

Japan readying  
new phase of  
Asia aid plan

SINGAPORE, Oct 3: Japan is preparing a second phase of its Asian assistance plan that would offer technical and development aid, a senior trade ministry official said yesterday, reports Reuters.

Himitsu Arai, Ministry of Trade and Industry (MITI) vice minister for international affairs, told Reuters the time was ripe for a "second stage" of the \$30 billion Miyazawa plan.

"During the first year, the very important measure was to provide financing," he said.

"To have a stable economic recovery (in Asia), it is necessary for Japan to provide technical assistance or human resources development assistance or... in market restructuring."

He declined to say when the new phase would be announced or whether its need would be precluded by Asian economic recovery, but said Japan could do more.

"It's time for Japan to provide (for) those areas more than before."

Arai was visiting Singapore to meet Association of South East Asian Nations (ASEAN) economic officials.

In a separate press briefing, Arai sidestepped the question of financial support, saying it must be coordinated with organisations such as the Asian Development Bank and World Bank.

Only one-third of foreign cos in China posted profits in '98

BEIJING, Oct 3: A study of tax returns showed that only one in three foreign or foreign-invested firms in China posted a profit in 1998, the official of China daily's Business Weekly reported.

The State Administration of Taxation based its calculation on income tax verifications involving 98 per cent of the foreign and foreign-invested firms in China. Of 100,922 such businesses, only 34,683 reported profits, a decrease of 2,024 compared with the year earlier, it said.

Total profits climbed 6.36 per cent from the year before to 124.3 billion yuan (\$14.9 billion) but the rate of increase slowed, the report said.

It cited Yu Shuchun of the administration's Foreign Tax Department as saying that many of the firms were too small to take advantage of economies of scale, while others suffered from poor planning and fierce competition.

Unocal finds oil,  
gas, condensate  
in Thai Gulf

BANGKOK, Oct 3: Energy giant Unocal said today it had discovered significant oil, natural gas and condensate deposits in the Gulf of Thailand, says AFP.

The discoveries came as Unocal Thailand drilled its first exploration wells in previously unexplored fields in the resource-rich Pattani basin off Thailand's southeast coast.

"We are excited about the success of our continuing exploration programme, particularly the discovery of a potentially commercial oil reservoir," said Unocal Thailand president Randy Howard.

Howard said one of the wells south of the Pattani field was "significant because it tested oil in a region where we have typically found natural gas and condensate."

"If the resources are commercial we will look at tying it into existing oil pipelines to bring this oil and gas to market," he added.

Howard noted that while the present market for gas was limited in Thailand, the discoveries could add to the country's domestic energy supplies as the economy recovers from the Asian crisis.

Mixed blessing for Asia  
if China enters WTO

LONDON, Oct 3: China's entry to World Trade Organisation (WTO) could be a broad plus for some of Asia's emerging markets but a mixed blessing for others, analysts say, reports Reuters.

Stumbling talks between Beijing and Washington on a WTO deal seem to be raising few pulse rates in financial markets. Yet analysts say a deal would have big implications for the Chinese economy, regional trade and the spectre of yuan devaluation.

"Investors are totally ignoring the WTO issue, and I think that's wrong," said Stephanie Wu, Asia fund manager at Foreign and Colonial in London. "The resumption of negotiations is an extremely positive signal."

On-off negotiations between Chinese and US trade representatives had another airing on Monday, but the day of talks failed to produce an agreement clearing the way for Beijing's accession to the world trade

body. China held out a glimmer of hope, with top trade negotiator Long Yongtu telling CNN television that China and the United States were "very close" to a deal.

But gloom at the negotiations faltering progress was reinforced when President Jiang Zemin omitted any mention of the WTO in a major speech on Monday to world business leaders.

London-based analysts said the markets appeared to be discounting Chinese accession to the WTO, and could be in for a nasty shock if there were a major setback in the talks.

"The market's not holding its breath, but if it got the wrong result it would probably gasp for breath — it would be a punch in the solar plexus," said Nick Douch, currency strategist at Barclays Capital.

Key to Asian currency markets is any whisper that China might or might not devalue its

yuan currency, an analysts said WTO membership would tend to reduce the likelihood of a devaluation.

Perhaps the biggest plus from WTO membership would be the likely rise in foreign direct investment to China.

China would benefit from fresh capital inflows and breathe new life into its stalled reform programme, analysts say.

Ironically for a trade agreement, the trade implications of Chinese entry to the WTO are less clear-cut.

Some analysts argue that China would benefit from clear access to US markets to increase its export growth and boost export-oriented companies. Others note that China already has a huge trade surplus with the United States, and further expansion may be limited on that front.

Other Asian countries could gain as China opens its markets.

Buoyant gold to save thousands  
of South African jobs

JOHANNESBURG, Oct 3: A surge in gold prices will save thousands of jobs in South Africa's mining sector but the country still needs to expand its non-gold exports for future stability, Finance Minister Trevor Manuel said yesterday, reports Reuters.

Speaking on his return from the annual meetings of the International Monetary Fund (IMF) and World Bank, Manuel also hailed a US-led debt relief programme for the world's poorest nations, saying it would help Africa tackle poverty.

The comeback (of gold prices) in important because it allows for longer planning in the industry, I believe there will be some saving of jobs, I believe there will be an impact for the future," Manuel told reporters at Johannesburg airport.

South Africa is the world's largest gold producer and despite a decline in its importance, the bullion industry still accounts for around 15 per cent of the country's hard currency earnings every year.

If the current rally is sustained, economists say, it will add billions of rand to annual export earnings, improving the balance of payments position, the outlook for the rand, interest rates and sustainable growth.

The rise may also grant a reprieve to more than 100,000 mining jobs that have been threatened by bullion's slide.

Their loss would be a cruel

blow in a country where a third of the labour force lacks formal work and millions of blacks still live in poverty five years after the end of apartheid.

South African mines are deepest, oldest and most expensive to operate in the world. Many were facing closure as bullion prices headed towards a 20-year low last month.

Manuel was cautious, saying "what remains unresolved and its subject to intense debate is the future of gold."

He added: "We need to focus on the expansion of non-gold exports. This is important for the future."

South Africa depends on foreign capital to finance investment needed to modernise its economy because domestic savings are too low.

But its exposure to world commodity price cycles, particularly gold, weakens its ability to attract the long-term capital inflows that this demands. The best solution is to broaden its source of foreign exchange earnings.

Finance Director-General Maria Ramos told the same news conference that South Africa had lobbied hard and played a role in a decision by European central banks to restrict bullion sales for the next five years.

"In some small way we helped to get people to focus on the important issues in the gold market. We talked to European central banks, to the

International Monetary Fund and to the US treasury to try to create a transparent market," she said.

Gold mining shares in Australia, South Africa and Great Britain surged higher this week after 15 central banks said they would cap annual gold sales at 400 tonnes.

The five-year 2,000-tonne total is just enough to satisfy world demand for six months. Market worries that many more central banks would dump gold as global inflation eased had driven the price down from an early 1996 peak of \$418.

Together, the European Central Bank, the 11 national central banks in the euro zone, as well as the Swedish and British central banks, control about half the world's official gold reserves.

Their decision effectively removed and lingering fears of major official sales.

Manuel also welcomed US-led moves to forgive debts owed by poor countries, saying it would help Africa, the world's poorest continent, realign its economies.

This enhances enormous opportunities for Africa. The move throws a fair amount of the spotlight on Africa."

Britain said on Thursday it would consider writing off 100 per cent of debts owed by poor countries, matching the commitment made on Wednesday by US President Bill Clinton.



SYLHET: Mahbubur Rahman Khan, Managing Director of Sonali Bank, speaks at a meeting of the officers in Sylhet on Thursday.



The Iraqi stand is adorned with portraits of Iraqi President Saddam Hussein and Iranian President Mohammad Khatami Saturday at the 25th international trade fair. More than 80 countries, 1,466 Iranian firms and 785 foreign companies are due to take part in the fair, the biggest in the country since the 1979 Islamic revolution.

'Move aims at saving own producers'  
US snipes at EU's new  
wine-labelling plan

GENEVA, Oct 3: The United States, backed by five other countries, suggested yesterday that new European Union wine-labelling restrictions were aimed at protecting its own producers against foreign competition, reports Reuters.

The complaint was submitted to a meeting of the World Trade Organisation's Committee on Technical Barriers to Trade (TBT), and diplomats said the move could be the forerunner to the eventual launch of a full-scale dispute on the issue.

"We fear the underlying objective of the EC's regulation is to protect its domestic wine producers, and as such it may pose an unnecessary barrier to trade," the submission said.

The regulation, originally due to go into effect on Friday, would have barred entry to 15-nation Union of many wines with labels or packaging containing labelling terms defined by the EU as "traditional."

Only wines from countries which had bilateral, or were part of multilateral, accords with the EU on traditional terms like "vintage," "superior," "reserve" and "extra" would be admitted to the vast EU market.

Trade sources said the complaint was backed by Australia, Argentina, Chile, New Zealand and Uruguay — all of whom, like the United States, have made inroads into Europe at the expense of French, German, Spanish and Italian wines.

Implementation  
postponed

But the sources said an EU official told the meeting the measure's implementation had been postponed to August next year, and was aimed at preventing wine producers misleading customers by improper use of the labels.

The United States itself had extensive wine labelling requirements, he added, according to the sources.

The EU was consulting on the issue with many other countries in the 134-nation WTO and was ready for multilateral discussions on labelling for consumer protection, the official said.

In its submission, the United States said what it called a host of traditional terms being barred by the EU "are used by winemakers the world over to describe the nature and quality of their own products."

But Brussels was treating them as "proprietary property" as if they were a geographical designation, it asserted.

The EU official said the measure had not been notified to the WTO, as members of the body are obliged to do if they enact any decisions affecting imports because it believed there would be no significant impact on trade.

The United States had provided no clear examples of how it would affect US wine on the EU market, he said.

S Arabia optimistic  
about joining WTO

RIYADH, Oct 3: Saudi Arabia has finished an advanced phase of its membership talks with the World Trade Organisation. Saudi Trade Minister Osama bin Jaafar al-Faqih said today, reports AFP.

There is no obstacle blocking the kingdom's membership in this organisation," the minister said, quoted by the official SPA news agency. But he did not say when Saudi Arabia will join the WTO.

Faqih submitted to the WTO in September a working plan and timetable for bringing Saudi commerce laws in line with WTO standards.

Saudi Arabia, the world's top crude oil producer, wants to join the WTO to open the world market to its powerful petrochemical industry, represented by the Saudi Basic Industries

Corp group. European and US companies oppose this, saying that SABIC receives subsidies in the form of 30 per cent reductions on purchases of gas and liquefied petroleum gas from government-owned Saudi Aramco.

SABIC says that the discount represents the rate for storage, transportation and other services Saudi Aramco provides to its foreign clients which local industries do not need as much.

Another bone of contention between the WTO and Riyadh has been investment.

Foreign investors can only hold minority shares of companies created in Saudi Arabia and they are not guaranteed visas to visit the kingdom.

In addition, the WTO demands greater transparency in registering Saudi companies.

## Shipping Intelligence

CHITTAGONG PORT  
Berth position and performance of vessels as on 2.10.99.

Berth No	Name of Vessels	Cargo	L Port	Local Agent	Date of Arrival	Leaving
J/1	Chopal-2	Fert	Belh	Apex	20/9	3/10
J/2	Well Pescadores	Wheat (P)	Sing	Rainbow	13/9	5/10
J/3	Orient Rose	G	Hald	Everett	29/9	2/10
J/4	Bulk Emerald	R Seed	Frank	MSA	3/9	3/10
J/5	Saigon-2	G	Saig	Royal	22/9	7/10
J/6	Handy Experience	G	Sing	Progr	20/9	8/10
J/7	Banglar Urmi	Wheat (G)	G	BSC	R/A	4/10
J/8	Sarah-1	G	Yang	SMSL	19/9	2/10
J/9	Neptune Akbar	Wheat (P)	Sing	FSL	15/9	5/10
J/10	Trident	G	P Said	MSA	23/9	11/10
J/11	Millenium Hawk	Wheat (G)	Sorol	Ancient	23/9	5/10
J/12	Bunga Mas Enam	Cont	P Kel	EOSL	29/9	3/10
J/13	Kota Berjaya	Cont	Sing	Pil (BD)	28/9	2/10
CCT/1	Xpress Makalu	Cont	Sing	Baridhi	27/9	2/10
CCT/2	QC Teal	Cont	P Kel	QC SL	30/9	2/10
CCT/3	Confidence	Cont	Sing	RSL	28/9	2/10
RM/14	Ever Cheer	Fert	Sing	SSTL	19/9	7/10
RM/15	Revenge	Idle	Mumb	Sunshine	3/8	7/10
CCJ	Paulina	C Clink	Pada	AMBL	25/8	4/10
GSJ	Al Bauraq	Cement	Pada	Uniship	15/9	5/10
RM/3	Salamis	CDSO	Darb	TSI	29/9	4/10
RM/6	Ervilia	HSD/SKO	Sing	ECSL	27/9	1/10
DOJ	Ocean Pride	C Clink	Lamet	Apex	30/9	14/10
DD	Bangla Birol	Repair	Sing	BDShip	13/9	4/10
DD/1	Banglar Asha	Bunker	-	BSC	R/A	2/10
RM/8	Banglar Kailol	Idle	Mumb	BSC	25/9	10/10
RM/9	Phaethon	Repair	Durb	OWSL	10/6	15/10
CULFJ	Mary Nour	Cement	Mala	BSC	25/9	5/10

Name of Vessels	Date of Arrival	L Port	Local Agent	Cargo	Loading Port
Teresa Everett (48) 9/9	4/10	Yang	Everett	Wheat	GI
Mira	2/10	-	MSA	Wheat (P)	-
Santa Rosa	3/10	Rouven	Ancient	Wheat (G)	-
Bold Alliance	4/10	Uniship	-	Cement	-
Bunga Mas Lapan (Cont) 22/9	3/10	P Kel	EOSL	Cont	Sing
Jurong Balsam (Cont) 26/9	3/10	Sing	NOL	Cont	Sing
Ultima (Cont) 23/9	4/10	Sing	QC SL	Cont	Sing
Banglar Shikha (Cont) 23/9	4/10	Sing	BSC	Cont	Sing
Clifton-II	4/10	Bang	SSTL	GI (WT Cement)	-
Delos	4/10	Mad	JF	Scrapping	GI
Rainbow Joy (48) 20/9	4/10	Pera	ASA	GI (St Coll)	-
Xiang Ching	4/10	-	BDShip	GI	-
Al Marzan	5/10	-	BESL	In Ballast (DD)	-
Brave Pescadores (48) 29/9	7/10	-	Everett	-	-
Pacific Eagle (48) 29/9	9/4	-	Everett	-	-
Pelcas K	7/10	-	Uniship	Cement	-
Mariana	8/10	-	Uniship	GI (Dap)	-
Sun Bright	6/10	-	Uniship	Cement	-
Kota Cahaya (Cont) 26/9	6/10	Sing	Pil (Bd)	Cont	Sing
QC Mallard (Cont) 26/9	8/10	Sing	QC SL	Cont	Sing
Leona	10/10	-	Progr	-	-
Hickory	8/10	-	Karna	GI	-
Bangla Biraj (Cont) 26/9	9/10	Sing	BDShip	Cont	Sing
Da Fa (Cont) 7/9	9/10	Sing	RSL	Cont	Sing
Tiger River (Cont) 26/9	10/10	Sing	Nol	Cont	Sing

HHM	2/10	Atlantic	Bitumen In Bulk
Global Mars	4/10	TSI	CPO

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Energy Explorer-IV	-	-	BBAL	5/4
Ismaya	-	-	BBAL	17/8
Smit Lloyd-74	-	-	BBAL	R/A (16/9)
Seabulk Eagle	-	-	-	R/A (30/9)
Seabulk Command	-	-	IBS	R/A (23/9)
Golden Gate	Wheat (G)	Houst	Lams	25/9
Arcadia	Wheat (G)	Mong	Lams	26/9
Delos-1	Wheat (G)	Mad	Lams	29/9

Vessels at Kutubdia	Ready on
Kuanyin	Wheat (P)
Ric Express	G
Ilun Bassam	GTSP
Panglina	G
Banglar Mookh	Wheat (G)
Kota Singa (Cont)	Cont
Banglar Gourab	Wheat (G)
Aya-2	G
Eliza (Cont)	Cont
Jaami (48)	G
QC Pintail (Cont)	Cont
Kota Naga (Cont)	Cont
Xpress Padma (Cont)	Cont

Vessels not ready	Vessels awaiting instruction
Thor Star	Wheat (P/G)
Ocean Wave	Cement
Ken Koku	C Clink
Ince-B	GTSP

Vessels awaiting instruction	Vessels not entering
Ritz	Rice (P)
Xing Ye	Rice (G)
Delta Star	-
Tasmila	-
Youngly	-
Banglar Shourabh	-
Banglar Jyoti	-
Banglar Maya	-
Barge Magarita	-

Vessels not entering	Movement of vessels for 3 & 4-10-99
Diglipur	Scrapping
Saturn	Scrapping
Mega Sun	Scrapping
Karya Sentosa	Rice (G)

OUTGOING	INCOMING	SHIPPING
3/10	J/1	Chopal-2
J/1	J/12	Kota Naga
J/4	J/12	X Padma
J/12	J/4	Ilun Bassam
J/13	J/4-10	Ric Express
RM/6	CCJ	Ekn Kok
CCJ	Paulina	-

OUTGOING	INCOMING	SHIPPING
4/10	J/3	Jaami
J/3	J/3	Sarah-1
J/2	J/3	QC Pintail
CCT/3	N/B	Eliza
J/3	N/B	Salamis
J/4	CCT/3	B Urmi

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

## Commodity: Weekly Roundup

## Oil stable on OPEC production cutback optimism

LONDON, Oct 3: Oil prices stabilised after the heavy gains seen of late amid continued market optimism surrounding the production cutbacks pledged by the Organisation of Petroleum Exporting Countries (OPEC), reports AFP.

Brent North Sea crude prices on the International Petroleum Exchange (IPE) rose slightly to 23.75 dollars a barrel for November delivery, from 23.68 dollars last week.

Brent had hit its highest level for more than two and a half years midweek at 24.30 dollars a barrel.

On the New York Mercantile Exchange (NYMEX), light sweet crude prices fell to 24.51 dollars a barrel from 24.87 dollars.

US prices had risen above 25 dollars on Wednesday, the highest level since January 1997.

Prices were buoyed by figures showing a sharp fall in US oil stocks, which dipped by 4.3 million barrels in the week to September 24 to a new two-year low, according to US government figures.

American Petroleum Institute figure showed a fall of 3.68 million barrels to 305.1 million barrels of crude.

Both sets of data showed a bigger-than-expected decline.

Prices have been well bid

since OPEC agreed late last month to carry through production cutbacks of 1.7 million barrels a day until March 2000.

**Rubber:** Flat. Rubber prices traded in a narrow range as dealers awaited the next move from Thailand, which has threatened to withdraw from the International Natural Rubber Organisation.

Thailand, like Malaysia, had threatened to pull out of INRO in protest at the organisation's inability to buoy prices. The two countries produce 60 per cent of the world's natural rubber.

While Malaysia's departure from the group is seen by dealers as a foregone conclusion, Thailand has until October 13 to make up its mind.

Poor weather in Malaysia's growing regions lifted prices slightly.