

US renews efforts to pass Africa trade bill

WASHINGTON, Feb 4: Legislation to dramatically increase trade with sub-Saharan Africa advanced in the House Wednesday, with supporters saying they are determined to overcome Senate objections that killed the bill last year, says AP.

The House Ways and Means trade subcommittee, in a 14-0 vote, approved the trade bill aimed at spurring economic growth in 48 sub-Saharan nations through lower tariffs and encouragement of nation-building investment.

Rep. Philip Crane, chairman of the trade panel, said the region, with 700 million people, now accounts for only 2 per cent of US trade. "We want to expand that. It's infinitely preferable to just maintaining an aid programme."

The House passed a similar bill last March on a 233-186 vote. The same month, President Bill Clinton made the first presidential visit to sub-Saharan Africa in two decades, promising a new era of partnership with the region.

But the legislation ran into trouble in the Senate, with senators from textile industry states warning it could hurt American textile workers and others voicing concern about transshipment, in which one nation ships goods to the United States through another country that has access to lower tariffs.

Senate Banking Committee Chairman Phil Gramm, in testimony before the Ways and Means panel, said he would work to overcome opposition from textile senators, noting that even with the bill, African textiles would make up less than 1 per cent of the American market and "no other industry in America is more protected."

He said a Senate-proposed provision requiring that African textiles and apparels be made with American fabrics "kills this bill."

The bill was also criticised by Rep. Jesse Jackson, as imposing too many conditions on trade to the benefit of US businesses and not addressing the most serious impediment to African economic growth, the region's \$230 billion in external debt.

But Rep. Charles Rangel of New York, the ranking Democrat on the committee, reminded Jackson that the main bill he is sponsoring with Crane has the backing of the affected African nations as well as the administration.

Commerce Secretary William Daley said the administration views the bill as "a vital tool to help transform our relationship with Africa from one rooted in the rivalry of the Cold War to one based on shared prosperity through increased trade and investment."

Malaysia ends capital controls but imposes exit taxes

KUALA LUMPUR, Feb 4: Malaysia announced Thursday an end to its much-criticised lock-in period for portfolio investments, but said they could be repatriated only if penalties were paid in the form of exit taxes, says AP.

Last September Malaysia barred investors from taking out money invested in the stock and bond markets for one year as part of its sweeping capital control measures that also included fixing a peg for its fluctuating currency.

The new policy will allow portfolio investors to repatriate their capital and profits as well as encourage new capital inflows into the country.

Finance Minister Daim Zaiduddin said in a statement handed out at a press conference from which foreign reporters were barred.

The Southeast Asian nation has been trying to attract foreign investors back to help pull its economy out of the worst recession in a decade.

According to the new policy, taxes will be imposed on a scale of three timetables that correspond to the amount of time funds have been invested in Malaysia's share markets prior to Feb 15.

The exit tax will be 30 per cent on investments repatriated within seven months of when capital controls took effect on Sept 1.

For investments between seven and nine months the tax rate will be 20 per cent. For those between nine and 12 months, a 10 per cent tax will be levied.

For investments left in the market for 12 months or more a tax will be levied on net profit from that investment but not on the principal.

Daim said there would be no change in the present currency peg, which the ringgit at 3.8 to the US dollar.

"There is no reason to review it at this state," he said.

The government imposed capital controls on Sept 1 as an effort to insulate Malaysia from the regional economic crisis and shield the ringgit from speculative attacks. The currency has dropped by 40 per cent against the US dollar since the Asian turmoil began.

Analysts had said the government must be careful to avoid a mass exodus of foreign funds when the 12-month period elapses at the end of August. They said an exit tax would be less onerous for investors than an outright ban.

"The new measures are aimed to encourage existing portfolio investors to take a longer term view of their investments in Malaysia and to attract new funds into the country," Daim said.

Exchange Rates

Standard Chartered Bank									
Following are yesterday's exchange rates of Standard Chartered Bank indicative of major currencies against taka:									
Central bank USD/BDT rate: Buying - BDT 48.35/Selling - BDT 48.65									
Selling			Currency		Buying				
TT/OD	EC		TT Clean	OD Sight	OD	Transfer	Transfer	Transfer	Transfer
48.7100	48.7500	USD	48.3150	48.1549	48.0708				
0.4341	0.4344	JPY	0.4228	0.4214	0.4207				
34.5412	34.5696	CHF	33.8886	33.7763	33.6465				
28.9544	28.9782	SGD	28.4490	28.3548	28.3052				
32.5015	32.5282	CAD	31.7925	31.6871	31.5694				
6.2050	6.2101	SEK	6.1018	6.0816	6.0687				
01.6070	01.0000	AUD	00.0011	00.2000	00.0000				
12.8529	12.8635	MYR	12.6804	12.6384	12.6064				
6.2945	6.2997	HKD	6.2266	6.2059	6.1927				
13.2989	13.3099	AED	13.1180	13.0746	13.0411				
0.0417	0.0417	KRW	0.0412	0.0411	0.0410				
80.2497	80.3156	GBP	78.5988	78.3384	78.0573				
55.8168	55.8626	EUR	53.9002	53.7216	53.6278				
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. Ringit	Indo. Rupiah	Sing. Dollar				
42.4501	51.45/5	36.72/3	3.79/3.80	8430/8530	1.6886/08				
42.4900	1.55	6.77	2						
US dollar				Libor					
	Buying	Selling		1 Month	3 Months	6 Months	12 Months		
Cash notes	48.15	48.75	USD	5.62875	5.28063	5.15813	5.15609		
TC	48.1	48.7	GBP	6.5	6.34813	6	5.6731		
Market Commentary									
Dollar continued to be in high demand on the last working day of the week. Upward trend of the dollar demand is mainly attributed to the fall of its supply. Export proceeds and inflow of inward remittances are yet to pick up—making the greenback rather scarce in the local forex market. In the interbank market, dollar traded in a high range of BDT 48.6750 to BDT 48.6850. In the interbank market, dollar traded between BDT 48.6775 and BDT 48.6820. The call rate fluctuated in a low range of 6.25 to 7 per cent. In the kerm market, a unit of cash dollar traded between BDT 48.60 and BDT 48.85.									
In the international markets, dollar was in a firm position against yen as it was propped up by a drop in the Japanese government bond yields. Talk of plans by the Bank of Japan to underwrite JCBs to curb rising yields gathered pace when a major Japanese newspaper reported that Treasury Secretary Robert Rubin supported such a plan. The market players had the opinion that unless Robert Rubin makes a firm comment against the plan the rumour is expected to persist in the market. The dollar was also stronger against euro as the market still expected an interest rate out in the Eurozone despite comments by the ECB president he was not worried about the slowdown of economic growth in the Eurozone. At 1500 hours local time, USD traded at 113.71/75 JPY, GBP at 1.6395/00 USD and euro at 1.1275/80 USD.									

World commodity prices may start rebounding next year

WASHINGTON, Feb 4: Global commodity prices, battered by economic turmoil in Asia and oversupply, may start to rebound after this year but may never fully return to their levels of 1995-1996, the World Bank warned yesterday, reports BSS.

The bank in a report issued here said prices for commodities such as petroleum, non-timber agricultural materials and metals and minerals are expected to decline further in 1999 in response to weak demand, large supplies and rising inventories.

Continued weakness in commodity prices may likely hurt countries that rely on raw materials, including the developing world and many of the world's poorest nations.

Donald Mitchell, a bank economist and co-author of the report, said Sub-Saharan Africa the region of the world that is "the most dependent" on commodities had been especially hard hit by the plunge, as had the oil dependent Middle East.

In the fourth quarter of 1998 energy price indices were down 8.9 per cent over the third quarter, while non-energy prices were 0.7 per cent lower.

"Beyond 1999 we expect commodity prices to begin to recover, but the recovery is expected to be slow and very much dependent upon the growth in the world economies," the report predicted.

From 2000 to 2010, most prices should move off the depressed levels of 1998-1999, it said, but added: "In almost all cases, real prices in 2010 are expected to remain below the 1997 levels because of projected more rapid increases in supply than demand."

But the bank elsewhere argued that in response to the Asian meltdown, as well as to technological advances dramatically boosting output and liberalised market policies that lead to higher production, the world may be undergoing "a structural break in price levels."

"Improvements in technology and more efficient operations do not erode quickly and their impact would remain even after the Asian crisis has ended."

While global growth may edge up to 1.9 per cent this year from 1.8 per cent in the 1998, the study warned there remained "a substantial risk that the world economy will plunge into recession in 1999."

In 1999, as economic momentum cools in Europe and the United States and as emerging markets stay volatile because of weakness in Brazil and Russia, agricultural commodity prices are projected to fall five per cent.

Reuters plans to cut 100 jobs

LONDON, Feb 4: Reuters Group, the business information and media company, said yesterday that it plans to cut 100 staff from its British and Irish workforce of 2,100 as part of a restructuring programme outlined last year, reports AFP.

A spokesman said that the bulk of the job losses would come in technical support, with other cuts in sales and finance.

He denied reports that the company would sack large numbers of journalists.

Reuters' last month announced 30 redundancies in its television business after its British editing and studio facilities went digital.

The company's restructuring aims to reorganise the group on product lines rather than on a geographical basis.

PC sales soar in western Europe

LONDON, Feb 4: Personal computer sales shot up 21 per cent in western Europe in 1998, according to a study released yesterday by the US-based International Data Corporation, says AFP.

Sales for the last quarter of the year in the western Europe market rose by 19.6 per cent, helping offset poor sales in eastern Europe and bringing the overall growth in Europe, the Middle East and Africa up 17.4 per cent, the study said.

France was a "particularly dynamic home and retail market" for cheap PCs, the study said, also mentioning Germany and Scandinavian countries as hot markets.

The PC industry has entered a new high volume growth cycle driven by sharp price decreases, internet demand, shorter PC life spans, as well as new technology implementations, said the study's senior analyst Karine Paoli.

"But at the same time, competition and aggressive pricing inevitably weaken value growth and margins," she said.

However, the former communist region of eastern and central Europe saw a 10 per cent decline in sales on the year, including a 21.3 per cent plunge in the last quarter.

Shipping Intelligence

Chittagong port						
Berth position and performance of vessels as on 4-2-99						
Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving
J/1	Asian Ruby	Rice(P)	Vish	USTC	28/1	7/2
J/2	Banglar Urm	GI	Sing	BSC	24/2	5/2
J/3	Al Quamar	Rice(G)	Hald	SL	24/1	8/2
J/4	Topaz	C.Clink	Cosh	MBL	28/1	8/2
J/5	Ostriesland	Rice(P)	Kand	MHCSL	5/1	5/2
J/6	Mariupol	RSeed	Pen	Seacom	9/1	4/2
J/7	Banglar Mamata	Wheat(G)		BSC	R/A	8/2
J/8	Iran Salam	GI	Dubai	Everett	23/2	7/2
J/9	Amfritriti	GI	Caga	Oil	10/2	6/2
J/10	Blue Angel	Wheat(P)	MAD	AASS	11/1	10/2
J/11	Banglar Shobha	Wheat(G)		BSC	R/A	5/2
J/12	Banga Biraj	Cont	Sing	Bdship	26/1	5/2
J/13	Banglar Shikha	Cont	Sing	BSC	30/1	5/2
CCT/1	Diligence Cont	Cont	Sing	QCSL	28/1	8/2
CCT/2	Dragon Malimatam	Cont	Sing	Nol	27/1	9/2
CCT/3	Kota Cahaya	Cont	Sing	PII(BD)	27/1	7/2
RM/14	Youngly	C Clink	Sing	PSAL	10/1	5/2
RCJ	Arktus Blue	GI	Hazi	RSA	21/2	4/2
CSJ	Viva Treasure	Cement	Sing	USTC	1/2	10/2
GSJ	Al Swamru		Sing	ASLL	R/A	7/2
TSP	Patchara narcee	Sulp	BABB	Seacom	23/1	9/2
RM/3	Kyokuei Marun No.2	L.Oil	Sing	MSTPL	1/2	9/2
RM/5	Marol	HSD	Juba	ECSL	2/2	4/2
DDJ/1	Tanary Star	Idle	Para	PSAL		28/1
RM/8	Meghna	Repair	Sing	Bdship	11/1	4/2
RM/9	Banglar Jyoti	Repair		BSC	R/A	8/2
Vessels due at outer anchorage						
Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading	port
Xing Ye	5/2		MHCSL	Rice(P)/GI		
Grigory Kovalchok	6/2	Kaki	SMSL	Rice		
Dos Oriente	6/2	Thai	MBL	GI		
Bo Tong Gang	8/2		USTC	Rice(G)		
Oh San Tok	8/2		USTC	Rice(G)		
Bunga Maslapan (Cont)	27/1	5/2		EOSL	Cont(Sing P.Kel)	
Olympic Mentor	5/2	Turk	OWSL	Wheat(P)		
Ever Cheer (48)	31/1	6/2		RMLGI(St.Coll)	Cont	
Apil	5/2	Hong	Frank			
Ever Cheer	5/2		RML	GI		
Hafina	8/2		MHCSL	Rice(G)		
Spring Trader (24)	26/1	5/2	Sing	Everett	Loco	
Commencement	6/2	Sing	Ancient	Rice(G)		
Ding An	6/2	sing	RML	GI		
Sunstin	6/2	Sint	PSAL	c.Clinker		
Taraman Bibi	10/2		USTC	Cement		
Bhavabhuti	9/2	Cinn	SSLL	GI		
Kota Naga (Cont)	28/1	7/2	Sing	PI(BD)	Cont	Sing
Banga Birol (Cont)	25/1	7/2	Sing	Bdship	Cont	Sing
Budi Teguh (Cont)	1/2	8/2	Sing	RSL	Cont	Sing
Bunga Mas Enam (Cont)	31/1	8/2	Sing	RSL	Cont	Sing
Makassar Express (Cont)	31/1	8/2	Sing	RSL	Cont	Sing
Cortesia Duckling	8/2	Kaos	UMTL	Scraping		
Martina	10/2		Viking	Cement		
Qc Teal (Cont)	27/1	10/2	Sing	QCSL	Cont	Sing
Albatross-III	12/2	Kand	SMSL	Rice		
A.A. Venture	10/2		Cla	Rice(P)/GI		
Sea Coral	10/2		USTC	Rice(G)	Sing	
Acacia	10/2	Sing	Baridhi	Cont	Sing	
Teresa Prestise	11/2		Everett	GI		
Dragon Brani (Cont)	1/2	11/2	Sing	Nol	Cont	Sing
Norbulk Seraya	11/2		Prog	Cont	Sing	
Sarab-1	13/2	Kara	Smsl	Rice/GI		
Asian Prosperity (Roro)	24/31	11/3/2	Sing	PSL	Cont	
Ingenuity (Cont)	17/1	14/2	Sing	RSL	Cont	Sing
Kota Berjaya (Cont)	1/2	15/2	Sing	PII(BD)	Cont	Sing
Brisa Azul	24/2		Everett	GI		
Amtra-VII	26/2		Everett	GI		
Tanker due						
Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading	
Larissa Dwtiya	4/2	Sing	CTPL	F.Oil		-
Pranedyia Dwtiya	5/2	Sing	CTPL	F.Oil		-
Al Badiyah	8/2	Mina	Atlantic	Sko		-
Vessels at Kutubdia						
Name of vessels	Cargo	Last Port call	Local agent	Date of arrival		
Seabulk Command			IBS	R/A(25/1)		
Champion	Wheat(G)	Texas	SST	2/2		
Bangor Mookh	Wheat(G)		Frank	R/A(2/2)		
Akra Sounion	Wheat(G)	Texas	Lams	2/2		
Sea Wrold	Wheat(G)		CCNL	R/A(2/2)		
Vessels at outer anchorage						
Ready on						
General mojica	RSeed	Sing	Dolphin	18/1		
Ecaterina	GI	Mum	Sunshine	24/1		
Saikung	GI	Walu	Seagully	21/1		
Mawlamyine	GI	Yang	MTA	26/1		
Golden D	Wheat(G)	Mong	Lams	28/1		
Diligence Cont	Cont		QCSL	28/1		
Cc Mallard	Cont	P.Kel	QCSL	30/1		
Banglar Moni	Cont	Sing	BSC	30/1		
Vessels awaiting instruction						
Larissa Sentosa	Rice(G)	USTC	R/A(18/9)			
Alfritzt	Rice(P)	Kaki	Cross	R/A(24/9)		
Delta Stear			RSA	R/A(7/7)		
Alan Shahamat	Bunker	Mong	BSC	2/2		
Arabaya Express	-		OLM	R/A(30/1)		
Banglar Shourabh	-		BSC	R/A(3/2)		
Araya-1	-		SMSL	R/A(2/2)		
Araya Enterprise	-	Mong	CL	R/A(29/1)		
Land Pirnces	-		ILAPSL	R/A(29/1)		
Araya T Ocean Silver-8	-		Karna	R/A(30/1)		
Araya Wombat/le Macareux/PDC-1ham-91/22A/c Developing road	-		Karan	R/A(30/1)		
The above are shipping position and performance of vessels of Chittagong and their berth sheet of CPA supplied by HRC Group,Dhaka						