

Free-wheeling hedge funds now under investor wrath

NEW YORK, June 12: Free-wheeling global hedge funds that were blamed by governments worldwide for the Asian financial crisis are now suffering the wrath of their shareholders, who are pulling back investments, citing the funds' poor performances and secretive ways, reports Reuters.

The two largest global "macro" hedge funds, the Quantum Fund run by George Soros and the Jaguar Fund led by Julian Robertson — have seen assets under management fall by almost a third to about \$13 billion from \$18 billion last summer, according to research firms that track hedge funds.

Tiger's Jaguar fund saw assets decline from \$12.6 billion in August of 1998 to about \$8 billion currently, according to people familiar with the fund. Tiger currently manages about \$13 billion in total assets.

Hedge fund assets have shrunk partly due to losses on investments. Quantum is down 14 per cent in the first five months and Jaguar has lost eight per cent, said people who deal with the fund.

But investors are also pulling back, sometimes forcing these funds to make quick sales of investments to meet redemptions.

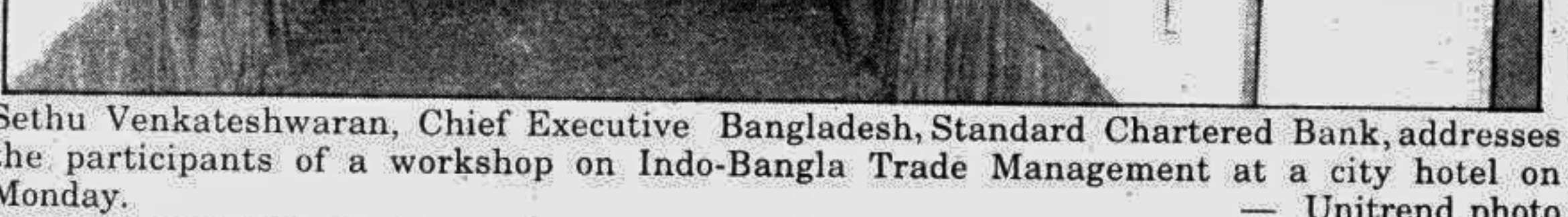
Occasionally, talk of selling by these large and powerful funds sparks a sell-off, as happened briefly Friday in US Treasuries.

The mere rumour of Tiger facing shareholder withdrawals triggered what traders said was a decline in US government bonds.

A spokesman for Tiger denied that there were large withdrawals and added that the fund "could pay out its redemptions fourfold."

Among large investors who have cut back investments in Haussmann, an offshore investment manager based on the island of Curacao in the southern Caribbean, pulled back some of their money, said Louis-Amedee de Moustier, chairman of the fund.

It also started to worry about the huge sums of money that hedge fund gurus like Soros and Robertson manage amid diminishing opportunities in global arbitrage.



Sethu Venkateshwaran, Chief Executive Bangladesh, Standard Chartered Bank, addresses the participants of a workshop on Indo-Bangla Trade Management at a city hotel on Monday.

StanChart workshop on Indo-Bangla trade held

Standard Chartered Bank, Bangladesh organised a day-long workshop on Indo-Bangla Trade Management for the executives of local banks on Monday, says a press release.

The workshop, at a city hotel, was inaugurated by Sethu Venkateshwaran, Chief Executive of Standard Chartered Bank in Bangladesh and attended by 62 executives from 15 banks.

Sethu said in his address to the participants that the population of India and Bangladesh together was more than 20 per cent of the world population and it is a large market for bilateral trade.

He also noted that the workshop should help promote an effective understanding of one of the major trade partnerships of Bangladesh.

Rapid economic reform may not be enough Gabon unlikely to secure IMF structural adjustment loan

LIBREVILLE, June 15: Oil-rich Gabon is unlikely to secure a desperately needed IMF structural adjustment loan before the end of the year even if rapid progress is made on reforming the economy, economists in Libreville said, reports Reuters.

Even under the most optimistic scenario, it's unlikely there could be a new deal before the end of this year, one said.

A three-year IMF deal expired in March after a four-month extension that allowed the programme to continue through presidential elections in December, which were won overwhelmingly by incumbent Omar Bongo.

But public finances have collapsed after a slump last year in the price of oil, which accounts for over 80 per cent of exports. Gabon currently pumps around 330,000 barrels per day (bpd), down 30,000 bpd from 1998 and still falling.

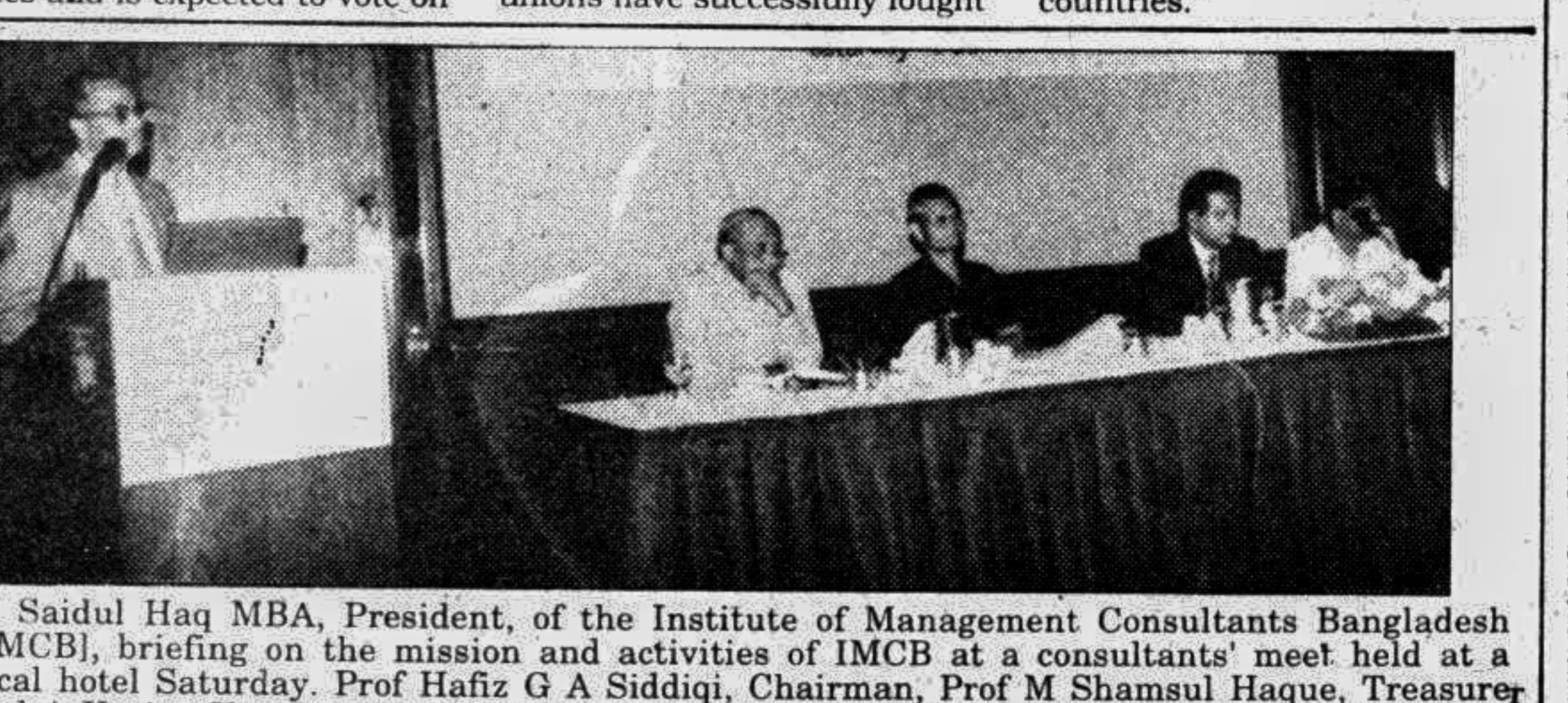
The 1999 budget anticipated total receipts at just 550 billion CFA francs (\$877 million), compared with debt service obligations for this year, including 1998 arrears, which alone are almost double that.

Public services are visibly suffering with lizard-infested rubbish piling up in the streets of the capital, Libreville.

An official at the finance ministry estimated that the budget implied a shrinkage of 10-15 per cent in 1999 in the non-oil component of gross domestic product (GDP), although the oil-related component could rise by some 10 per cent over last year if world oil prices do not fall further.

"Overall, there will probably be little change in GDP this year", he said. "The trouble is, as far as ordinary people are concerned it is the non-oil GDP that matters most."

He estimated that customs receipts were already down to around 10-12 billion CFA franc per month. The new Finance Minister, Emile Doumba, who was appointed in January, has started cleaning up public finances.



Malaysian Minister for Transport Dato Seri Dr Ling Liong Sik was warmly welcomed by the General Manager of The Pan Pacific Sonargaon Hotel upon his arrival at the hotel to attend a luncheon party hosted by FBCCI Monday afternoon.

Health scare cited Belgium bans Coca Cola products

BRUSSELS, June 15: Belgium banned the sale of all beverages of the Coca-Cola Co. following more hospitalisations of children who got sick after drinking Coke, reports AP.

Health Minister Luc Vandebosse urged Belgians not to drink Coca-Cola and such Coca-Cola brands as Fanta, Sprite, Aquarius and Bonaqua.

On Monday, 40 students were hospitalised in Lochristi in west Belgium. Last week, 31 school children became nauseous in the town of Bornem after drinking Coca-Cola and were taken to the hospital.

Vandebosse said doctors across Belgium have reported cases of illness after people drank Coca-Cola products. The nature and cause were under investigation.

"We have been working and continue to work around the clock to identify the reasons behind the product complaints," Coca-Cola spokesman Robert Baskin said.

He said the incident appears to be isolated to Belgium, where those who became ill reported a foul odor on the outside of the cans.

"I think what we have are symptoms of nausea likely induced by the off odor. There is no evidence that the cans or the product in the cans have caused any ill effects," Baskin said.

Health scare cited

He said tests run by Coca-Cola and an independent lab found nothing wrong with other beverages in the same vending machines. Additional test results were pending.

The sale ban for Coca-Cola came as Belgium was still reeling from revelations that cancer-causing dioxin had entered the food chain through animal feed in recent months. That led the government to ban sales of chicken, pork, beef, eggs and meat products.

Vandebosse said on the Belgium VRT radio network that the Coca-Cola ban will remain in effect until it becomes clear what the origin and nature of the contamination are.

Last week the Belgian branch of Coca-Cola announced a recall of 2.5 million bottles of Coca-Cola after the 31 schoolchildren became ill after drinking from Coca-Cola bottles.

The company said some bottles had a quality defect, which can lead to symptoms such as headaches, nausea and stomach cramps.

The soft-drink company sent researchers to the school at Bornem where students fell ill.

Coca-Cola has been active in Belgium for 70 years. It has large bottling operations in Antwerp and Ghent.

Exchange Rates

Table with columns: Currency, Selling TT & OD, Selling BC, Buying T.T. Clean, Buying OD Sight Export Bill, Buying OD Transfer. Includes rates for US Dollar, Pound, Deutsche Mark, etc.

Table with columns: TT Doc, 30 Days, 60 Days, 90 Days, 120 Days, 180 Days. Includes US Dollar London Interbank Offered Rate (LIBOR) and Exchange rates of some Asian currencies against US dollars.

Amer notes on Tuesday's market
The USD/BDT rates moved at the 48.65-48.68 level in the interbank market. The sale and supply of USD went up slightly.

Shipping Intelligence

CHITTAGONG PORT

Table with columns: No, Berth, Name of vessels, Cargo, L port call, Local agent, Date of leaving arrival. Lists various ships and their schedules.

Table with columns: Name of vessels, Date of arrival, L port call, Local agent, Cargo Loading port. Lists vessels at outer anchorage.

Table with columns: Name of vessels, Cargo, L port call, Local agent, Date of arrival. Lists vessels at Kutubdia.

Table with columns: Name of vessels, Cargo, L port call, Local agent, Date of arrival. Lists vessels at outer anchorage and ready on.



Muhammad A. Ali, General Manager and Country Head of ANZ Grindlays Bank, hands over the grand prize of the Member-Get-Member Campaign of Cards Services of ANZ Grindlays Bank to Brig. Shamsuddin Ahmed (Retd). Imran Ahmed, Head of Cards, is also seen in the picture.

ANZ awards its Member-Get-Member drive winner

ANZ Grindlays Bank handed over the grand prize to Brig Shamsuddin Ahmed (Retd), the winner of Member-Get-Member promotional campaign for credit cards run by the bank recently, says a press release of the bank.

The card services of ANZ recently held a 'Member-Get-Member Campaign' with focus on Cricket World Cup 1999.

The campaign was held amongst the existing credit card-holders in order to encourage them to promote credit cards and win additional card members for the bank.

The grand prize of this contest — two return air tickets to London — was handed over to the winner by Muhammad A. Ali, General Manager and Country Head of ANZ Grindlays Bank, at a simple ceremony held in the office of Card Services.

Small businesses' Y2K glitches may hurt US economy

WASHINGTON, June 15: The inability of small businesses to handle year 2000 glitches and failures may impact the entire US economy, a Senate committee warned Monday, reports AP.

"The nation's 14.5 million small businesses fulfill a crucial role in the country's economy, providing 51 per cent of the total private sector output," said Robert Bennett, chairman of the special committee investigating the impact of the millennium bug.

"Year 2000 failures in the small business community could be harmful and widespread," the Republican senator from Utah said in a statement.

Experts believe that some computer and electrical systems may malfunction because they will interpret the last two digits of the coming year as 1900 instead of 2000.

Oil consolidates last week's strong gains

LONDON, June 15: Oil prices stayed high yesterday consolidating last week's strong gains that were triggered by fresh optimism over OPEC measures to erase surplus stockpiles, reports Reuters.

Brent futures for August delivery settled just three cents lower in London at \$16.66 a barrel after jumping on Friday to within 40 cents of a peak this year for Brent at \$17.09.

Dealers said new reports that the Venezuelan government had settled a pay dispute with oil workers had prevented an immediate extension of the rally.

Venezuelan oil unions called off their nationwide strike call on Sunday after the government backed down on a decision to freeze oil sector wages in the world's third largest exporter.

G8 summit trip to Europe this week Clinton to focus on child labour

WASHINGTON, June 15: US President Bill Clinton wants to put a 'human face' on the global economy and address concerns about workers' rights, child labour and the poor during his G8 summit trip to Europe this week, White House official said yesterday, reports Reuters.

Clinton will condemn abusive child labour practices and discuss workers' rights in a speech to the International Labour Organisation in Geneva on Wednesday ahead of a meeting of leaders of the seven richest industrialised nations plus Russia in Germany, officials said.

Clinton's economic adviser Gene Sperling said the president would not only focus on the need for growth and economic stability in the world in his ILO speech and meetings with G8 leaders, but also on the impact the global economy has on the poor and on the need for core labour and environmental standards.

The president particularly over the last two years... has focused on international economic agenda, focused on promoting open markets, promoting global growth and stability, while at the same time putting a human face on the global economy," said Clinton economic adviser Gene Sperling.

In his speech on Wednesday, Clinton will endorse a convention under consideration at the ILO that would ban the worst forms of child labour practices and abuse — slavery, prostitution, pornography and work that exposes children to dangerous conditions.

The ILO has been drafting a document to prohibit such practices and is expected to vote on it soon. An estimated 250 million children under 14 are used as cheap labour in developing countries, the ILO says.

Clinton will be the first US president to address the ILO in Geneva since its creation in 1919, Sperling said. He is expected also to talk about the need to address labour issues and about his proposal to create an arm of the organisation that would focus on core labour standards, he said.

Sperling said the president included \$25 million in his budget proposal to help finance the proposal. Clinton has seen his trade agenda blocked by labour unions, a key Democratic support group, and hopes to ease some of their concerns about more open trade by raising workers' rights issues at international meetings. Labour unions have successfully fought Clinton's efforts to enhance trade negotiation authority from Congress.

Mosharraf visits Air Show '99 in Paris

Civil Aviation and Tourism Minister Engineer Mosharraf Hossain, now in France, visited the Air Show '99 held in Paris Monday, reports UNB.

The minister also met the Bangladeshis expatriates living in Paris, listened to their problems and assured them of all possible government help to resolve those.

Among others, Bangladesh Ambassador to France Syed Moazzem Ali and President of Paris unit of Awami League Benzir Ahmed were present.

IMCB consultants' meet held

A meeting of the leading consultants of the country was held recently at a local hotel.

The meeting, organised by the Institute of Management Consultants Bangladesh (IMCB), was participated by more than a hundred consultants, says a press release.

M Saidul Haq MBA, President of IMCB, gave a presentation on the activities of IMCB and its commitment to develop professional standards of the consultants of the country.

The meeting was presided over by Prof Hafiz GA Siddiqi, Chairman of IMCB and Prov-Chancellor of North South University Prof M Shamsul Haque, Dr A K Sayeedul Haq and A Karim were also present and delivered their speeches.

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