon Yusen KK.

Meanwhile, another report says: The dollar regained ground against the yen in Tokyo yesterday climbing back

from a two-year low on buying support from importers, dealers said.

At 2.00 PM (0500 GMT), the dollar was quoted at 112.22-24 yen, up from 111.51 yen in New York Tuesday and 111.51-54 yen here late Tuesday.

The greenback on Tuesday dropped to its lowest level since September 1996 after Japan's Vice Finance Minister Eisuke Sakakibara voiced concerns over the future of the US economy.

"Importers emerged as dollar buyers following the unit's declines of late," a Sakura Bank dealer said.

But the dollar's gains were limited because "there is ongoing uncertainty over the future of the US economy," said a dealer from Bank of Tokyo-Mitsubishi Ltd.

The euro was quoted at 1.1733 dollars around 2.00 pm (0500 GMT) down from 1.1759 dollars in New York and 1.1820-23 dollars here late Tuesday.

Against the yen, the euro was 131.70, up from 131.23 in early trading here and 131.13 in New York late Tuesday.

The euro's advance against the yen was driven by the yen's weakness against the dollar, dealers said.

Janata Insurance declares 10 pc interim dividend

Janata Insurance Company Ltd declared a 10 per cent interim dividend for the year 1998 in its Board of Directors' meeting held at the Head Office yesterday, says a press release of the company issued yesterday.

M A Hashem, adviser of the company, presided over the meeting. Zafar Ahmed Chowdhury, Chief Adviser, directors, advisers and managing director were also present in the meeting.

StanChart, AKTEL in bill payment agreement

Star Business Report
Standard Chartered Bank Bangladesh and AKTEL have recently signed a bill payment agreement, says a press release.

Majedur Rahman, Head of Consumer Banking of Standard Chartered Bank, and Md Nasir Baharom, General Manager-Marketing of AKTEL, signed the agreement on behalf of their respective sides.

Under the agreement, AKTEL customers will be able to pay their mobile phone bills through the bank's Moneylink ATMs, any time night or day. The service is free of charge and will enable mobile phone users to avoid standing in the queues in front of bank counters