

India removing decades-old barriers to US products

Clinton, Vajpayee sign 'vision statement'

NEW DELHI, Mar 21: India is removing decades-old barriers against hundreds of US products and slashing import duties on high technology ranging from cell phones to computers, reports AP.

And, as India planned the first visit by an American president in two decades, the US Export-Import bank announced guarantees of up to \$1 billion in loans as an incentive for small and midsize Indian companies to buy American products.

India is hoping to build on that economic climate during US President Bill Clinton's visit.

Clinton and Indian Prime Minister Atal Bihari Vajpayee on Tuesday signed a 'vision statement' calling for closer economic cooperation. The president said they agreed 'to bring more jobs and opportunity to our people, to accelerate trade between us.'

For most of the past 52 years

since independence, India pursued a socialist economic pattern of state-run enterprises, nationalisation of banks, investment in heavy industry and tariffs that protected local, but less skillfully made, products.

India still has a long way to go in eliminating red tape, corruption, bribery, and suffocating paperwork before it is attractive to Western business.

The world's two largest democracies, India and the United States, had two-way trade of \$10 billion in 1998-99, and US exports to India are growing by 15 per cent.

US-India ties suffered a major setback after the United States and other western countries imposed economic sanctions following India's testing of nuclear devices in 1998. Neighboring Pakistan, which Clinton is visiting briefly, was also placed under sanctions that forbid bank loans and severely limit investment.

The idea of globalisation is finally taking hold.

Two Indian software companies, Infosys and Satyam, have had highly successful listings on the NASDAQ stock exchange. Azim Premji, head of an Indian computer company, Wipro, has been rated among the five richest people in the world.

An Indian company, Tata Tea, this month bought British tea giant Tetley in a \$433.6 million deal. British tea plantations had been a symbol of India's colonisation.

"The risks in India are because of the slowness of our system. It is the hassle factor," said Gurcharan Das, an economist. He does not expect rapid change, as experienced by the so-called Asian Tiger economies of Southeast Asia.

"India will not be a tiger. It will be an elephant, hopefully a wise elephant." The democratic

process slows you down," Das told The Associated Press.

Slowness is practically a byword for doing business in India.

In January, the US power giant Cogentrix, based in Charlotte, North Carolina, abandoned a \$1.3 billion, 1,000-megawatt electricity project in the southern state of Karnataka after seven years of delays in getting government clearances and legal wrangles.

Government ministers go abroad and scout for investment like good salesmen, said Anand Seth, joint director of the federation of Indian Export Organisations. "But when the investors arrive in the country they are confronted with bureaucratic delays and corruption," he said.

Consequently, during the past year India received less than 17 per cent of the \$10 billion in foreign investment the government had counted on.

Kuwait, Venezuela agree to raise output OPEC Secy Gen sees \$24 a barrel as desired price

DUBAI, Mar 21: The Organisation of Petroleum Exporting Countries should increase production just enough to achieve a desired price of \$24 a barrel, OPEC Secretary General Rikman said in remarks published Tuesday, reports AP.

"The organisation should only raise production enough to achieve the targeted price, which should be around \$24 a barrel," the daily Al Itihad quoted Rikman as saying in Vienna.

He said OPEC was studying global supply and demand levels on which it will base its output decision at its meeting March 27 in Vienna. Current figures, he said, indicate that demand will drop by 2.8 million barrels a day in the second quarter of this year.

He also said that western oil stocks are not disturbingly low when compared to stocks at the same time last year, which were very high because of cheap oil. Compared to 1996 stock levels, current stocks are not a cause of panic for OPEC, he added.

In agreements signed in 1998 and 1999, OPEC and non-OPEC producers jointly remove about 5 million barrels a day from the

market through March 31, 2000, to boost oil prices. The move sent oil prices surging from \$17.72 a barrel on Dec. 10, 1998 to a nine-year high of \$34.20 earlier this month.

AFP says from Kuwait City: Kuwait and Venezuela agreed yesterday in the principle of an increase in oil production but not on the volume as OPEC members prepare for decisive talks next week.

"We are in agreement and there is no conflict, but we did not agree on an exact percentage" for an increase, Oil Minister Saad Nasser Al-Sabah told reporters after talks with Venezuelan Energy Minister Ali Rodriguez.

The Venezuelan said OPEC could adopt 'price bands' to try to stabilise the oil markets. If prices rose above the upper limit, production would be increased, if they dropped under the lower limit, production would be eased.

"This is an idea in order to guarantee market stabilisation, but it is only an idea — we are discussing all the possibilities," Rodriguez explained.

He arrived in Kuwait overnight after consultations

in Iraq and Iran as part of a regional swing ahead of OPEC's ministerial meeting in Vienna.

"We are consulting with all members of OPEC to take the better decision at our meeting on March 27," he said in English.

Rodriguez was to pursue his consultations Tuesday in Algeria and then Libya, countries which oppose a boost in production in answer to US calls to calm the roaring markets.

Prices fall

Another report says from London: The price of oil fell yesterday following a series of comments raising expectations that OPEC ministers will increase production at a Vienna meeting next week, reports AFP.

In London, the price of Brent North Sea crude for May delivery fell 53 cents to 26.03 dollars a barrel.

In New York, light sweet crude for April closed at 30.91 dollars a barrel on Friday.

GNI Research said weekend comments "underscore consumer demands for higher production and producer acknowledgments of these needs."

Taiwan lawmakers approve bill on direct trade with China

TAIPEI, Mar 21: Taiwan's legislature passed a bill on Tuesday that would pave the way for direct trade and transport links between some of Taiwan's outlying islands and China, says AP.

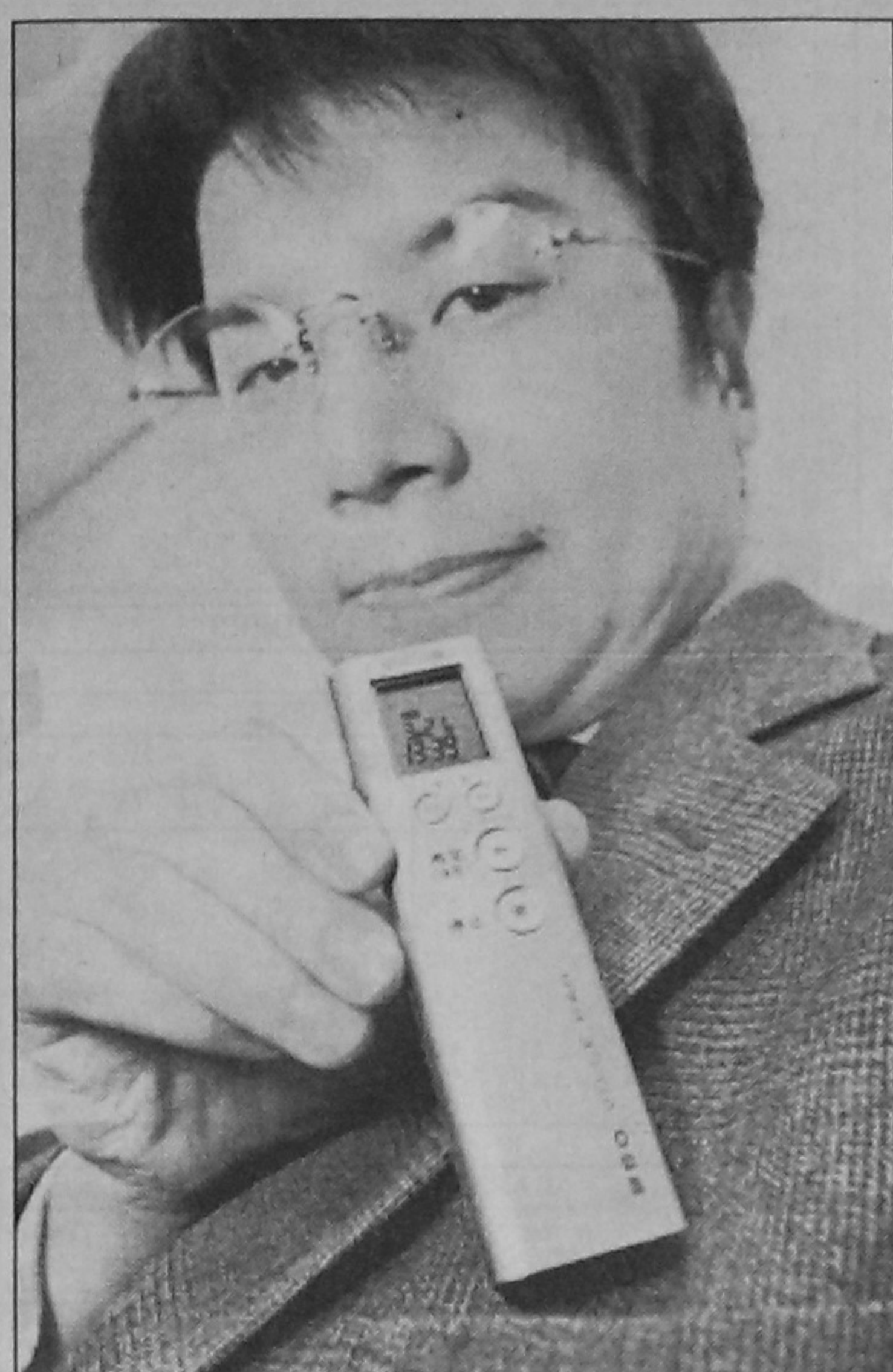
The largely symbolic bill calls for direct flights between the small islands of Kinmen, Matsu and Penghu to the mainland, but a more comprehensive bill has to be proposed by Taiwan's cabinet before Tuesday's bill can take effect.

The bill reflects a popular desire to overturn a ban on direct transportation and communication links that has been in place since both sides split amid civil war in 1949.

China and Taiwan have been governed separately since Chiang Kai-shek's Nationalists fled Mao Tse-tung's Communists, and Beijing has repeatedly threatened war if Taipei tries to break away permanently.

On Monday, president-elect Chen Shui-bian repeated his willingness to end the ban on direct links if it did not compromise Taiwan's security.

In Beijing, Sun Yuxi, a foreign ministry spokesman, reiterated China's position Tuesday, saying Beijing would sit down with Chen only if he first recognized Taiwan as being an integral part of China.



Japanese electronics giant Toshiba employee Takashi Tanaka displays the pen shaped IC-memory audio recorder "Voice Bar DMR-850W," which can record eight hours 51 minutes and weighs 33 grams, at the company's head office in Tokyo Tuesday. Toshiba will put it on the domestic market next month with a price of 30,000 yen (285 USD). —AFP photo

PBEC meet opens with talks on corporate responsibility

HONOLULU, Mar 21: A lone protester held a sign outside the Hawaii Convention Centre, the only sign of unrest at the start of the three-day international business meeting of the Pacific Basin Economic Council, says AP.

Event organisers said they learned a lesson from the street clashes that marred the World Trade Organisation's meeting in December in Seattle, so this agenda includes a discussion on corporate responsibility in an increasingly globalised economy.

"The belief among businessmen that provided we make profits everything will be all right is really being challenged now," said Helmut Sothen, chairman of the Honolulu-based council. "We have to be a little more conscious to produce a civil society in which all members are comfortable and happy."

While being more inclusive, businesses also need to become more aggressive in selling the benefits of a market-driven global economy so detractors are not the only ones pushing their message, said Robert Lees, secretary-general of PBEC.

"Today, questions about increased globalisation are being raised with increased urgency, threatening to undermine the broad-based consensus and support of multilateral trade and investment liberalization which PBEC has worked so hard to support and encourage," he said.

WTO director general Michael Moore tried to address some of the criticisms of his organisation, including charges its appointed members work in secret, favour developed nations over developing nations and have no social conscience.

The WTO presently is working on a plan to help the world's

worst economies and is trying to improve internal communications problems that have fostered the wrong impression of the organisation, Moore said via a video hookup.

He also said business must be more vocal in supporting reduced trade restrictions between nations and expanded global trade.

"Let's reassess our beliefs that free economies and open societies do better. They deliver better outcomes, more jobs, better human rights, better environmental outcomes than the alternatives," Moore said.

He cited statistics showing the number of people living in absolute poverty has fallen from 415 million in 1987 to 137 million now, with living standards improving and fewer people dying of starvation and hunger.

Thirty-five years ago, one Thai resident in six had access to clean drinking water. Now it's four out of five, Moore said.

Thirty years ago, Korea's statistics in just about every category were worse than most African countries. Now it's a rising economic power.

"We look at the lessons of those countries that have done better, that have had the best results. They are societies and economies that have been bold and been open," Moore said.

But Moore didn't say enough to impress PFI President RRT Mara who wanted a more direct confrontation of the criticisms.

"I was very interested in the nine points Mr Sothen identified as complaints against the WTO. I expected more from Moore than what he gave," Mara said. "Many of the underdeveloped countries believe in those nine points and until we get a very good answer to them, they probably won't get our support."

Malaysia to prosecute bankers for violating codes of secrecy

KUALA LUMPUR, Mar 21: Malaysia's central bank said it would prosecute bank workers who violate codes of secrecy after the government accused opposition supporters of posting bank information on the Internet, reports AP.

Bank Negara, or the Central Bank, said in a statement issued late Monday that it was "working closely" with the two banks accused of staffing opposition supporters and would "leave no stones unturned in the pursuit of the offenders."

The move comes amid a crackdown in the state of Malacca, where the local government has blacklisted doctors, lawyers and contractors for allegedly supporting the opposition.

The Malacca government, which is ruled by the party of Prime Minister Mahathir Mohamad, closed million-dollar accounts at two banks last week, saying employees aided the opposition in November's general elections. Some staff were accused of circulating financial transactions of state officials on the Internet.

"Bank Negara will not hesitate to prosecute anyone found to have breached" a national banking secrecy act, the central

bank said in a statement.

Offenders of the provision, known as the Banking and Financial Institutions Act, could face a three-year prison term and a fine of 3 million ringgit (\$789,000), the central bank said.

Malacca's Chief Minister Mohamed Ali Rustam said last week that his government would withdraw accounts worth 40 million ringgit (\$10.5 million) from the banks concerned.

The two banks — Bumiputra Commerce Bank and Bank Islam — have said they were investigating the claims and have appealed to Ali Rustam to reconsider.

Lim Kit Siang, chairman of the opposition Democratic Action Party, on Monday called on Mahathir to put an end to Mohammed Ali's "political witch hunt."

Mohammed Ali is preaching a new intolerance in Malaysian politics, equating support for the opposition in democratic elections with disloyalty akin to a crime," Lim said in a statement.

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to major currencies.					
Currency	Selling TT & OD	Selling BC	Buying T T Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	51.2300	51.2700	50.8100	50.8700	50.8650
Pound Stg	80.6207	80.6836	79.4008	79.1617	79.0492
Deutsche Mark	25.8739	25.8941	24.9665	24.7816	24.7464
Swiss Franc	31.1126	31.1369	30.4689	30.3772	30.3340
Japanese Yen	0.4833	0.4837	0.4745	0.4730	0.4724
Dutch Guilder	22.9535	22.9615	22.6005	21.9941	21.9628
Danish Krona	6.7350	6.7420	6.5914	6.5716	6.5622
Australian \$	31.7267	31.7515	30.4250	30.3334	30.2903
Belgian Franc	1.2545	1.2554	1.2051	1.2015	1.1998
Canadian \$	35.2508	35.2783	34.2316	34.1285	34.0600
French Franc	7.7147	7.7207	7.4113	7.3990	7.3785
Hong Kong \$	6.5933	6.5965	6.5133	6.4937	6.4844
Italian Lira	0.0261	0.0262	0.0251	0.0250	0.0250
Norway Kroner	6.1126	6.1173	6.0144	5.9963	5.9877
Singapore \$	30.1743	30.1979	29.2213	29.1333	29.0919
Saudi Rial	13.6979	13.7086	13.5122	13.4715	13.4524
UAE Dirham	13.9966	13.9975	13.7954	13.7539	13.7344
Swedish Krona	5.9403	5.9450	5.8665	5.8488	5.8405
Qatari Riyal	14.1168	14.1279	13.9186	13.8767	13.8570
Kuwaiti Dinar	172.9166	173.0516	166.0301	166.1195	166.0619
Thai Baht	13.505	13.515	13.373	13.3333	13.314
Euro	50.600	50.6445	49.6150	49.6666	49.6997

Bill buying rates					
TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
50.7112	50.3866	49.9632	49.5368	49.1163	48.2595

US dollar London Interbank Offered Rate (LIBOR)					
Buying (\$)	Selling (\$)	Currency	1 Month	3 Months	6 Months
50.9660	51.2300	USD	6.0925	6.2100	6.4125
79.0492	80.6207	GBP	6.0516	6.2189	6.4039
Cash/TC	Cash/TC	EUR	3.6262	3.7700	3.9675

Exchange rates of some Asian currencies against US dollars					
Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
43.562/43.570	518.95/519.0	37.85/37.88	37.995/38.005	746.07/748.0	1116.3/1116.7

Amex notes on Tuesday's market
The interbank USD/BOT market was active. Average USD/BOT rate traded between 51.14 and 51.1500. Interbank call money market was active on Tuesday. Liquidity was added to the market as 28-days T-bills matured worth BDT 6.48 billion. As a result, call rates came down to as low as 5.50 per cent. Average call rates ranged between 5.75 and 6.50 per cent.

In London market on Tuesday, the euro gained 0.2 cents against dollar after stronger-than-expected IFO survey. West German February IFO business climate index rose to 100.9, above expectations and vs upwardly revised 100.2 in January. Euro also gained against yen, within 1/4 yen of day's 103.79 peak.

The dollar gave back some of its recent gains against the yen on Tuesday as Japanese economic data reinforced perceptions that the nation's economy was on a recovery track and as concerns over tensions between China and Taiwan subsided. Worries over military tension across the Taiwan Strait had briefly supported the dollar after the victory of a pro-independence candidate in Saturday's Taiwanese presidential election. The yen drew some support in early trade from the Ministry of International Trade and Industry's all-industry index — a measure of economic activity closely watched by economists to gauge gross domestic product — which rose 0.5 per cent in January after a 0.4 per cent gain in December.

Pound little changed across board after UK Feb retail prices came in broadly in line with analysts' forecasts. Feb RPLX was up 2.2 per cent from 2.1 per cent in Jan and expected 2.1 per cent. Underlying inflation remains below the Bank of England's target. Sterling holds within 1/2 cent of Monday's 8-month low of \$1.5645 and within 1/4 pence of a three-week low of 62.07 pence vs Euro also hit on Monday.

At around 1015 GMT the exchange rates of major currencies against USD were GBP/USD 1.5679/1.5687, USD/CHF 1.6574/1.6584, USD/JPY 106.54/106.64, EUR/USD 0.9722/0.9727.

Shipping Intelligence

Chittagong port					
Berth position and performance of vessels as on 21.3.2000					
Berth No	Name of vessels	Cargo	L port call	Local agent	Date of Leaving
J/1	Eco Ekram	GL(Birt)	Babb	MSA	11/3 25/3
J/2	Banglar Mamata	Rice(P)	Kara	PSA	7/3 24/3
J/3	Ocean Pride	GL(Malte)	Yang	PSA	15/3 30/3
J/4	Jiang Chuan	GL	Dale	Bdship	9/3 24/3
J/5	Tamdhur	GL(Copra)	Sing	MSA	8/3 24/3
J/6	Daeb Gemma	GL(Peas)	Sing	Seaglor	3/3 26/3
J/9	Isparita	Rice	Kara	Uniship	8/3 22/3
J/10	Sonali	Urea (G)	Dubai	OWSL	5/3 24/3
J/11	Banga Buoy(Flag)	Cont	Sing	Bdship	17/3 23/3
J/12	Paraskevi My	Wheat(P)	Durb	Total	28/2 23/3
J/13	Jurong Balsam	Cont	Sing	Nol	16/3 23/3
CCT/1	Osg Argosy	Cont	Col	Baridhi	18/3 22/3
CCT/2	Xpress Makulu	Cont	Sing	RSL	16/3 23/3
CCT/3	Kota Naga	Cont	Sing	Pil(BD)	13/3 21/3
RM/14	Dan Yang	Urea(G)	Sing	BNSC	23/2 -
RM/15	Sun Bright	Cement	Jaka	SBS	4/3 24/3
CSJ	Banglar Robi	Repair	-	BSC	R/A 25/3
GSJ	Thank God	C.Clink(Diamond)	Pada	PSA	24/2 28/3
TSP	Tiaetela	Ruap	Babb	Seacom	3/3 24/3
RM/4	Dewan-1	Urea(G)	Juba	AMBL	12/3 27/3
RM/5	Ocean Jewel	Hsd	Sing	Atlantic	15/3 21/3
RM/6	Banglar Doot	Bunker	-	BSC	R/A 22/3
DOJ	Banglar Shourabh	C.Oil	-	BSC	R/A 21/3
DD	Banglar Mookh	Repair	-	BSC	R/A 25/3
RM/8	Sarah-1	-	-	SMSL	R/A 25/3
RM/9	Banglar Kallol(Onion/Damaged)	-	-	BSC	R/A 25/3
CUFLJ	Mary Nour	Cement(Scan)	Lang	BSL	18/3 29/3

Vessels due at outer anchorage					
Name of vessels	Date of arrival	L port call	Local agent	Cargo	Loading port
Wira Wilaya	21/3	Sing	Arafeen	P Mat	-
Al Mustaba	21/3	B.Abb	Clia	GL(Buttun Drums)	-
Jon Jin	21/3	TSP	SBS	Cement	-
Banga Bira(Cont)10/3	23/3	-	Bdship	Cont	Sing
Orient Independence	-	-	-	-	-
(Cont)12/3	22/3	-	Bdship	Cont	Sing
Jaya Mars(Cont)15/3	22/3	CBO	Baridhi	Cont	Col
Allegro	22/3	Krabi	RML	C.Clink(Ruby)	-
Ja Gang	22/3	Tst	SBS	Cement	-
Freedom-K	22/3	Koshi	NWSL	C.Clink(Aramit)	-
Qc Mallard(Cont)12/3	25/3	-	QCSL	Cont	Sing
Chu Hong(Cont)19/3	24/3	-	QCSL	Cont	Sing
Brother Star(Roro)24/9/3	24/3	Sing	JF	Vehi	-
Alpine	27/3	Yang	SMSL	GI	-
Martina	27/3	Yang	SMSL	Rice&GL	-
San Mateo(Roro)24/5/3	25/3	P.Kel	JF	Vehi	-
Asean Express	25/3	-	Prog	GI	-
Kota Singa	25/3	Sing	Pil(BD)	Cont	Sing
Qc Teal(Cont)19/3	26/3	-	QCSL	Cont	Sing
Xpress Resolve(Cont)20/3	27/3	Sing	RSL	Cont	Sing
Osg Alpha(Cont)20/3	27/3	-	RSL	Cont	Sing
Da Fa(Cont)20/3	28/3	-	RSL	Cont	Sing
Kengtung48/15/3	28/3	-	Everett	GL(St.Coll)	-
Qc Pintail(Cont)20/3	29/3	-	QCSL	Cont	Sing
Kota Berlaya (Cont)20/3	30/3	Sing	Pil(BD)	Cont	Sing
Ocean Prayer	3/4	-	SBS	GL(Butt in Drum)	-

Tanker due
