pegging Asian currencies to a

basket containing the euro, dol-

lar and yen as a way to reduce

Asian and European finance

ministers, worried about the

impact of the Brazilian crisis

on their economies, are in

favour of some of the new pro-

the EU Commissioner for mon-

etary affairs, told the meeting

that exchange rates could not be

set by decree. What is impor-

tant, he said, is to increase

global co-operation on eco-

nomic policies. And for the

moment, the European central

ROK to get \$5b

Japanese loan

SEOUL, Jan 17: Japan has agreed to provide South Korea

with a \$5 billion share of

Tokyo's \$30 billion recovery

package earmarked for strug-

gling Asian economies, offi-

cials here said Saturday, re-

given out when South Korea's

economic crisis gets worse and

the country asks for the money.

said officials at Seoul's Finance

Kiichi Miyazwa and his South

Korean counterpart, Lee Kyo-

sung, agreed on the rescue loan

arrangement in Frankfurt on

the sidelines of the Asia-Europe

to borrow \$5 billion from

Japan with leading rates of 6 to

7 per cent by putting up the

equivalent amount in the Ko-

rean won currency as collateral

in a practice called a currency

The deal allows South Korea

Meeting, the officials said.

swap, they said.

Japanese Finance Minister

and Economy Ministry.

The emergency loan will be

But Yves Thibault de Silguy,

Correspondents say many

volatility.

posals.

ports AP.

# Asia, Europe agree on financial |China targets three| market surveillance

Asian and European Union finance ministers have agreed on the need for greater surveillance of financial markets to help them deal with the world economic crisis.

However, proposals by Japan, Germany and France to tie the world's leading currencies together to boost international financial stability have met with opposition.

Following the devaluation in Brazil, many ministers fear that further turbulence could tip Europe and the United States into recession.

The UK Chancellor of the Exchequer, Gordon Brown, told the meeting in Frankfurt that measures to stop further crises om occurring must be worked out within three months.

Brown has proposed the ap-

pointment of a global regulator to monitor economies, allowing problems to be identified and

but had little to add.

speculators

Calls to control currency

Other countries, including

Germany, France and Japan,

dealt with sooner. ter Oskar Lafontaine joined his French counterpart Dominique Strauss-Kahn and Japan's Ki-"These have been undoubtedly troubled times for the ichi Miyazawa in calling for global economy. What started creation of "an exchange rate off in Asia and then moved to regime among major currencies which would reduce excessive Russia has now hit Latin America, and it's important for volatility. us to know that all world authorities remain vigilant,"

"It's not about taking power away from financial markets, Brown said in a BBC interview. but more about avoiding to a A meeting of deputy finance large extent damaging market impacts on the world ministers from the G7 group of leading industrial powers fol-lowing the Asian-EU talks also economies," he said. discussed the crisis in Brazil

Lafontaine insisted that the current system of exchange rate fluctuations was not "a fate determined by God". He said it left many countries at the mercy of financial speculators.

are calling for tighter controls

The German Finance Minis-

on currency speculators.

bank and the United States are also holding back. The Japanese finance minis-- BBC Internet

groups for taxes BEIJING, Jan 17: Chinese ter also proposed a system of

tax collectors will target accountants, lawyers and sports stars this year as the cashstrapped government tries to wrest more revenue from the newly rich, says AP.

The three groups join entertainers, stock speculators and landlords who topped last year's list of tax targets, the official China Daily reported Sunday.

Personal income tax collections grew 30 per cent last year to 33.9 billion (\$ 4.1 billion), the newspaper said.

China is trying to revive slowing economic growth with a \$ 1.2 trillion infrastructure spending programme and has tried to tighten loopholes in tax collections.

"Almost all of China's certified public accountants, lawyers and sports stars are in the

high-income ranks, but supervision of their income channels has been inefficient and resulted in income tax losses," the China Daily quoted Sun Ruibiao of the State Bureau of Taxation as saying.

Once considered unnecessary parasites of capitalism, accountants and lawyers now number about 170,000, from almost zero before China launched its economic reforms 20 years ago, China Daily said in its Business Weekly edition.

While sports stars are far less numerous, their incomes are even higher. The tax bureau is ordering professional sports clubs to turn over their members' income taxes, the newspaper said. As an inducement clubs will get a 2 per cent commission on the revenues they

### Volvo moves in on truck rival

prior to the move. Analysts say it may be the first step in the long-awaited reorganisation of Europe's car makers, who are burdened by

Serious talks Early Friday morning Volvo announced it had acquired a 12.85 per cent stake in its rival. causing Scania's share price to

Johansson said: "The acquisition of shares in Scania is an expression of our strong belief in the power created through the potential combination of

But Claes Dahlback, chief executive of Investor AB, Scania's biggest shareholder, said Investor was not keen on the

"It is unfortunate that Volvo with this action has made discussions that have been conducted far more difficult," he said.

Volvo is one of the few big Swedish companies which has remained outside the orbit of the Wallenberg family, owners of Investor. The rivalry between the two companies was intensified when the Wallenbergs sold their majority stake in Sweden's other car maker, Saab, to General Motors.

A merger between the two truck companies would create the world's largest manufacturer of heavy trucks, with particular expertise in diesel en-

Volvo's strategy in making its

Some argued that it was part of Volvo's plan to sell off its car

But others say it might be part of a "poison pill" defence to prevent a hostile takeover of

"The acquisition of Scania shares is a poison pill because it makes Volvo less attractive as a merger target - if someone plans to bid for Volvo, they would be discouraged if Volvo goes further and bids for all of Scania," suggested Hakan Persson of Argon Securities.

Good fit

Volvo.

A merger between Volvo and Scania could be easier to manage than many of the cross-border car industry mergers that have taken place recently, which have involved a major culture clash, such as between Germany's Daimler-Benz and Chrysler in the USA.

"The idea is a Swedish solution. The hope is a full merger of both companies," said Olle Ludvigsson, head of the metalworkers union at Volvo.

Hostile takeovers are rare in Sweden, where cooperative business culture flourishes. But a number of Swedish companies have moved or threatened to move their headquarters from Sweden. Most recently, the Astra pharmaceuticals company, also controlled by Investor, merged with the UK's BBC Internet

RM/5

DOJ

Trent

Banglar Shurabh

## Y2K bug bites small firms

NEW YORK : Although many small businesses have taken substantial steps toward addressing the Y2K computer problem, most still have a long way to go, a new study has found.

According to a survey by the National Federation of Independent Business, 1.9 million, or 40 percent, of small firms with equipment that should be checked for Y2K vulnerability have addressed the millennium

Another 19 percent plan to follow suit, though they had not yet begun to do so as of October. "The good news is that most

small-business employers either already have checked out their Y2K status or made plans to do so," said William Dennis, author of the study.

However, more than half of all small firms using computers or other devices with time/date microchips have yet to take the necessary steps to ensure their systems are immune to the millennium bug.

About one-third of those who know about the problem still have no plans to assess their risks.

Another 5 per cent aren't even aware of the Y2K problem, even though they use equipment that may be vulnerable to the

Those small business owners who don't plan to evaluate their Y2K readiness believe the problem isn't serious enough to worry about, according to Den-

The study indicates many of these business owners may be right-at least when it comes to their own operations. Nine of every 10 small firms

reported that their most critical software is less than two years

Nearly all of those surveyed. reported no critical software more than five years old. Because many small firms

have updated their critical software in the normal course of business, relatively few small firms should suffer from software problems written in ignorance of the Y2K glitch, Dennis said.

However, though their own software may be millennium bug-free, many small firms still may be affected adversely by the Y2K problems of their suppliers, customers or financial institutions. Little more than a third of small employers have checked the Y2K preparedness of their suppliers or banks.

CNN Internet

Oskar Lafontaine, Germany's finance minister and ASEM conference president, sits beneath the ASEM conference logo as he delivers his statement at a press conference in Frankfurt, Germany, on Saturday, after the two-day conference of the Asia-European Finance Minister's Meeting (ASEM) ended at the nearby conference site of Neu-Isenburg. - UNB/AP photo

#### Metal: Weekly Roundup

## Gold, silver caught in Brazil currency crisis

LONDON, Jan 17: Precious metals, were caught in the turmoil of Brazil's currency devaluation this week and fears that the crisis will spread to other markets, says AFP. Both in New York and Lon-

don, oil lost ground as Brazil shocked the markets out of an optimistic start to the year. Some base metals, most no-

tably aluminium, were also hit on the London Metal Exchange, with investors more concerned about the shockwaves from Brazil hitting the international finance markets and then world demand, than the domestic crisis in Brazil itself.

While Brazil is a big metals producer and consumer, current events are unlikely to disturb flows too much, unless the domestic economy collapses Russian style," GNI brokerage said.

GOLD: Tarnished. Gold prices fell sharply in the wake of the Brazilian crisis and its ripple effect across world mar-

On the London bullion market, gold prices fell to 286.05 dollars an ounce from 291.30

dollars. Traders feared that Brazilian producers of the precious metal would flood the market as a result of their country's fi-

nancial woes. Andy Smith, a specialist in precious metals from Mitsui Bussan commodities, said that Brazilian gold producers were now likely to sell the metal in bulk following the de facto de-

valuation of the real. Analysts also fear that the world's two other major gold producers, Australia and South Africa, may see their currencies fall significantly as a result of the bad news from Brazil, with the result that they may try to make up the difference with increased gold sales.

SILVER: Sale. Silver prices fell in the wake of gold and large-scale selling on the part of one US trading house. Prices on the London bullion

market fell by 20 cents to 5.09 dollars an ounce. PALLADIUM AND PLAT-INUM: Slip. Platinum and palladium prices fell slightly amid

rumours that Russia, which is the world's dominant palladium producer and the second biggest platinum exporter might resume exports soon. Exports have been on ice since December, despite public comments made by Russian officials that they did not want

supplies to Japan, the biggest

consumer of the metals, to run

dry. Russia negotiates export

levels on a yearly basis. COPPER: Steady. Copper prices on the London Metal Exchange (LME) remained unchanged as favourable technical factors countered the Gloomy outlook offered by

Brazil. Three-month prices remained unchanged at 1,460.30 dollars per tonne.

Dealers feared that economic turmoil in Brazil. Latin America's powerhouse economy, would swamp the region, and impact on emerging markets around the world, including Asia.

LEAD: Light. Lead prices continued to rise, despite the gloomy outlook in Brazil, after a rise in physical demand and a fall in LME reserves.

per tonne. LME stocks fell by 2,450 tonnes to 106,625 tonnes. ZINC: Stable. Technical trades spared zinc prices from

Three-month prices rose by

nine dollars to 495.50 dollars

widespread selling because of

the Brazilian turmoil. Three-month prices rose by 2.25 dollars to 9.44.25 dollars

ALUMINIUM: Fall. Aluminium prices fell on the London Metal Exchange in reaction to the Brazilian currency crisis and fears that the financial weakness could spread through Latin America and other emerg-

ing markets. Brazil is a major aluminium producer and investors are concerned that the devaluation may lead to a rise in exports, although its smelters are already working at full capacity.

#### Volvo has taken a stake in Questions over strategy its Swedish rival, Scania, in a bid to create Europe's largest truck and bus company. The move comes as Volvo is looking for partners for its car division, which many analysts gines, strong brands, and a big believe is not big enough to be development budget. viable on its own. The company But analysts were divided on is reported to have been in talks with both Ford and Fiat this aggressive move. Scania said it viewed the move as a hostile takeover and division, using the money to rehad not had talks with Volvo focus on trucks and buses.

overcapacity and low profitability.

In October, Japan unveiled a \$30 billion "Miyazawa Plan" stimulus package named after its finance minister. South Korea was the first Asian country Volvo's chief executive Leif promised loans from the pack-

age, the officials said. Also Saturday, South Korea said its foreign currency reserves rose to a new record high of \$52.5 billion. Scania and Volvo.'

The country's foreign currency reserves dwindled to \$7.3 billion last November. The International Monetary Fund put together a record \$58 billion rescue package for South Korea a month later.

#### ABC's union lockout ends

NEW YORK, Jan 17: ABC's ockout of 2,400 employees in five US cities ended Friday, following a union agreement to give the network advance warning of any future strikes, re-

ports AP. "We're done. The lockout ends at 5 pm said Tom Donahue. a spokesman for the National Association of Broadcast Employees and Technicians, declaring that union members would be returning to their jobs at ABC after 11 weeks on picket

These employees, who include camera operators, producers and other behind-thescenes workers, will be back on the job within 72 hours, the network said.

"The return of our NABETrepresented employees and the closing of what has been a difficult period for all concerned ... is a very welcome development," said ABC president Robert Iger.

NABET members at the network, who have been without a contract since March 1997, had staged a one-day strike over health benefits on Nov. 2. The next day, ABC locked them out of their jobs until they promised advance warning on future job actions. Until this week, the union refused.

Donahue said the final sticking point to a back-towork agreement centered on "A handful of firings" of NABET members during the lockout. Under terms arrived at Friday. the dismissals will be put to binding arbitration before, not after, the union votes on a contract.

"The union's commitment to those individuals, whose careers and families were threatened, was what held up completion of the agreement," Donahue said.



A K M Shamsuddin, President of Foreign Investors' Chamber of Commerce and Industry (FICCI), hands over a cheque for Taka 90,000 to the Director of International Centre for Diarrhoeal Disease Research, Bangladesh (ICDDR,B), Dr George Fuchs as donation to the Endowment Fund of the Centre in the city recently. - FICCI photo

#### **Exchange Rates**

Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	48.7050	48.7450	48.3100	48.1570	48.0850
Pound Stg	808893	80.9557	79.2187	78.9678	78.8498
Deutsche Mark	29.1857	29.2097	28.1956	28.1063	28.0643
Swiss Franc	25.4605	35.4896	84.6432	34.5336	34.4819
Japanese Yen	0.4311	0.4314	0.4199	0.4186	0.4180
Duth Guilder	25.9028	25.9241	26.0241	24.9449	24.9076
Danis Krona	7.6283	7.6345	7.447	7.4238	7.4127
Australian Dollar	31.3512	313772	30.1068	30.0114	29.9666
Belgian Franc	1.4150	1.4162	1.3670	1.3627	1.3607
Canadian Dollar	32.2657	32.2921	31.3599	31.2606	31.2139
French Franc	8.7021	8.7093	8.4069	8.3803	8.3678
Hong Kong	6.2996	6.3047	6.2235	6.2038	6.1945
Italian Lira	0.0295	0.0295	0.0285	0.0264	0.0283
Norway Krone	6.5232	6.5286	6.4170	6.3967	6.3871
Singapore Dollar	29.3722	29.3963	28.4143	28.3243	28.2820
Saudi Rial	13.0227	13.0334	12.8450	12.8043	12.7852
UAE Dirham	13.2976	13.3085	13.1167	13.0751	13.0556
Swedish Krona	6.1880	6.1931	6.1068	6.0874	6.0783
Qatar Rial	13.4174	13.4284	13.2313	13.1894	13.696
Kuwait Dinar	166.9695	167.1066	154.9391	154.4484	154.2174
Thai Baht	1.3187	1.3198	1.3034	1.2993	1.2973
Euro	57.0823	57.1291	55.1459	54.9712	54.8890
Bill buying rat	es:				V1.0000
IT Doc	30 Dave	60 Davie	00 D	1.00-	

30 Days 60 Days 90 Days 120 Days 180 Days 47.9074 47.5048 47.1023 46.6667 45.8945 US dollar London Interbank Offered Rate (LIBOR) as of December 17, 1999 Buying Selling Currency 1 Month 3 Months 6 Months 9 Months 12 Months 48.0850 48.7050 USD 4.95 4.97 4.97 48.0850 | 48.7050 | GBP 6.0825 5.8125 5.5625 5.50 Exchange rates of some Asian currencies against US dollars Indian Rupee Pak Rupee Thai Baht Malaysian Ringgit Indonesian Korean Won Rupiah 42.40/42.50 50.68/50.78 37.08/37.18 3.7995/3.8005 8299/8300 Amex notes in Sunday's market USD/BDT market was sluggish due to weekend in the

international market despite high demand for US dollars in the interbank market. Major market players refrain from trading on Sunday's as most of the international centers remain closed on Sunday. Average (USD/BDT rate ranged between 48.6600 and 48.6650.

Call money market was very active on Sunday. High volume cash withdrawal on the eve of Eid festival lead to increase call rates. The call money market opened at 7.00% in the morning, but gradually it reached at 11% on later part of the day. Major market players kept on withdrawing money from the interbank market to keep in reserve for their customers to use before Eid. Average call rates ranged between 8.00% and

In New York on Friday, the US dollar gained in US morning trade, bolstered by surging Brazilian stocks in view of hopes that the South American giant's currency crisis was under control. At midday in New York, the euro was at \$1.1589/95 from \$ 1.1628/38 at the open and \$ 1.1692/97 at Thursday's close. Dollar/yen was at 114.10/15 from 113.11/16 at the open. In New York on Friday, the major closed against the USD at 113.99/114.04 JPY, 1.3835/1.3845 CHF, EUR at \$ 1.1565/1.1570 and GBP at \$ 1.6498/1.6508.

### Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 17.01.99. Cargo L.Port Local Berth Name of vessels Date of Leaving No. agent arrival J/1 MTA Ava Yang 5/1 **Great Fortress** Turnk OWSL 28/12 Wheat(P) 24/1Vishva Kaumudi Rice(G) SSL 11/1 Mum 24/1 Vehi Yoko Asian century JF 13/1 Gomain Naree 14/1 Sing Prog 23/1 Lucky Oldendorff M.Seed Lutful 10/1 mad SMS Alpine Yang R/A Song Lin Sing Bdship 30/12 20/1Al Swamu K.Dia ASLL Wheat(G) 20/1 Richamond Sing QCSL Cont J/11 Jammi Rice(G) Royal Kota Singa Pil(Bd) 6/1 Banglar Shikha Cont Sing CCT/1 Kota Berjaya Sing Pil(BD) Cont 22/1 CCT/2 Jurong Balsam CCT/3 Diligence Cont P.Kel Cont 10/1 OCST. 18/1 RM/14 Younglly C.Clink Sing PSAL 25/1Anodad Naree C.Clink Indo Delmure 20/1 30/12 Anton Topic Wheat(G) SSST 12/1 Sing 26/1 Banglar Maya Repair/Wheat(G) K.Dia BSC R/A RM/3Nagayevo TSL Tallow Kand 17/1 15/1

Hsd

C.Oil

Sing MSTPL

BSC

14/1

17/1

		*** (C.1)		IVA	1//1
DDJ/1 Tanary Stary	Idl	e Para	PSAL		31/1
Vessels	due at	outer an	chorage	,	
Name of vessels		ofL.Port	Local		Loading
	arriva	al call	agent	Antal Marie	port
Island Princes (48) 6/1	22/1	Cal	CLA	Rice(P)	
Nazlig	17/1	Mong	MBL	Urea	
Kim Dong	18/1	:::::::::::::::::::::::::::::::::::::::	MSL	Rice	
Ocean-1	18/1	Yang	SMSL	GI(Log)	
Mary Nour	18/1	-	BSL	Cement	11417
Talana	17/1	-	Seacon		3
Yasmina	17/1	Yang	SMSL	GI	9
Xpress Resolve (48) 4/1	21/1	2	Everett		3
Budi Teguh 10/1	19/1	Yang	SMSL	CI	9
General Mojica	18/1	Sing	RSL	Cont	
Qc Pintail	17/1	Sing	QCSL	Cont	Sing
Bangalr Groub	18/1	Kara	BSC	Rice(P)	
Bunga Maslapan (Cont) 6/1	14/1	:=	EOSL	Cont	Sing
Sin Hai	20/1	Yang	SMSL	GI	~
Makassar Exress	19/1	-	Baridh	53.00	Sing
Starman	19/1	G.Town		Wheat(G)	J
Arktis Bluel 1/1	20/1	Hazi	RSA	CI	1
Ocean Brave4/1	20/1	57 4 8 2 11 개	Everett	10/00/00	
Amfitriti	22/1	-	Oil	Œ	
Global Jane	20/1	Mong		Ballast	
Al Quamar	20/1		BSL	Rice	3
Bright Vega	21/1	o +	BBA	Vehi	ā
Dragon Brani10/1	21/1	Sing	Bdship	Cont	Sing
Banga Biraj 10/1	21/1	Sing	Bdship	Cont	Sing
Banglar Urmi	22/1	Male	BSC	CI	V
Iran Slaam14/1	22/1		Everett		
Acacia 13/1	22/1	Sing	BSC	Cont	Sing
Banglar Robi	22/1	Sing	BSC	Cont	Sing
Qc Teal	23/1	Sing	GCSL.	Cont	Mgl.
Coastal Corpus Christi	23/1	6	The second secon	Wheat(G)	,,,g,
Kota Cahyaa 14/1	24/1		Mbcsl	Rice(G)	
Xing Ye	25/1	2		æ (P)/GI	
AA Venture	25/1	3		ice(P) GI	
Banglar Moni	28/1	Sing	BSC	Cont	Sing
		er due:			
Sandgate	18/1	Kuwt	MSTPL	Sko	
Bela		Al Juba	ECSL	HSD	

Name of vessels	Cargo Last port call		Local agent	Date of arrival	
Sea bulk Command	-	-	IBS	R/A(22/12)	
Hassbat Qatar	C.Oil	Jabe	USS	9/1	
Banglar Jyoti	C.Oil		BSC	R/A(16/1)	
Ves		er anchora	ige :		
	Read	y on:			
Meghna	Cont	Sing	Bdship	11/1	
Sea Gallant	Cont	Sing	Pil(BD)	11/1	
Abuja	Cont	Col	Baridhi	13/1	
Banga Birol	Cont	Sing	Bdship	13/1	
Vanal II.	-			11,00000	

Vessels at Kutubdia

Sea Gallant	Cont	Sing	PILEDI	11
Abuja	Cont			11,
Banga Birol	Cont	Sing	Bdship	13,
Koral Hero	CI	Babu		14/
Surabaya Express	Cal	Yang	Olm	16,
Vess	els awaitin	ont Col Baridhi ont Sing Bdship I Babu Bdship		

R/A (18/09)

R/A(24/09)

USTC

Cross

Kaki

OUTGOING INCOMING				SHIFTING
Move:	ment of vess	els for 1	3.1.99	
le Macareux/PDC-1		벁	Karna	R/A(30/10)
Barge : Wombat/			Car	14/11(10/1)
Al Muztuba		¥	Cla	R/A (13/1)
Sea World	· •	=	Lams	R/A (5/1)
Delta Star	<b>.</b> €		RSA	R/A(07/07)
\$12.00020.com.apro				A VI A MAD E / UU /

Rice(G)

Rice(P)

J/10 Richmond CCT/2 Meghna J/13 B. shikha J/10 Abuja CCT/2 J. Balsam CCT/3 Sea Glant CCT/3 D. Container B. Birol

Karya sentosa

CCT/3 D. Container J/13 Qc Pintail RM/5 Trent RM/9 Banlgar Shourabh TSP Banglar Gourabh Pasific Hunter

The above are today's shipping position and performance of vessels at Chittagong port as per berthing sheet of CPA supplied by HRC Group, Dhaka.