

US plunge hits Asian shares hard Asian economies set to ride out stock storm

Panic selling sweeps markets across region

SINGAPORE, Apr 17: Asian stock markets were clobbered today after last week's sell-off on Wall Street, with the Nikkei average in Tokyo sliding eight per cent and setting the stage for a steep tumble in Europe, says Reuters.

Worries that US stocks could be in for another hammering today dragged the dollar down 1.5 yen in Tokyo, but traders said falling Japanese stocks should limit the yen's progress.

US Treasuries climbed as fears of further falls in equities attracted investors to fixed-income instruments.

In afternoon Tokyo trade, the 30-year bond US30YT RR was at 107-4/22, yielding 5.7489 per cent against a US close of 106-18/32.

Panic selling swept Asian stock markets after the biggest ever point-loss hit the Dow Jones industrials on Friday, driving Tokyo down 8.6 per cent, Seoul 11 per cent, Hong Kong and Singapore around eight per cent, and stripping five per cent off Sydney.

Taiwan proved the only beacon of hope in the storm, ending the day 1.4 per cent higher. The market fell 5.42 per cent on Saturday.

"The key thing is that investor psychology has changed from greed to fear," said HSBC Australia equity strategist John Banos, suggesting there was more pain to come for new economy stocks.

Asia's "new economy" technology stocks took their cue from a 9.67 per cent slide in the Nasdaq composite index and plunged in nearly every market. "I think the trend for new economy, or technology, stocks will not only be weaker this week but over the next three months," Banos said.

The three key US indices — the Dow Jones industrials, DJI, Nasdaq, IXC and S&P 500, SPC — all recorded their biggest ever one-day point declines on Friday, sliding 5.66 per cent, 9.67 per cent and 5.78 per cent respectively.

Spurring the rout was economic data showing US inflation running at its fastest in five years.

Evidence that inflation is looming in the United States prompted the panic sell-off, said Lee Jae-ho, an analyst at Daewoo Securities in Seoul.

In Chicago, June Nasdaq 100 futures fell the overnight limit of 110-points on GLOBEX trade.

setting the scene for more possible losses in US trading later in the day. June Standard & Poor's 500s slipped 22.00 points to 1,345.50.

The dollar dropped to 103.94/4.40 yen JPY at 0528 GMT, easing from a high of 105.60 yen as fears mounted over a possible further slide in US stocks and despite unconfirmed rumours that the Bank of Japan was in the market.

It had stood at 104.75 yen in late US trade on Friday.

Tokyo stocks plunged on a one-two punch from sharp losses in US stocks and a planned reshuffle in the components of the Nikkei average, traders said.

The business daily Nihon Keizai Shimbun, or Nikkei, said at the weekend it would change 30 component stocks of the key 225-share index on April 24, prompting investors to dump the outgoing stocks in a market already under pressure.

"The timing could have been better," said Kathy Matsui, chief equities strategist at Goldman Sachs in Tokyo.

However, the Tokyo market's underlying uptrend appeared

intact despite the morning's sharp losses, said Hidenori Karaki, an equities general manager at Tokyo Mitsubishi Personal Securities, referring to the Nikkei announcement.

"Late last year, most of us forecast the Nikkei to be at around this level at about this time of year. Once knee-jerk selling cleared out, buyers will come back to the market for relatively cheap, domestic demand-related stocks," he said.

The Nikkei average, N225, was off earlier lows but still down 7.9 per cent to 18,819.43 by early afternoon. Core high-techs were big losers.

Key high-tech maker Sony Corp 6758.T was off earlier lows but still down 8.9 per cent at 12,090 yen. Other tumbling electronics groups included Fujitsu Ltd 6702.T, down 11.95 per cent, NEC Corp 6701.T, down 10.95 per cent, and Toshiba Corp 6502.T, down 8.0 per cent.

Hong Kong's benchmark Hang Seng stock index, HSI, punched below the 15,000 level for the first time since January 25, reaching 14,818.66 — a drop of 8.2 per cent or 1,324 points — after two minutes of trade.

By morning end it stood 8.5 per cent lower at 14,771.28.

TOKYO, Apr 17: Call them incurable optimists, but economists expressed confidence today that Asia's economies could withstand reasonably well the shock of sliding stock prices, reports Reuters.

To be sure, an economic slowdown in the United States resulting from a slump on Wall Street would be a severe test of Asia's post-crisis growth model of export-led growth coupled with increasing reliance on equity financing rather than bank lending.

But economists said Asia's improved fundamentals, including current account surpluses, low inflation and much-reduced debt loads, should cushion the blow, especially as quicker growth in Japan looks set to compensate for any weakening in US demand.

Furthermore, except for Hong Kong and, to some extent, the Philippines, an expected tightening of US monetary policy ought not to have direct con-

sequences for Asian interest rates now that most countries have adopted flexible exchange rates.

"Every time you get a moderation in exports or a cyclical downturn it's wrong to start talking about a meltdown in the Asian economies," said Duncan Woodbridge of Merrill Lynch in Hong Kong.

Exports accounted for about 30 per cent of the six per cent growth chalked up last year by non-Japan Asia, and the United States is still the region's main export market.

But Woodbridge said dependence on the United States was decreasing as regional trade ties thickened.

"If we begin to assume worst-case scenarios for the US economy, it will have a dampening effect on the region, but my guess is that it would not be nearly as pronounced as it would have been 10 to 15 years ago because intra-Asian trade is more important than trade with the US at this point."



Members of the Board of Directors of Fuchs-GHL Lubricants (BD) Ltd are seen at a meeting held at a city hotel on Friday. —Fuchs-photo

Fuchs-GHL Lubricants Board meets

The 4th Board of Directors' meeting of Fuchs-GHL Lubricants (BD) Ltd was held at Pan Pacific Sonargaon Hotel in the city on Friday, says a press release.

Dr Lutz Lindemann of Fuchs Petrolub AG, Mannheim, Germany presided over the meeting.

The Board discussed at length the company's operational as well as marketing performance of Lubricants & Specialties during last year.

It expressed satisfaction over the performance of the company during the period and approved different investment and business proposals for the year 2000.

The first Bangladesh-German joint Venture Lubricating Oils & Grease Blending Plant went into operation in March 1999.

ROK president to carry on with reforms

SEOUL, Apr 17: South Korean President Kim Dae-jung said today he would press on with his corporate and financial restructuring agenda and sought bipartisan cooperation for an historic North-South summit in June, reports Reuters.

Speaking to the nation following last week's parliamentary elections, in which the opposition consolidated its position as the single largest party, Kim vowed to wrap up his economic reform programme this year.

"The government would proceed with incessant restructuring, not only in the financial and corporate sector, but in the public sector," Kim said in the televised speech.

The government would go ahead with the privatisation of

state-run companies and remained committed to making Korea "the number one country" for foreign investors, Kim said.

He said the government would try to keep consumer prices, interest rates and the local equity market stable.

The opposition Grand National Party (GNP) won 133 seats in the 273-seat National Assembly in Thursday's elections, a gain of 11 seats that left it four shy of a majority in the unicameral legislature.

But Kim's Millennium Democratic Party (MDP) picked up 17 seats to take its total in the new assembly to 115, giving the president some justification to claim an electoral endorsement of a reform programme that has helped pull the economy out of its biggest crisis since the Korean War.

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to major currencies					
Currency	Selling TT & OD	Selling BC	Buying T Clean	Buying OD Sight Export B/L	Buying OD Transfer
US Dollar	51.2390	51.2700	50.8100	50.6570	50.5850
Pound Stg	81.7067	81.7705	80.4780	80.2356	80.1216
Deutsche Mark	25.7089	25.7250	24.7058	24.6314	24.5664
Swiss Franc	31.7509	31.7756	31.0860	30.9924	30.9483
Japanese Yen	0.4946	0.4950	0.4854	0.4849	0.4833
Dutch Guilder	22.8171	22.8349	21.9268	21.8608	21.8297
Danish Krona	6.6120	6.6172	6.4710	6.4515	6.4423
Australian \$	31.4501	31.4747	30.1252	30.0345	29.9918
Belgian Franc	1.2465	1.2474	1.1978	1.1942	1.1925
Canadian \$	35.0722	35.0996	34.0618	33.9592	33.9110
French Franc	7.6655	7.6715	7.3664	7.3442	7.3338
Hong Kong \$	6.5912	6.5963	6.5112	6.4916	6.4823
Italian Lira	0.0260	0.0260	0.0250	0.0249	0.0248
Norway Krone	6.0670	6.0718	5.9599	5.9519	5.9435
Singapore \$	30.3945	30.4183	29.4295	29.3409	29.2992
Saudi Rial	13.6964	13.7071	13.5108	13.4701	13.4510
UAE Dirham	13.9662	13.9971	13.7951	13.7535	13.7340
Swedish Krona	5.9521	5.9568	5.8781	5.8604	5.8520
Qatari Riyal	14.1118	14.1228	13.9156	13.8737	13.8540
Kuwaiti Dinar	172.8699	173.0049	160.5371	160.0537	159.8292
Thai Baht	1.3508	1.3519	1.3369	1.3329	1.3310
Euro	50.2822	50.3215	48.3203	48.1749	48.1063

Bill buying rates					
TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
50.7112	50.3866	49.9632	49.5398	49.1163	48.2695

US dollar London Interbank Offered Rate (LIBOR)											
Buying (\$)	Selling (\$)	Currency	1 Month	3 Months	6 Months	9 Months	12 Months	Buying (\$)	Selling (\$)	Currency	1 Month
50.5850	51.2300	USD	6.13000	6.28125	6.5000	6.70500	6.81750	50.1216	81.767	GBP	5.94281
50.1216	81.767	GBP	5.94281	6.24125	6.41875	6.57109	6.70109	Cash TC	Cash TC	EUR	3.76000
Cash TC	Cash TC	EUR	3.76000	3.91813	4.06000	4.22813	4.32913				

Exchange rates of some Asian currencies against US dollars					
Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
43.637/43.642	61.895/61.900	37.90/37.95	3.7995/3.8005	7665/7695	1113.6/1113.8

Amex notes on Monday's market
The interbank USD/BDT market was moderately active on Monday. Average USD/BDT rate traded between 51.1500 and 51.1550. Interbank call money market was moderately active. Average call rates ranged between 6.00 and 6.25 per cent today.

The dollar was weak on Monday after falling to two-week lows against the yen and 1-1/2 week lows against both the euro and Swiss franc, undermined by risks of further US stock market losses after last week's plunge. On Friday, the Dow Jones Industrial Average suffered its largest one-day point loss ever and the Nasdaq Composite Index fell almost 10 per cent on Friday. It traded its worst week on record, shedding over 25 per cent of its value. There was little help for the dollar from the statement following Sunday's group of seven finance ministers and central bank governors' meeting which omitted any specific reference to the yen, euro or dollar, saying that "exchange rates among the major currencies should reflect economic fundamentals." Against the yen, the dollar was holding near 103.60, the lowest it has traded since April 3. The Swiss franc had gained more than 1/2 per cent against the dollar, firming to 1.6210. Meanwhile, euro/dollar had firmed around 1/2 per cent to 0.9669/71, its highest since April 5.

At around 1009 GMT the exchange rates of major currencies against USD were GBP/USD 1.5896/1.5906, USD/CHF 1.6318/1.6328, USD/JPY 103.70/103.73, EUR/USD 0.9605/0.9607.

Shipping Intelligence

Chittagong port
Berth position and performance of vessels as on 17.4.2000

Berth No	Name of vessels	Cargo	L port call	Local agent	Date of arrival	Leaving
J/1	Gotze Delvhev (48)	GI (St. C)	Chen	BBA	14/4	18/4
J/2	DU Man Gang	Rice (P)	Hochi	Total	4/4	21/4
J/3	Ocean-1	GI (Log)	Yang	SMSL	11/4	18/4
J/4	Jaami	GI (Log/P)	Yang	Cross	11/4	20/4
J/5	Won San	GI (YMA)	Xing	Total	5/4	23/4
J/6	Agia Dynati	Wheat (p)	Hand	Angelic	3/4	21/4
J/7	Pu cheng	Ca	Shang	Bdship	9/4	18/4
J/10	AFA	Cash	Sing	RSL	16/4	19/4
J/11	Ocean Prayer	Cont	BAB	SBS	4/4	20/4
J/12	Xpress Resolve	Cont	Sing	RSL	13/4	19/4
CCT/1	OSG Argosy	Cont	Col	Everett	15/4	18/4
CCT/2	QC Mallard	Cont	Sing	QCSL	12/4	18/4
CCT/3	Kota Naga	Cont	Sing	Pil (BD)	13/4	18/4
GSJ	Banglar Mamata	Repair	-	BSC	R/A	23/4
TSP	Chem Trader	IDLE (Oil)	Kila	Unique	1/4	
DOJ	Banglar Jyoti	Repair	-	BSC	R/A	17/4
RM/8	Sarah-1	Repair	-	SMSL	R/A	18/4
RM/9	Banglar Robi	Repair	-	BSC	R/A	20/4
CUFLJ	Mary Nour	Cement (Scan)	Lang	BSL	10/4	22/4

Vessels due at outer anchorage

Name of vessels	Date of arrival	L port call	Local agent	Cargo	Loading port
Ever Wealthy (48) 5/4	17/4	-	Everett	GI (St. Coll)	-
Seabulk Carol	17/4	Sing	Arafen	GI (P Equip)	-
Imabari Glory	17/4	Cal	MBI	Urea	-
Arabella (Cont) 6/4	17/4	P Kel	QCSL	Cont	Sing
Banglar Shikha (Cont) 9/4	17/4	Sing	BSC	Cont	Sing
Bangla Birol (Cont) 5/4	17/4	P Kel	BD Ship	Cont	Sing
Jurong Balsam (Cont) 9/4	17/4	Sing	NOL	Cont	Sing
Altair	19/4	-	Lutful	GI (Bridge Mat) Cont	-
A A Venture	19/4	-	CLA	Rice (P)	-
QC Pintail (Cont) 11/4	19/4	-	CLA	Cont	Sing
Xiang Jiang	19/4	-	BD Ship	GI	Chin
Xpress Makulu (Cont) 11/4	26/4	Sing	RSL	Cont	Sing
Rainbow Joy (48) 12/4	20/4	S Hal	ASA	GI (St. Coll)	-
Banga Bijoy (Cont) 11/4	21/4	-	BD Ship	Cont	Sing
San pablo	21/4	-	JF	Vehi	-
Banga Biraj (Cont) 30/2	22/4	-	BD Ship	Cont	Sing
Kota Cahaya (Cont) 11/4	22/4	Sing	Pil (BD)	Cont	Sing
Spring Trade	22/4	-	Everett	Cont	-
Jaya Mars (Cont) 12/4	22/4	-	Everett	Cont	Col
Orient Lilac (48) 5/4	23/4	-	Everett	GI (St. Coll)	-
Jin Cheng	23/4	-	BD Ship	GI	-
Xpress Padma (Cont) 15/4	24/4	Sing	RSL	Cont	Sing
Chu Hong (Cont) 15/4	24/4	-	QCSL	Cont	Sing
Orient Lilac (48) 5/4	24/4	-	Everett	gl (St. Coll)	-
Brilliant Pescadores (48) 5/4	24/4	-	Everett	gl (St. Coll)	-
QC Teal (Cont) 15/4	25/4	-	QCSL	Cont	Sing
Achiever (Cont) 15/4	26/4	Sing	RSL	Cont	Sing
New Success	26/4	-	Prog	GI	-
Mergui	30/4	Yang	MTA	Rice (P)	-

Tanker due					
Name of vessels	Cargo	L Port call	Local agent	Date of arrival	
Hell As Renaissance	17/4	-	Atlantic	HSD	-
Amer Energy	27/4	Citra	Atlantic	HSD/JP-1	-
GAZ Kandla	20/4	Mad	MBL	-	-

Vessels at Kutubdia

Name of vessels	Cargo	L Port call	Local agent	Date of arrival	
Energy Explorer-IV	-	-	BBAL	5/1	
Ismaya	-	-	BBAL	17/8	
MFB Devi Matha	-	-	BBAL	24/10	
MFB Sona	-	-	BBAL	24/10	
MFB Lakshmi	-	-	BBAL	24/10	
Borge Oak-6	-	-	BBAL	R/A (28/11)	
Tug Magaria	-	-	BBAL	R/A (28/11)	
Tug Damara Sakti-108	-	-	BBAL	R/A (28/11)	
Tug Damara Sakti-108	-	-	BBAL	R/A (28/11)	
SMT Lloyd-74	-	-	BBAL	R/A (28/11)	
DEA Chamption	-	-	Arafen	R/A (16/4)	
Spiros	C Oil	Jebb	BSL	14/4	
Banglar Shourabh	C Oil	-	BSC	R/A (16/4)	

Vessels at outer anchorage

Ready on					
Performance-9	CFO	Pena	TSL		
Yusuf K	CDBO	RI	TSL	16/4	
Pranedy Pratama	F Oil	Sing	CTPL	16/4	
Kota Berajaya (Cont)	Cont	Sing	Pil (BD)	16/4	
OSG Alpha (Cont)	Cont	Sing	RSL	17/4	

Vessels not ready

Name of vessels	Cargo	L Port call	Local agent	Date of arrival	
Makmur Perkasa	Cement	Tanj	Jaycee	8/4	
Marine Express	Cement (IT)	Tenker	Total	9/4	
Dai Hong Dan	Rice (P)	Sigon	SBS	11/4	
Delko-1	Cement	Tanj	Jaycee	13/4	
Azlon Andriane	Wheat (P)	Turk	Total	15/4	
Sammui Frontier	C Clink	Sing	ANCL	15/4	
Alpine	Maize	Yang	SMSL	16/4	

Vessels awaiting instruction

Banglar Gourab	-	-	-	R/A (18/3
Banglar Urnil	-	-	BSC	R/A (18/3
Banglar Moml	-	-	BSC	R/A (13/4
Banglar Kakoli	-	-	BsC	R/A (16/4