

Oil giants announce a flurry of supply cuts to Asia

SINGAPORE, Apr 12: Oil producers announced a flurry of supply cuts to Asia today, telling buyers that the market would be deeper than in April, reports Reuters.

The world's biggest oil exporter, Saudi Arabia, told customers in Japan and South Korea that May supplies would be slashed as much as 17 and 19 per cent respectively.

Oman extended its supply cuts, telling customers that a previously announced 8.2 per cent cut for May would be increased to more than 11 per cent.

However, last week Abu Dhabi National Oil Co (ADNOC), Japan's main supplier of crude, told Tokyo May cuts would be reduced to five per cent

of contracted volume from 7.25 per cent in April.

The flurry of cuts keeps the pressure on world oil markets, which have risen around 50 per cent since the supply cutbacks were first discussed in February.

The latest announcements were timely and came hot on the heels of a bullish assessment of the cuts from the International Energy Agency (IEA).

In a report on Friday, the IEA said it expected world oil stocks to fall sharply in 1999 as a result of the global producer plan to cut world supplies 2.1 million barrels per day for the rest of the year.

It forecast stocks falling 330 million barrels by the end of

the year, if there was 85 per cent compliance with the agreement to cut that was put together in The Hague in March. It estimated the current overhang of crude and products stocks at 500 million barrels.

"Oil production agreements have had history of fragility but this one may be different," the IEA said. "The deep political foundation underpinning the agreement makes it very difficult to violate the agreement without losing face."

Traders said they were waiting for notice from Iran on the level of May supply cuts, the second biggest OPEC producer cuts supply in April by 15 per cent.

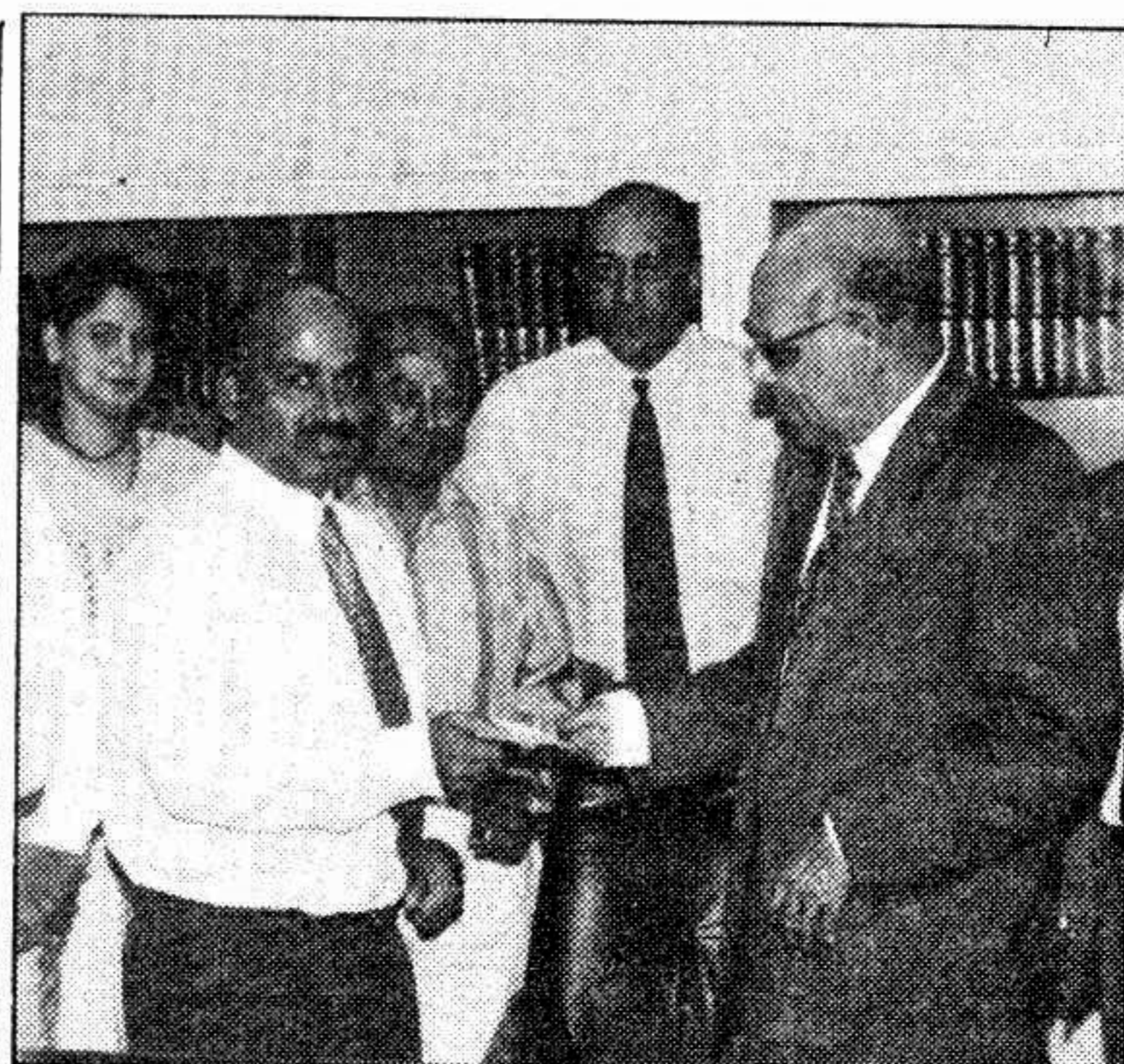
For Asia, the cut in global

supplies comes at a time when its delicate economies are trying to extricate themselves from almost two years of economic crisis.

Analysts have said a sudden rise in import costs for crude could curtail the region's recovery because it would prompt a drain on US dollars and, given the rise in oil prices, could lead to worries about inflation.

Much of the inflation worries would depend on whether importers can pass on the higher costs.

Several of the crisis-hit countries are experiencing furious competition in the oil sector, which might slow down any impact on inflation.



Chairman and Managing Director of BGIC M A Samad presents a claim settlement cheque for Tk 60 lakh to the GM of Oriental Fishing Co Ltd, M A Hashem. —BGIC photo

Exchange Rates

Currency	Selling		Buying	
	TT & OD	BC	T. Clean	OD Sight Export
US Dollar	48.7300	48.7700	48.3100	48.1570
Pound Sg	78.7964	78.8611	77.5889	77.3401
Deutsche Mark	27.3943	27.4168	26.3925	26.3089
Swiss Franc	33.0597	33.0868	32.5386	32.4355
Japanese Yen	0.4057	0.4061	0.3988	0.3975
Dutch Guilder	24.3129	24.3329	23.4238	23.3496
Danish Krona	7.1667	7.1726	6.9930	6.9709
Australian \$	31.3578	31.3835	30.0971	30.0018
Belgian Franc	1.3282	1.3293	1.2796	1.2756
Canadian \$	32.8259	32.8528	31.8773	31.7763
French Franc	8.1680	8.1747	7.8693	7.8444
Hong Kong \$	6.3016	6.3067	6.2223	6.2026
Italian Lira	0.0277	0.0277	0.0267	0.0266
Norway Kron	6.3273	6.3325	6.2163	6.1966
Singapore \$	28.5221	28.5455	27.6136	27.5262
Saudi Rial	13.0416	13.0523	12.8433	12.8026
UAE Dirham	13.3044	13.3153	13.1167	13.0751
Swedish Krona	5.9248	5.9295	5.8451	5.8266
Qatari Riyal	13.4224	13.4334	13.2309	13.1889
Kuwaiti Dinar	166.5983	166.7350	152.1575	151.6756
Thai Baht	1.2855	1.2816	1.2671	1.2631
Euro	53.5786	53.6226	51.6192	51.4558

Tourist arrivals in South Pacific increase

SUVA, Fiji, Apr 12: South Pacific tourist traffic in 1998 ran 3.8 per cent ahead of the previous year's figure, with a record estimated count of 967,614 visitors, according to the Tourism Council of the South Pacific, says AP.

Of the four main destinations, visitor arrivals in Fiji rose by 3.3 per cent to 371,342; Tahiti was up 4.7 per cent to 188,933; New Caledonia's count fell by 1.2 per cent to 103,838; and Samoa's count rose by 14.7 per cent to 77,926 visitors.

The growth rate fell from 7.4 per cent in 1997 due to sharp drops in Asian arrivals, said a council report on 1998 results for its 13 member countries.

Australia and New Zealand continued to be the main source markets, providing 215,734 and 143,509 visitors, respectively.

Russia offers \$ 2.6b power sector loan to India

By Arun Mohanty

MOSCOW, Apr 12: The Russian government has offered a soft loan of \$2.6 billion for the construction of the Koodankulam nuclear power plant in Tamil Nadu, according to a report here.

Russia's state-owned Vneshekonbank has sent a message to the Indian government proposing the loan to supply the two 1,000 MW light water reactors for construction of the power plant, Itar-Tass reported.

Russia's economic crisis notwithstanding, the credit has finally been offered for the implementation of the nuclear project that for many years was the centre of a controversy involving the US, Russia and India.

Russia made up its mind to go ahead in keeping its com-

mitment to the Indian government in spite of American opposition.

Moscow and New Delhi signed a new supplement to their agreement of 1988, during the Soviet era, working out the payment terms.

The credit offer sets the stage for the execution of the project, which is being handled primarily by Atomstroekrop, the organisation that fulfills Russia's commitments in building nuclear power plants abroad, and the Indian nuclear energy establishment.

The project involves more than 200 Russian organisations and enterprises.

Russia will issue to India a credit for construction of the nuclear power plant at Koodankulam in hard currency

and only ten per cent of the total costs of the construction work will be financed through rupees generated out of Indian debts to the former Soviet Union, Itar-Tass reported, quoting Russian Ambassador to India Albert Chernyshev.

Russian specialists would mount the main assemblies in the primary circuits of the reactor and monitor the installation of the power-generating units at the plant.

According to the terms of the agreement, the Indian specialists would undergo advanced training in Russia. All the building operations of the plant, whose commissioning is expected to take six to seven years, would be monitored by the Vienna-based International Atomic Energy Agency (IAEA).

—India Abroad News Service

Investment in non-OPEC fields Incentives close to nil, says Iran

MANAMA, Apr 12: Iran's Deputy Oil Minister today said incentives to invest in non-OPEC oil fields was "close to nil" following a spate of low oil prices that have slashed profits, reports AFP.

"The recent oil price collapse has been so disastrous that it has deprived the giant producers of the Gulf of the ability to invest in their upstream," Seyyed Mehdi Hosseini told delegates at the opening of an oil conference in Bahrain.

"Non-OPEC conditions are more disastrous in light of their higher operating costs and outlays and incentives for investment in non-OPEC fields are now weaker than before or close to nil," he added.

The deputy minister said investment was now more likely to focus on OPEC fields and particularly Gulf countries, in-

cluding Iran, Saudi Arabia, Kuwait, the United Arab Emirates and Qatar.

"Most investments, technically and financially, would flow to the low-cost fields, especially those of the Gulf. The world's reliance on the Gulf is inevitable," he said.

Extraction and operating costs per barrel vary widely. In Europe it can go as high as 11 dollars, in Russia 14 dollars, in central America seven dollars, in the United States 10 dollars, but in the Gulf rarely more than two dollars.

Nosseini also said lower oil prices, and subsequently lower revenues to fund exploration and expansion, would encourage the Gulf states to open up their oil and gas sectors to foreign investors — a move already seen in Iran, Qatar, Saudi Arabia and Kuwait.

Chinese central bank for rural credit reform

SHANGHAI, Apr 12: The head of China's central bank is calling for more reform of the rural credit cooperatives that lend to farmers in areas with no banks, state media said Monday, reports AP.

Dai Xianglong called on them to improve asset management and band together to increase deposit insurance, the Shenzhen Securities Times newspaper said.

Dai, who is governor of the People's Bank of China, spoke at a weekend conference in Shenzhen, a southern financial center near Hong Kong.

More than 700 million people live in the Chinese countryside, many in areas with no banks or financial services. Cooperatives serve groups of farm communities, but many have been crippled or bankrupted by corruption and lack of skilled management.

Dai also said cooperatives should try to cut costs and expand lending to farmers and to agricultural businesses to improve rural sales and distribution, the Shenzhen Securities Times said.



A three-week training course for Internal Auditors of Delta Life Insurance Company was inaugurated by the Chairman of the company Dr Syed Mukarram Ali at its Kakral Training Centre Sunday. M Mozammel Haq, Company MD (CC), Moshleh Uddin Ahmed, DMD (F&A), and Md Moshleh Uddin Sadeque, SVP (Training), are also seen in the picture.

—Delta Life photo

Nasdaq, US aviation system ready for Y2K

NEW YORK, Apr 12: The Nasdaq Stock Market said Sunday it has successfully completed a series of tests designed to make sure there will be no problems when the year 2000 arrives, reports AP.

"After extensive and rigorous testing, we have every reason to be extremely confident that there will be no serious disruptions in our services, and that investors will be protected," said Gregor Ballor, the executive vice president and chief information officer of the National Association of Securities Dealers, the parent company of Nasdaq.

Some computers software interprets years in a two-digit format, such as '99' for 1999. The concern is that unless software is modified, computers in various industries will malfunction when the calendar changes from '99' to '00,' which may be interpreted as 1900 instead of 2000.

The stock market conducted a series of live tests over four weekends in March and April.

running more than 170,000 simulated transactions for nine securities products for the period Dec 29-31, 1999, and Jan 3, 2000. Making sure applications were Year 2000 compliant cost about \$55 million.

Meanwhile, another report from Denver says: Federal Aviation administration officials are confident the US aviation system will withstand the Year 2000 computer glitch after successfully completing a live test of their software fixes early Sunday.

As clocks on test systems at Denver International Airport clicked toward the pretend switching hour of midnight on Dec 31, 1999, an air traffic controller and the pilot of an FAA plane on its final approach to the airport held a conversation that bridged the gap of the new century.

"Convair three-niner, Denver approach" the controller said. "Time is one minute prior to entering the new millennium in our test systems. How do you read this transmission?"

Iraqi currency breaks through 2,000 to dollar

BAGHDAD, Apr 12: The Iraqi dinar to the dollar exchange rate broke through the psychological 2,000 barrier for the first time in two years yesterday but many traders refused to buy dollars at the inflated rate, reports AFP.

Several traders told AFP the exchange rate had reached a high of 2,004 dinars to the dollar early on Sunday, but that it had since dropped to 2,000.

They said demand for the dollar had risen, but could not say why.

In 1996, the dinar hit a record of 3,000 to the dollar, but government measures and the start of UN oil-for-food programme, brought the rate down to 450 by 1997.

The programme allows Baghdad to sell limited quantities of crude in return for basic products.

Pak economic growth may be slightly less than expected

KARACHI, Apr 12: Pakistan's economy is expected to grow by slightly less than earlier predicted for the current fiscal year, although inflation should also be down, a central bank report said Saturday, reports Reuters.

The State Bank of Pakistan said in its latest quarterly report that "the economy is moving in the second half of the year in line with the projections except that the growth rate may be somewhat lower reflecting a downward revision in the cotton crop."

The central bank said that it now expected gross domestic product to grow by between 3 and four per cent in the 1998/99 fiscal year which ends in June.

The economy grew 5.4 per cent in 1997-98.

It said the forecast was slightly down from an earlier prediction of four per cent growth because of smaller-than-expected cotton and wheat crops, which account for 57 per cent of agricultural output.

The cotton harvesting season is almost over and output forecasts range from 8.3 million to 8.8 million bales, down from actual output of 9.2 million in 1997/98, and much lower than an original target of 10.5 million for 1998-99.

Wheat production is estimated at between 18 million and 19 million tonnes, compared with a target for 19.5 million and actual production of

18.7 million tonnes in 1997-98.

The central bank also said that because of a tight monetary policy and a relative stable exchange rate, "the year is likely to conclude with an annual rate of inflation of less than seven per cent compared with the actual price increase of 7.8 per cent in 1997-98."

"The actual collection shows a substantial shortfall compared with one original target," the report said.

It said that tax revenue up to February totaled 176.7 billion rupees, 49.8 per cent of the original target of 354.6 billion and 55.6 per cent of the revised target of 318 billion, which was set in March.

Asians joining British super-rich ranks

LONDON, Apr 12: Young entrepreneurs, women and Asians are joining the ranks of the super-rich in Britain at the expense of old money, the Sunday Times' latest annual survey of the country's wealth elite shows, reports AFP.

The total wealth of the richest 1,000 individuals and families has been rocketing, meanwhile, fuelled by the boom in the stock market, to 125 billion pounds (£200 billion dollars, 187.5 billion euros).

Britain now has 17 billionaires, compared to nine when the survey was first carried out in 1989.

The number of women in the Sunday Times rich list 1999 has risen from 56 last year to a record 71.

Ten years ago, there were six, including Queen Elizabeth II who is still in today with 250 million pounds.

Some of the wealthier women have inherited money — such as lady Granchester, 73, head of the mores family, which controls the littlewoods mail order and football pools empire.

The richest woman in Britain, and the sixth wealthiest person, she is worth 1.5 billion pounds.

But a clutch of powerful businesswomen have risen to prominence, such as Anita Roddick, founder of the Body Shop cosmetics chain and Ann Gloag, who founded a transport company with her brother 20 years ago that is now worth 880 million pounds — (in 22nd place).

The internet and other related sectors such as computers and telecommunications in particular have also spawned a new generation of young millionaires.

Rich list Editor Philip Beresford said: "These are the sort of young people in their thirties who 30 years ago might have become lawyers and accountants, but now do not want to go

into boring professions and prefer to run their own businesses."

Beresford added that the success of rich entrepreneurs from the Indian subcontinent was a growing phenomenon. Asian businessmen in the top 1,000 control more than six billion pounds of assets.

The richest Asian concern is the cars-to-computers empire controlled by Sri and Gopi Hinduja, over the past 12 months, their wealth has grown by 100 million pounds to 1.3 billion.

The influence of Britain's traditional wealthy classes, correspondingly, has been in decline.

A decade ago, a quarter of Britain's richest 200 had been educated at the exclusive English private school Eton. This has fallen to 6.9 per cent for this year's 1000.

Lord Sainsbury and his family who control the Sainsbury Supermarket Chain — have been knocked off the top spot, after their fortune dropped 200 million pounds to 3.1 billion pounds.

This has been usurped by Hans Rausing, whose father patented a new design of cartons which keep milk fresh. The 72 year old, who sold his stake in Tetra Laval, the world's biggest packaging group, to his Swiss-based brother Gad in 1995, is worth 3.4 billion pounds.

Financier George Soros has made a dramatic jump up the list from 29th in 1998 to third place this year.

The 68-year-old, who gained notoriety for his role in forcing Britain out of the European exchange rate mechanism in 1992, is estimated to be worth two billion pounds.

Meanwhile ex-Beatle, Sir Paul McCartney has consolidated his position as Britain's highest paid pop star, topping the list of music millionaires for the second year running.

In 33rd place overall, he is worth 500 million pounds.

Weekly Currency Roundup Asian units weaker amid Kosovo crisis, EU rate cuts

HONG KONG, Apr 12: Interest rate cuts in Europe Union the continuing Kosovo crisis produced lacklustre results across the region over the week, reports AFP.

A weaker than hoped for Tankan outcome also weighed down the Japanese currency.

JAPANESE YEN: The yen edged down against the dollar during the week after investors were left disappointed by the Bank of Japan's Tankan business confidence survey, dealer said.

The Japanese currency was quoted at 120.95-98 to the dollar late Friday, compared with 120.64-67 a week earlier.

On Monday the yen fell into the 121-range as the headline Tankan index for large manufacturers recovered but failed to rebound as far as economists had predicted.

It recouped some losses for the following three days due to

exporters' dollar selling and the Yugoslav government's announcement of a unilateral ceasefire.

AUSTRALIAN DOLLAR: The Australian dollar will remain susceptible to commodity price concerns in the week ahead and with interest rate cuts in Europe the outlook remains subdued, dealers said.

"The decision to cut interest rates in Europe highlights the softening growth picture there," said Commonwealth Bank Economist Michael Blythe, adding that it could prompt a similar move in Australia, which would be bad news for the local currency.

SOUTH KOREAN WON: The South Korean currency strengthened slightly from 1,224.60 won a week ago to 1,223.19 won Friday.

Dealers said the exchange rate is likely to move between 1,220 won per dollar and 1,228 won per dollar in the coming

week, depending on the magnitude on the demand for dollars to pay some 600 million dollars of maturing foreign debts.

TAIWAN DOLLAR: The Taiwan dollar rose 0.1 per cent against the greenback over the holiday-shortened week to end at 33.095 Friday as foreign funds continued flowing into the island for investment in the local stock market, dealers said.

The currency was expected to stay stable as the central bank continued to monitor its movement, they said.

The unit moved upward over the week.

THAI BAHT: The Thai baht was at a five-month low against the dollar Friday having fallen through the 38.00 mark due to a weak yen. European interest rate cuts, local importers buying dollars before holidays here next week, dealers said.

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	46.2971

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	4.83	5.00	5.04	5.14	5.21
48.0850	48.7300	GBP	5.35	5.28/25	5.25	5.25	5.25
Cash/TC	Cash/TC	Euro	2.99	2.99	2.84	2.85	2.87

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysia Ringgit	Indonesian Rupiah	Korean Won
42.692/42.702	50.560/50.590	38.02/38.07	3.7998/3.8002	8705/8725	1223.0/1223.1

Shipping Intelligence

CHITTAGONG PORT Berth Position and Performance of Vessels as on 12.4.99.

Berth No	Name of Vessels	Cargo	L Port	Local Agent	Date of Arrival	Date of Leaving
J/1	Pathenin	G	Yang	MTA	4/4	14/4
J/2	Grace Luna (48)	G	Yang	Everett	9/4	13/4
J/3	Delight Glory	G	Sing	Seaglor	30/3	20/4
J/4	Nand Rati	Wheat (P)	Sing	AASS	10/3	14/4
J/5	Coral Hearo (48)	G	Cal	Everett	7/4	12/4
J/6	Sea Falcon	Rice (P)	Kara	EOSL	23/3	16/4
J/7	Chettind					
J/8	Tradition	Wheat (G)	P Side	LSE	18/2	18/4
J/9	Le Ping Ling	C Clink	Bura	MBL	19/3	13/4
J/10	United	Wheat (G)	Dual	ANCL	3/3	14/4
J/11	Eliza	Cont	Col	Barridj	6/4	12/4
J/12	Pacific Career	Wheat (G)	Suez	ANCL	21/2	17/4
J/13	Banglar Roba	Cont	Sing	BSC	12/4	14/4
CCT/1	Bunga Mas Enam	Cont	P Kel	EOSSL	5/4	13/4
CCT/2	Xpres Resolve	Cont	Sing	BSL	8/4	14/4
CCT/3	QC Teal	Cont	Sing	QCSSL	7/4	13/4
RM/14	Sibirsk	Cement	Pad	PSAL	15/3	15/4
RM/15	Fair Sprit	Mop	Col	Litmond	25/3	18/4
CSJ	Glover Trust	C Clink	Karav	RML	28/3	18/4
TSP	Chios Charm	Wheat (G)	MombAncient	3/4	18/4	
RM/3	Om Sunbeam	L Clink	Cal	Seacom	11/4	19/4
RM/4	Boro Budur	Cement	Jaka	USTC	4/4	21/4
RM/6	Banglar Asha	West (G)	-	BSC	R/A	13/4
DOJ	Banglar Jyoti	-	-	BSC	R/A	14/4
DD	A A Venture	Repair	Kara	CIA	11/3	15/4
DDJ/1	Tanary Star	Idle	Para	PSAL	-	-
RM/8	Youngly	Cement	Pad	-	7/3	14/4
CUFL	May Nour	Cement	Landk	BSL	7/4	17/4
Kafo(U)	Seacelmar	Urea	Cal	MBL	20/3	13/4

Vessels Due at Outer Anchorage

Name of Vessels	Date of L Port Arrival	Local Agent	Cargo	Loading Port
Morning Star	13/4	USTC	Cement	-
Laconia	12/4	11/4	Sing	OTIL
Kota Chaya (Cont) 4/4	12/4	Sing	PH (BD)	Cont
Baharatunda (48) 14/3	13/4	-	SSLL	GI (St Coll)
Nordkap (Cont) 4/4	13/4	-	BSL	Cont
Mokran	12/4	-	Cosmos	Rice (P)
Al Quamar	13/4	-	BSL	Rice
Progreso-1	13/4	-	Seaglor	Wheat (P)
Meghna (Cont) 28/3	16/4	Sing	BDSHP	Cont
Nadel Horn	15/4	-	Able	Cement
Tia Estela	15/4	Kand	USTC	Rice (G)
JayaMars (Cont) 4/4	14/4	-	Bridhi	Cont
Assar Fremantle	15/4	-	Prog	GI
QC Marsd (Cont) 7/4	15/4	Sing	QCSSL	Cont
Bunga Maslapani (Cont) 7/4	15/4	P Kel	EOSSL	Cont
Andhika Permata	15/4	-	RML	GI (St Coll)
Teresa Prestige	16/4	-	Everett	GI
Kota Berjaya (Cont) 6/4	18/4	Sing	PH (BD)	Cont
Banga Buroi (Cont) 7/4	20/4	Sing	BDSHP	Cont

Tanker Due

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Seabulk Command	-	-	IBS	R/A (14/3)
Energy Explorer-IV	-	-	BBAL	5/4
Tub Nanhai-1	-	-	InterShip	R/A (8/4)
Tug Tions Woon Ocean-II	-	-	InterShip	R/A (9/4)
Greenvilles-30	-	-	InterShip	R/A (8/4)

Vessels at Outer Anchorage

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
You Yue	Rice (G)	Kand	USTC	28/2
Pacific Bridge	GI (Y Peas)	Sing	MSA	7/4
Kota Naga (Cont)	Cont	Sing	PH (BD)	8/4
Darya Ma	Wheat (PGI)	Cal	MSA	26/3
Golden Arles	Rice (PGI)	Kar	OWSL	6/4
Yasmina	GI (Rice/P)	Yang	QCSSL	9/4
Van Dyck	Wheat (P)	Teiki	MSA	6/4
Agile	Urea	Yang	MBL	11/4
Dragon Kalimantan	Cont	Sing	NOL	11/4

Movement of Vessels for 13-4-99

OUTGOING	INCOMING
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