Pakistan rules out possibility of SAFTA by 2001

ISLAMABAD, Mar 14: Pakistan has ruled out the possibility of a South Asian Free Trade Area (SAFTA) by the year 2001 saying that without creating a level-playing field between India and Pakistan it is not easy to bring about the free trade regime in the region, reports PTI.

It is not all that easy to bring about a free trade area in a year or two, foreign office spokesman Tariq Altaf told reporters here yesterday.

Rejecting the contention that Pakistan had given the commitment to achieve SAFTA by 2001 at SAARC summit meeting at Male in 1997, he said, it is not that kind of a commitment. If you read carefully, you will find other meanings in its (the Maldives declaration by SAARC countries), he added.

Incidentally, all the seven SAARC countries had agreed at the Male meet to convert the existing South Asian Preferential Trade Agreement (SAPTA) into SAFTA by 2001, it was later confirmed at the SAARC summit last year at Colombo.

But Pakistan has been apprehensive about liberalising trade mainly with India and has even refused to accord Most Favoured Nation (MFN) status to it despite India giving Pakistan the same status several years ago.

It think it is a common desire that whenever we are entering into such an important area which allows a free-trade across the board throughout the region, it is necessary that there is a level-playing field, Altaf said.

Meet in Colombo March 18-19

Reuter adds from Islamabad: Foreign ministers of a seven-nation South Asian bloc will meet in Colombo on March 18-19 to discuss economic cooperation, including plans to set up a free trade area, Pakistan's foreign ministry said yesterday.

A spokesman told reporters that the Indian and Pakistani foreign ministers were also likely to discuss disputes between their countries on the sidelines of the council of ministers of the seven-nation South Asian Association for Regional Cooperation (SAARC), which also includes Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka.

The meeting would review implementation of the decisions at a SAARC summit held in Colombo last July and progress on speeding up economic cooperation, a ministry statement said.

"In particular it would review the progress under the SAARC Preferential Trading Arrangement (SAPTA) and the transition to South Asian Free Trade Area (SAFTA), it said.

SAPTA came into force in December 1995 and a SAARC summit in 1997 in the Maldives decided to cut tariffs and remove non-tariff barriers with the aim of setting up SAFTA by 2001.

The leaders of the 14-year-old grouping agreed at the Maldives summit to start informal talks within SAARC, which focused on economic and social cooperation and sidestepped contentious bilateral disputes which have hampered regional integration.

"The idea of informal political consultations has gained importance in the changed geo-strategic environment in South Asia," the Pakistani statement said in an obvious reference to the tit-for-tat nuclear tests by India and Pakistan last May.

Asked if the Pakistani and Indian foreign ministers would hold bilateral talks in Colombo as a follow-up to a meeting between their prime ministers last month, the spokesman said: "Yes, they are going there and they will meet."

Power blackouts to continue in Brazil

RIO DE JANEIRO, Mar 14: The power outage last week that left 97 million Brazilians without electricity could become a frequent occurrence, energy experts warned Saturday, reports AP.

"The risk of blackouts is permanent," Firmino Sampaio, the president of the state-controlled energy holding company Eletrobras, said Saturday.

While energy officials described the latest blackout as an act of God, critics blamed a lack of investments by Eletrobras and Brazil's soaring demand for energy, which has grown faster than the country's ability to generate it.

On Thursday, lighting bolts struck a power substation in Sao Paulo state, plunging 11 southern and central states, including Rio de Janeiro and Sao Paulo, into darkness for up to five hours.

In Rio, nine traffic collisions occurred due to inoperable street lights, thousands were trapped in elevators and subway cars, youth gangs attacked motorists, and sporadic fires broke out.

In Sao Paulo, the blackout shut down the domestic airport, tunnels were closed to avoid assaults against motorists, looters stole $251,000 worth of Apple computers at a downtown store, and several neighbourhoods were left without potable water.

Since President Fernando Henrique Cardoso tamed chronic inflation from 50 per cent a month in 1994 to about two per cent annually in 1998, sales of electric appliances have soared.

In past years, consumers have bought millions of televisions, stereo systems, refrigerators, microwave ovens and freezers, overtaxing local electric companies. According to Eletrobras, energy consumption has increased six per cent a year since 1995.

The solution is more state or private investment," Electrical Engineering Professor Mauricio Tolmasquin said in Saturday's edition of the Rio daily Jornal do Comercio.

Exchange Rates

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

Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	48.7300	48.7700	48.3100	48.1570	48.0850
Pound Stg	80.0390	80.1047	78.3347	78.0866	77.9698
Deutsche Mark	27.5538	27.5764	26.5629	26.4788	26.4392
Swiss Franc	33.4615	33.4890	32.7126	32.6090	32.5603
Japanese Yen	0.4140	0.4144	0.4034	0.4021	0.4015
Dutch Guilder	24.4544	24.4745	23.5751	23.5004	23.4653
Danish Krona	7.2064	7.2124	7.0351	7.0128	7.0023
Australian $	31.5039	31.5298	30.2421	30.1463	30.1012
Belgian Franc	1.3359	1.3370	1.2879	1.2838	1.2819
Canadian $	32.2929	32.3194	31.3803	31.2809	31.2342
French Franc	8.2156	8.2223	7.9201	7.8950	7.8832
Hong Kong $	6.3021	6.3072	6.2228	6.2031	6.1938
Italian Lira	0.0278	0.0279	0.0268	0.0267	0.0267
Norway Kroner	6.2645	6.2696	6.1551	6.1356	6.1264
Singapore $	28.4971	28.5205	27.5899	27.5026	27.4615
Saudi Rial	13.0287	13.0394	12.8460	12.8053	12.7862
UAE Dirham	13.3040	13.3150	13.1167	13.0751	13.0556
Swedish Krona	6.0175	6.0225	5.9400	5.9212	5.9123
Qatari Riyal	13.4224	13.4334	13.2302	13.1883	13.1686
Kuwaiti Dinar	165.5793	165.7153	153.5601	153.0737	152.8449
Thai Baht	1.2972	1.2983	1.2830	1.2789	1.2770
Euro	53.8905	53.9347	51.9526	51.7880	51.7106

Bill Buying rates:

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
48.2112	47.9074	47.5048	47.1023	46.6997	45.8945

US Dollar London Interbank Offered Rate (LIBOR)

Buying	Selling	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
48.0850	48.7300	USD	4.94	5.00	5.06	5.15	5.3395
48.0850	48.7300	GBP	5.550	5.46875	5.375	5.375	5.375
Cash/TC	Cash/TC	EURO	3.0	3.0	2.97	2.94	2.97

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
42.435/ 42.445	49.90/50.00	37.580/ 37.640	3.7999/3.8001	9150/9200	1232/1235

Amex Notes on Sunday's market

The USD/BDT market was dull. However, a few transactions were done between 48.65 and 48.72. The call market remained liquid and the rate ranged between 6.5 and 7.0%. The T-bill auction might pull the rates up somewhat tomorrow.

Dollar pared some of its gains vs yen after the BOJ's Policy Board decided to keep monetary policy unchanged. BOJ said it would keep guiding overnight call rate as low as possible. Dollar stood at 119.83/88 yen compared with 120.20/25 yen just before the announcement and 119.14/17 yen in late New York.

The euro was quoted at $1.0940/45 at 1555 GMT at the lower end of the day's trading and down by about one per cent from the two-week high of $1.1059.

Euro/dollar was also about 1.5 per cent above the life lows of $1.0780, reached last week amid healthy signs in the US economy which contrasted sharply with those of key nations in the 11-nation euro zone.

In the New York closing session, the majors were traded against US $ at 118.79/7 JPY, 1.7929/37 DEM 1.4663/68 CHF, Euro at $1.0904/09 and GBP at $1.6315/25.

India's forex assets rise

NEW DELHI, Mar 14: India's foreign currency assets increased by 86 million US dollars to 27.865 billion dollars during the week ending March 5 this year, the Press Trust of India (PTI) reported yesterday, says Xinhua.

Gold reserves went up by 2 million dollars to 2.971 billion dollars, thus pushing the total foreign exchange reserves up by 88 million dollars to 30.844 billion dollars, according to the weekly statistical supplement published by the Reserve Bank of India in Mumbai.

Bank credit to the commercial sector increased by 20.74 billion rupees (490 million dollars) during the fortnight ending February 26, PTI reported from Mumbai.

The first Annual Merchant Convention of ANZ Grindlays Bank Card Services was held at Sonargaon Hotel yesterday. Picture shows the award-winning merchants with bank officials.
— ANZ photo

Weekly Currency Roundup

Asian units go up with strong yen

HONG KONG, Mar 14: Asian currencies moved ahead over the week, supported by a strong yen which gained ground against the US dollar as foreign funds poured into the Japanese stock market, reports AFP.

In the week ahead, dealers said, strong global commodity markets would help propel commodity-sensitive currencies like the Australian dollar.

Japanese yen: The yen zoomed ahead against the dollar over the week.

Strengthened by support from foreign investors seeking to invest in Japanese stocks, the Japanese unit fetched 120.02-05 to the dollar late Friday, up from 122.92-95 to the dollar a week earlier.

The yen rallied on Wednesday to finish above 121 to the dollar on active buying from foreign investors and Japanese exporters.

"We see foreign investors buying the yen in a possible effort to buy Japanese stocks," said a dealer at 119.72-75 to the dollar late Thursday as the Nikkei average of leading issues on the Tokyo Stock Exchange continued an upswing.

Australian dollar: The Australian dollar looks set to consolidate further in the week ahead, taking strength from world commodity markets, brokers said.

The currency ended Friday at 63.42 US cents from 62.74 cents the previous week.

With a domestic rate cut no longer on the immediate horizon, the dollar will be led by commodity prices, which are showing their most positive signs in months," said Commonwealth Bank economist Michael Blythe.

Deutsche Bank economist Richard Yetsenga said a break through the 64 US cent level would likely cause the dollar to "accelerate to the upside".

New Zealand dollar: The New Zealand dollar closed Friday worth 53.00 US cents, down slightly from 53.30 US cents a week ago. Dealers said the market had been very thin.

There has just been one local seller and no support," one dealer said.

Singapore dollar: The Singapore dollar fell to 1.7335 against the US dollar from 1.7295 the week before as market players remained bearish on the Singapore unit's prospects for the rest of the year.

Hong Kong dollar: The Hong Kong dollar closed at 7.7485-7.749 compared to 7.7481-7.7486 the previous week.

Indonesian rupiah: The Indonesian rupiah weakened during the week to close at 9.150 to the dollar Friday, recovering from its lows of around 9.600, but down from last week's close 8.900 to the dollar.

Forex dealers said there was buying of dollars ahead of the announcement of the closure of sick Indonesian banks, and ahead of the end of the financial year.

Philippine peso: The Philippine currency closed stronger on Friday at 38.97 pesos to the dollar from its close of 39.125 pesos the week before.

South Korean won: The South Korean currency strengthened from 1.243 against the greenback a week ago to 1.233.80 Friday.

Dealers said the dollar-won exchange rate was expected to remain around 1.230 won per dollar in the week ahead amid expectations the government would buy dollars to prevent the won from further appreciating.

Taiwan dollar: The Taiwan dollar rose 0.1 per cent against the greenback over the week to settle at 33.112 Friday amid central bank intervention, dealers said.

The local currency is expected to remain stable on the back of expected intervention by the government, they said.

Thai Baht: The Thai baht appreciated against the dollar to close Friday at 37.29-34 compared to the previous week's close of 37.60-62.

The baht was boosted by speculation the government and Senate would reach a compromise over a key bankruptcy bill, as well as by the yen's strength against the greenback, dealers said.

India fighting offshore gas well fire

BOMBAY, Mar 14: India Oil and Natural Gas Corporation (ONGC) battled on Saturday to contain a fire in a natural gas well 160 km (100 miles) northwest off the coast of Bombay, officials said, reports Reuters.

"We are throwing 20,000, cubic metres of water at the fire each hour. We have created a cloud of water to keep the equipment cool and make sure the fire does not spread, ONGC's Director Operations, Amarijeet Singh Soni, said.

The water pumped at high pressure from four ships surrounding the platform was aimed at containing the fire within two decks where it had been raging since 1220 hours (0650 GMT) on Friday.

The cause of the fire is still under investigation, the well sprang a leak when an ONGC repair crew was pumping water into an adjoining well not one was injured as all 85 persons working on the platform were evacuated.

Experts from a US oil well firefighting firm Cudd Pressure Control Inc were due to arrive today to douse the fire.

They will come tomorrow and make plans only then we will know a time scheduled, Soni told a news conference when asked how long it might take to put out the fire.

The well on fire, 121-d, is one of four in the area 35 km (22 miles) away from Bombay high, India's largest oil and gas producing fields, accounting for about 70 per cent of total output.

The fire would not have a major impact on supplies because the well produced only 1.6 million cubic metres a day out of the total 55 million produced in the western region, Soni said.

The state-run ONGC said the production shortfall would amount to a daily loss of about 2.5 million rupees (58,820 dollars).

Soni said the company was more worried about the safety of its platform and rig.

"It is not the production that is mattering today. It is the safety of the platform and how to salvage the situation.".

The platform was commissioned two years ago at a cost of 440 million rupees (10.35 million dollars). Cost estimates for the rig which was moved near the platform to repair the wells was not available, but officials said all the equipment was insured with the state-run United India Insurance Co.

Officials declined to comment on how much the accident would cost ONGC.

There were no fears of environmental damage as it was natural gas which burned completely, they said.

This is the second major fire at an Indian offshore installation. A 1982 fire on an oil rig at Bombay high was doused by red Adair, the world-famous oil well firefighter who has extinguished oil fires in Kuwait and elsewhere.

Other major oil fires in India have been at Gandhar in the western state of Gujarat and at the Krishna Godavari basin in the southern state of Andhra Pradesh.

Shipping Intelligence

Chittagong port

Berth position and performance of vessels as on 14-3-99

Berth No	Nme of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving
J/1	Star of nagalamd	GTSP	Darb	Angelic	22/2	15/3
J/2	Yasmina	Rice(P)	Viza	SMASL	19/2	18/3
J/3	Hill Pleanty	Rice(G)	Bank	Ancient	15/2	18/3
J/4	Sun Shine (48)	Rice (P)/GI	Col	Sunshine	10/3	16/3
J/5	Steafan Gyts	GI	Mum	Cross	1/3	16/3
J/6	Sea Bailo	R. Seed	P.Kem	Litmond	4/3	20/3
J/7	Qin Ling	GI	Tuti	Rairmax	6/3	16/3
J/8	Banglar Urmi	Rice(G)	-	BSC	R/A	17/3
J/9	Amrta-VII	GI	Yang	Everett	10/3	16/3
J/10	Qc Mallard	Cont	Sing	QCSL	9/3	14/3
J/12	Goldend	Wheat(G)	K.Dia	Lams	R/A	19/3
J/13	Kota Cahaya	Cont	Sing	Pil(BD)	6/3	14/3
CCT/1	Banga Birol	Cont	Sing	Bdship	5/	14/3
CCT/2	Dragon Brani	Cont	Sing	Nol	4/3	15/3
CCT/3	Kota Berjaya	Cont	Sing	Pil(BD)	5/3	16/3
RM/14	Undok-1	Cement	Ind	USTC	5/3	16/3
RM/15	Albatross-III	Rice(P)	Kand	SMASL	16/2	17/3
CCJ	Handy Jade	C Clin	Sing	RML	28/2	14/3
GSJ	Seagul Fortune	Wheat(G)	K.Dia	Frank	R/A	16/3
TSP	Sun Ocean	Cement	Indo	USTC	8/3	18/3
RM/3	Angel-II	CDSO	Parn	TSL	R/A	15/3
RM/4	Banglar Maya	Repair	Mong	BSC	11/3	16/3
RM/5	Stavanger Breeze	HSD	Jub	ECSL	9/3	-
DOJ	Sininni	HSD	Sing	ECSL	9/3	18/3
DD	Banglar Robi	Repair	-	BSC	R/A	20/3
DDJ/1	Tanary Star	Idle	Para	PSAL	-	-
RM/8	Sea World	Reparir	-	CCNL	R/A	13/3
RM/9	Banglar Gourab	Repair	-	BSC	R/A	22/3
SM/10	Tug Ocean Sil Ver-8	-	-	ILAPSL	R/A •	-

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Qc Pintail (Cont)3/3	14/3	Sing	QCSL	Cont	Sing
Mary Noni	15/3	-	BSL	Cement	-
Zeno	14/3	Mong	Lams	Sanday Bay	-
Triumph Hongkong (48/) 3/3	14/3	Sing	RML	GI(Steoil)	-
Osong San	14/3	Indo	SSTL	Cement	-
Darvana	15/3	-	MSA	Wheat(P)Peas	-
Halina	16/3	-	MHCSL	Rice(G)	-
Viva Treasure	14/3	-	USTC	Cement	-
Meghan (Cont)2/3	18/3	Sing	Bdship	Cont	Sing

Tanker due

Hektor	15/3	Thai	MBL	Ammonia	-
Pranedya Dwitya	16/3	Sing	CTPL	F.Oil	-
Ervilia	15/3	Sing	ECSL	HSD	-

Vessels at Kutubdia

Neme of vessels	Cargo	Last Port call	Local agent	Date of arrival
Seabulk command	-	-	IBS	R/A(25/10)
Sandy	Wheat(G)	Texus	Lams	12/3

Vessels at outer anchorage

Ready on

Sea Coral	Rice(G)	Kand	USTC	17/2
Conny	Cdso	R Unon	Seacome	19/2
Xing Ye	Rice(G)	Hald	MHCSL	2/2
Chettner Tradition	Wheat(G)	P Side	LSC	18/2
Pacific Carrer	Wehat(G)	Suez	ANCL	21/1
Youyue	Rice(G)	Kand	USTC	28/2
Grazia	CDSO	Darhb	RSL	28/2
Steafan Gets	GI/Rice	Mum	Cross	1/3
Global Discovery	GI(DP)	Sing	Rainbow	3/3
Sarah-1	Rice9p)	Kara	SMSL	7/3
Maria g	rice(P)	Viza	AMBL	1/3
United	Wheat(G)	Darb	ANCL	3/3
Ma Cho	Wheat(P)	Sing	Rainbow	5/4
Qc Mallard	Cont	Sing	QCSL	9/3
Sin hai	Cont	Sing	RSL	10/3
Esco Virgo	GI	Bang	Rainbow	2/3
Grigoriy Kovalchuk	Urea	-	USTC	R/A (3/3)
Kota Singa	Cont	Sing	Pil (BD)	11/3
Aa. Venture	Rice)(P)	Kara	Cla	11/3
Esco Argo (48)	GI	Jaka	Porg	11/3
Abuja	Cont	Col	Everett	12/3
Ocean Reyna	Wheat(P)	Sing	AASS	10/3
Nand Rati	Wheat(P)	Sing	AASS	10/3
San Pabio	Vehi	Sing	Jf	13/3
Clarity	Sko	Kuwa	MSTPL	13/3

Vessels awaiting instruction

Karya Sentosa	Rice(G)	-	USTEC	R/A(8/9)
Ritz	Rice(P)	Kaki	Cross	R/A(24/9)
Deltastare	-	-	RSA	R/A(7/7)
Palaumarwar	-	Bang	-	8/1
Al salamas	GI(Repari)	-	ASLL	R/A(28/11)
Tug as Enterprise	-	Mong	Frank	31/1
Merak-s	-	-	USTC	R/A(23/2
Banglar Asha	-	-	BSC	R/A(7/3)
Banglar Shourabh	-	-	BSC	R/A(9/3)
Banglar Shobha	-	-	BSC	R/A(10/3)
Banglar Jyoti	-	-	BSC	R/A(9/3)
Barge: Wombat/Le Macareux/ Pdc-1ham-914/F-22A/ Cdelpig Road			Karna	R/A(30/10)

Movement of vessels for 15-3-99

Outgoing	Incoming	Shifting
J/1 St. Nagland	Gigory Kovalchuk	Qin Lin to J/1
CCT/2 D. Kalimatan	MV San pablo	J/7 B Maya to CCJ
RM/9 angel-II	CCT/2 Kota Singa	
DOJ Sininni	DOJ Nidia	
RM/8 Sea World	RM/8 Taramon Bibi	

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