

# Int'l Trade Commission report says US-China WTO pact likely to increase trade gap

WASHINGTON, Sept 3: The US trade deficit with China is likely to expand after Beijing joins the World Trade Organisation (WTO), according to a US government report that could fuel opposition in Congress to China's accession, reports Reuters.

by as much as 14 per cent, the report said. US economic growth would not be significantly affected, the commission said, while a reduction in Chinese tariffs as part of a WTO trade pact would boost US exports to China by up to \$ 2.7 billion, or 10 per cent. Imports from China would increase by \$ 4.4 billion, or nearly 7 per cent.

Business groups would rather have a cheerleading piece, said Greg Mastel, director for international trade studies at the Centre for National Policy. "I congratulate the ITC economists for not turning their economic model into a (public relations) machine."

Premier Zhu Rongji's visit to Washington, China agreed to reduce tariffs, open markets and increase access in areas including agriculture, telecommunications and financial services.

## Yen causing baht swings, says Thai minister

BANGKOK, Sept 3: Volatility of the Thai currency is due to the strength of the Japanese yen and domestic political uncertainty, Deputy Finance Minister Pisit Leeahat said Friday, reports AP.

His comments followed the plunge in the Thai baht earlier this week to nearly 39 to the US dollar, after months in the 36-37 range, amid reports that a US-based fund had made a speculative attack.

## Move may fan snap polls speculation Mahathir won't attend NZ APEC summit

AUCKLAND, New Zealand, Sept 3: Malaysian Prime Minister Mahathir Muhammad will not attend this month's annual summit meeting of Pacific Rim leaders in New Zealand, officials said Friday, reports AP.

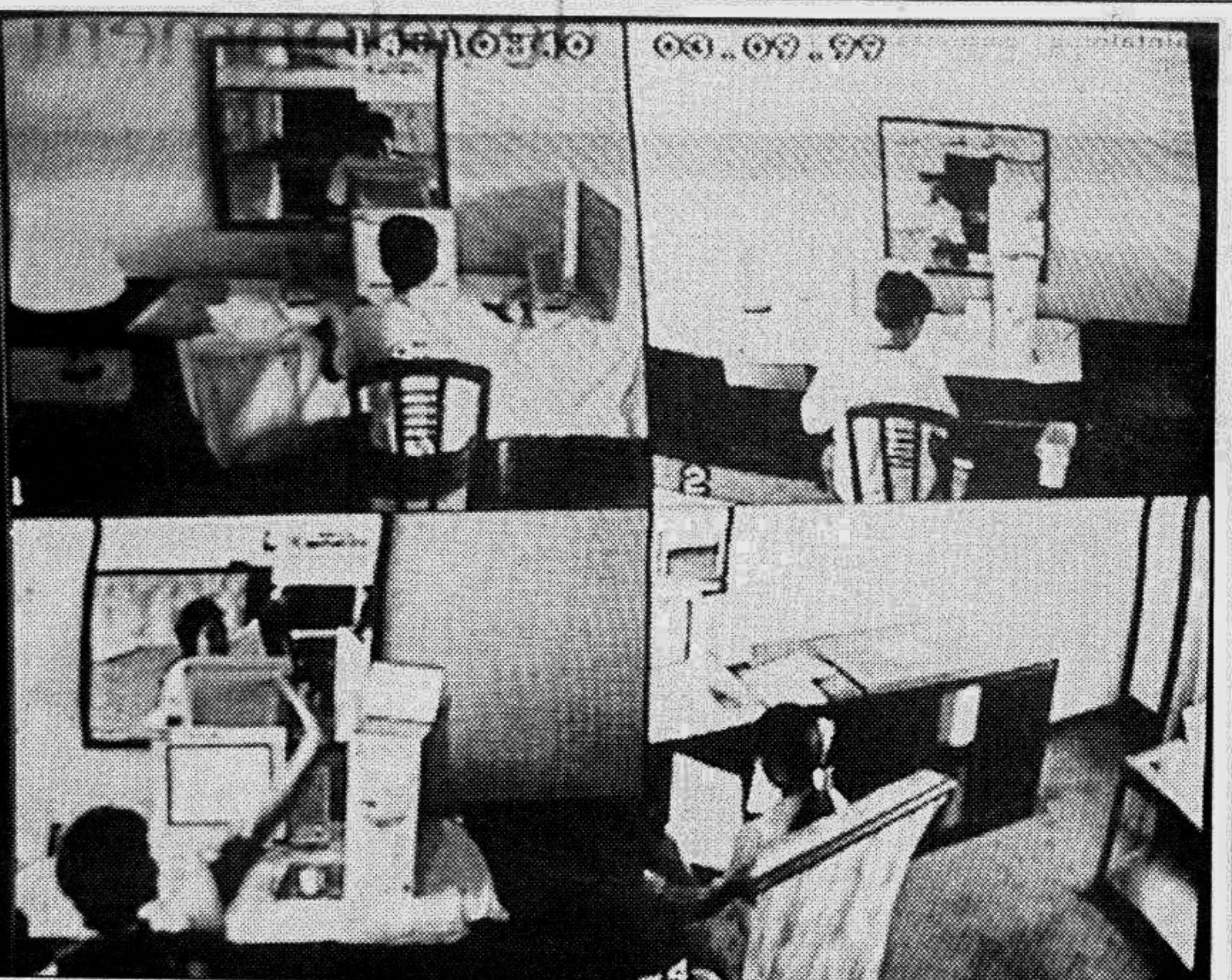
The move is likely to increase speculation that Mahathir, 73, Asia's longest serving leader, is about to call a snap general election in Malaysia.

developing countries such as those that swept the Asian region when its economic crisis began in 1997. An APEC official in Auckland said on Friday that the task force organising the forum's summit learned only recently that Mahathir will not attend it.

ter, Abdullah Ahmed Badawi, will take Mahathir's place in Auckland. The source said on condition of anonymity that the New Zealand envoy in Kuala Lumpur was called by the Malaysian Foreign Ministry and formally told about Mahathir's cancellation.

## EU, S Africa to strike trade deal in Oct

LONDON, Sept 3: The European Union and South Africa will sign a long-awaited free trade agreement on October 11 and the bulk of its provisions will be implemented from January 2000, the Financial Times reported today, reports Reuters.



Close-circuit monitors keep watch on the four Chinese cybersurfers (top clockwise) Xu Junbin, He Yiqiu, Leng Ming and Liang Bixia, as they begin their 72-hours of non-stop surfing on the Internet, in Beijing Friday. The four, chosen from thousands of applicants throughout the country, will be locked in their rooms for the three-day period and will have to survive on the net using 1,500 yuan (USD\$190.00) in cash and 1,500 yuan in electronic currency, as part of a Ministry of Information Industry experiment about life online.

# Attack of Y2K-style bug feared For better or worse, Asia awaits string of nines on calendar

TOKYO, Sept 3: Nine, in Japan, is bad. Usually. In China, it's good. Most of the time. In Myanmar next week, it could spell trouble.

patients that ends with a nine, or for that matter, with a four (a homonym in Japanese for death) or a 13.

lar, but bigger, nuptial rush occurred Aug 8, 1996, which was the year Heisei 8 according to the traditional Japanese calendar. The string of eights was seen as lucky since eight on its side is the symbol for infinity.

But not this year. Next Thursday falls within the inauspicious 'ghost month,' which is traditionally believed to be a time when dead ancestors return to the world of the living for an annual visit. Sept 9 isn't always part of ghost month because the month's observation is based on the lunar calendar.



Filipino women applying for jobs as domestic helpers in Hong Kong wait outside a recruitment agency in Manila, Friday. Despite the latest fall in the unemployment rate to 8.4 per cent in July, Filipinos keen for better opportunities still seek jobs abroad as laborers and domestic helpers. Local recruitment agencies advertise rates of USD\$ 500 per month as salary for domestic helpers in Hong Kong, which is more than double the Philippine minimum wage of USD\$ 170.00.

## Russia confident of winning \$ 4.5b IMF loan tranche

MOSCOW, Sept 3: Russian First Deputy Finance Minister Oleg Vyugin said today he was confident the International Monetary Fund (IMF) would release the next tranche of a \$ 4.5 billion loan to Russia, reports Reuters.

Asked if he was sure the \$ 640 million tranche would be forthcoming, he told Reuters Television: "Absolutely." Uncertainty has surrounded the tranche since allegations surfaced in newspapers last month that IMF money may have been involved in a money-laundering scheme.

month earlier, the Russian Statistics Agency said Friday. Inflation was 29.5 per cent for the first eight months of the year, the government statistics agency said. However, the monthly inflation rate has been coming down since a financial crisis a year ago sent prices surging.

## US auto sales rate highest in 33 years

LOS ANGELES, Sept 3: With low prices and buyers flush with cash, the US auto industry sales rate in August hit the highest level in 33 years, reports Xinhua.

Lower import volume also contributed to the plummeting of dollar demand. The market players do not expect any drastic change in dollar demand in the near future unless the import level goes up.

On Thursday, the key Nikkei average ended the Tokyo sessions up 365.92 points or 2.10 per cent to 17,892.48. At the end of the week dollar was trading at 109 yen level. Nikkei's fresh rise encouraged fresh yen-buying, but the market was a bit cautious about boosting the yen as it felt that the recent yen-buying might have been a little overdone. The dollar was slightly supported by comments made by Yoshio Suzuki, a senior member of the Liberal party, the junior partner in the Japan's coalition government, that Japanese authorities might intervene in the currency market if the pace of yen rise accelerates.

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## Libya invites foreign investment

TRIPOLI, Sept 3: In a move to open Libya's economy after years of isolation, Libyan leader Moammar Gadhafi on Thursday invited foreigners to invest in his socialist country and assured them their investments will be protected by laws, reports AP.

Gadhafi, however, warned that he would not allow investors to turn his country into another India and pursue the same "exploitative" policies that led to the 1997 financial crisis in Asia.

FRANKFURT, Sept 3: The German services sector expanded for the third consecutive month in August, growing at the highest rate in a year and continuing to generate new jobs, the Reuters German services survey showed yesterday.

NTC said the flow of new business accelerated in August and service companies were responding to rising demand by increasing employment for the fourth consecutive month.

YANGON, Sept 3: Myanmar produced a total of 1,108 million barrels of crude oil in the first four months of this year, a fall of 60,000 barrels as compared to the same period of last year, reports Xinhua.

## State-run ins firm asked to inject fund South Korean govt dubs Seoulbank 'non-viable'

SEOUL, Sept 3: South Korea's financial regulator said today the government had designated Seoul bank as "non-viable", ordered a capital reduction and asked state-run Korea Deposit Insurance Corp for a fund injection, reports Reuters.

Analysts said the Financial Supervisory Commission (FSC) decision was largely anticipated after talks to sell the troubled bank to UK-based HSBC Plc HSBA.L 0005.HK collapsed.

in principle" to sell the bank to a foreign entity, and in the meanwhile, appoint a foreign manager to run the bank.

## Myanmar produces 1m barrels of crude oil

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