

# OPEC agrees to hike output

## Pact to lower oil prices, Saudi minister hopes

VIENNA, Mar 29: OPEC oil exporters agreed to raise output limits yesterday, says Reuters. The Organisation of the Petroleum Exporting Countries said nine members, excluding Iran, would immediately turn up the taps to 1.45 million barrels daily, or seven per cent, reinstating output curbs made a year ago. The pact came after heavy pressure from OPEC's biggest customer the United States to ease the price of oil and avert a slowdown in economic growth in the West. Saudi Oil Minister Ali al-Naimi said he hoped to see the price of North Sea Brent in the range of \$20-\$25 a barrel. This decision was made in the interests of producers and consumers in a prudent way. It will have a positive impact and moderate prices," he said. In Washington, President

Bill Clinton said of extra supply: "In the aggregate it could be sufficient to get production and consumption back in alignment," he said. Analysts said they expected oil prices, already on the slide from recent highs, falling quickly into the \$20-\$25 range. "This will mean extra supply and have a negative impact on oil prices," said Gary Ross of Petroleum Industry Research Associates. "We're going to see a stock-build in the second quarter. I would not be surprised to see Brent at \$21-\$22. Ross said: "The United States was pressing hard for a substantial increase and most in OPEC were in favour of a big increase. Iran has expressed its displeasure at this political pressure. Non-OPEC Mexico and Norway, having cooperated with OPEC in cutting exports when

prices crashed, are shortly expected to announce their own increases. Denouncing US pressure but fearing loss of market share, Iran announced Wednesday it would increase oil production after initially refusing to accept an agreement signed by nine other OPEC members to boost the world's crude supplies. The announcement, made by Iran's representative to OPEC, Hossein Kazempour Ardebil, came one day after OPEC agreed to boost crude oil output by 6.3 per cent, a figure industry analysts say offers scant relief for consumers staggered by skyrocketing prices for gasoline. If Iran increases production by the full 264,000 barrels a day it would have been required to do under the Tuesday OPEC agreement, the cartel would boost total output by 7.5 per

cent over the ceiling set when it cut production last year. The Iranian official said his government initially balked at going along with the rest of OPEC to protest American pressure on the cartel, Iran had questioned whether there was such a shortage of crude oil that they needed to increase production by as much as the Saudis and Kuwaitis had insisted. "The US intervention was beyond expectations," he said. "Never in the history of OPEC has this been experienced before." Ardebil, however, said Iran feared a loss of market share if it refuses to join others in raising production. "We will do our proportion from the current agreement," Ardebil said. "We are not going to give up our share, and beyond that, we will wait and see."

# Asia to benefit from oil output increase

TOKYO, Mar 29: OPEC's agreement to raise oil output should nip in the bud the threat of a pick-up in imported inflation in energy-hungry Asia as the region's recovery gathers pace, economists said today, says Reuters. They said the pact, agreed by nine members of the Organisation of Petroleum Exporting Countries except Iran, would also reduce the risk of a sharp rise in interest rates in the United States with its spillover effects in Asia. Saudi Oil Minister Ali al-Naimi said he hoped the 1.45 million barrel-per-day increase would push crude prices down to \$20-\$25 a barrel compared with recent peaks above \$30. "This comes at a time when we were beginning to see some upward pressure on the inflation front, so that will definitely at least help to moderate expectations and fears going forward," said Tzu Ping Tan, an

economist with JP Morgan in Singapore. Asia has coped remarkably well with the tripling of oil prices over the past year. The huge slack created by the region's 1997 economic crisis and generally firming currencies have put a damper on price pressures. But Tan said evidence was starting to come through in countries such as Thailand and oil-push inflation that the OPEC deal, if implemented, would alleviate. Graham Courtney, who covers Asian economics for Warburg Dillon Read in Tokyo, agreed. "It's good news for the entire region. Those countries where there hasn't been any structurally based fear of demand-pull inflation nevertheless did have this cloud of import price-induced inflation over them," he said.

# Exchange Rates

Following is yesterday's forex trading statement by Standard Chartered Bank, Dhaka.  
Central Bank USD/BDT Rate: Buying—BDT50.85/Selling—BDT 51.15

TT/OD	Selling		Buying	
	BC	Currency	TT Clean	OD Slight
51.2250	51.2600	USD	50.8200	50.6516
0.4913	0.4916	JPY	0.4709	0.4693
31.1228	31.1441	CHF	30.3186	30.2181
30.3790	30.3997	SGD	29.0865	28.9901
35.7417	35.7661	CAD	34.4729	34.3587
5.9925	5.9967	SEK	5.8954	5.8936
32.4510	32.4732	AUD	29.6291	29.5299
13.6255	13.6348	MYR	13.2327	13.1898
6.6135	6.6180	HKD	6.4937	6.4722
13.7698	13.7792	SAR	13.4430	13.3965
14.0620	14.0716	AED	13.7210	13.6756
0.0463	0.0463	KRW	0.0455	0.0454
82.0368	82.0629	GBP	80.3312	80.0650
49.8419	49.8760	EUR	47.9741	47.8151

Usance Export Bills

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
50.7152	50.4023	49.9846	49.5042	48.9621	47.8126

Exchange rates of some Asian currencies against US dollar

Indian Rupee	Pak Rupee	Thai Baht	Mal. Ringit	Indo. Rupiah	NZ Dollar
43.54	51.89/51.90	37.89/37.93	3.7995/05	7430/7445	0.4872/82
43.64					

US Dollar

	Buying		Selling	
	1 Month	3 Months	6 Months	12 Months
Cash rates	50.65	51.25	50.85	51.15
TC	50.6	51.2	50.85	51.15

Market Commentary  
On Wednesday, demand for US dollar continued to strengthen. In the money market, liquidity continued to cap on the call money rate. The call money rates, ranged between 5.5 and 6 per cent. In the international markets, euro weakened against US dollar. On the other hand, yields on European government bonds rose as weak euro outweighed the positive impact of a OPEC agreement to lift oil production curbs. A decline in French business sentiment was also seen helping bonds but analysts said that the data remained strong and the impact was limited.



Mutual Trust Bank Limited and Flora Systems Limited signed an agreement on Tuesday for implementing "Flora Bank" software in banking operations of all the branches of the bank. The picture shows Mosharraf Hossain, Managing Director of the bank, and M Nurul Islam, Chairman of Flora Systems (middle), exchanging the documents of the agreement.

# Mutual Trust Bank, Flora sign software deal

Mutual Trust Bank Ltd and Flora Systems Limited signed an agreement on Tuesday to implement the "Flora Bank" software developed by Flora Systems Limited, says a press release. Mosharraf Hossain, Managing Director of MTBL, said that by signing the software agreement, Mutual Trust Bank Ltd and Flora Systems Limited started a journey towards improvement of its service. Nasiruddin Ahmed, Executive Vice President of MTBL, said the bank has a vision for the new millennium and signed this agreement in order to translate those objectives into reality. Mohammad Nurul Islam, Chairman, Flora Systems, said Flora Systems Limited have come up with "Flora Bank" in the market at a time when the need for integrated, online, real-time banking software was felt most acutely. Mustafa Rafiqul Islam, Managing Director of Flora Systems, expressed strong determination for smooth operation of "Flora Bank" at all branches of all the banks. Tapan Kantil Sarkar, Executive Director of Flora Systems Ltd, said Mutual Trust Bank can now design to position its branches with speedy and accurate information management systems for controlling every aspects of banking operation.

# More Indian firms may enter US stock market

BOMBAY, Mar 29: Big American markets and eager investors will drive more Indian companies to list in the United States, analysts said Wednesday after ICICI Bank listed on the New York Stock Exchange, reports AP. ICICI Bank, allotted the symbol IBN, on Tuesday became the second Indian company to list on the NYSE. The first was the parent company, ICICI, which listed six months ago. Two Indian software companies, Infosys and Satyam Infoway, have had highly successful listings on the NASDAQ stock exchange. Ramchandra Patil, managing director of the National Stock Exchange, India's largest, said higher visibility would prompt many more companies to list abroad. "America is a huge market and the New York Stock Exchange is the biggest in the world. There is tremendous liquidity. Companies would like to be seen there and to raise money," Patil told The Associated Press. "Now globalisation has started in a real way with Indian companies going abroad to raise money." India began economic reforms in 1991 aimed at dismantling its 'socialist-style' economy. Patil said listings abroad helped Indian companies like Infosys tap lucrative software business. Companies can also list at a premium, compared to Indian exchanges. ICICI Bank, which priced its American Depository Shares at \$11 each, saw them surge 27 per cent to \$14. The shares were priced at rupees 240 each, when they opened on the New York Stock Exchange at 43.60 to the dollar; this meant a 5.5 per cent premium to the five-day average of the stock's price on the Bombay and National Stock Exchanges. Analysts believe Indian companies are now more likely to turn to the American market than Europe due to faster appreciation and the heightened interest of individual US investors in technology stocks. Sixty-three Indian companies have issued Global Depository Receipts and are listed on the Luxembourg and London exchanges. Reliance, an Indian petrochemicals giant, was the first Indian company to issue a GDR in 1992. More recently software firm SSI Ltd raised \$100 million through a GDR issue last week. "Basically this is the fastest way to raise money. Indian software firms can now be valued in line with international stocks and can use this to buy companies in the US market," said Sushant Mazumdar, research analyst at merchant bank, SSKI.

# China-EU WTO talks begin

BEIJING, Mar 29: Chinese Premier Zhu Rongji met European Union Trade Commissioner Pascal Lamy today for crucial talks on China's entry to the World Trade Organisation, reports Reuters. The 80-minute meeting at the start of Lamy's second day of negotiations on a bilateral deal which would remove the last major stumbling block to Beijing's 14-year quest for WTO membership, was redolent with significance. Eleventh-hour intervention by the reformist Chinese premier was instrumental in the landmark deal China sealed with the United States in November after marathon negotiations in Beijing. But Lamy's spokesman Anthony Gooch said the latest talks were still at an early stage and the two sides were now ready to get down to the "nitty-gritty" of delicate political talks. Lamy would resume talks with Trade Minister Shi Guangsheng in the afternoon. "It's early days," Gooch told Reuters. "I can see us certainly being here until the end of the week." "We've met with the Prime Minister and I think that's a reflection of the importance that the Chinese side gives to our presence here, and to the objec-

tive that we both have in mind which is to do our level best to come out with a bilateral deal at the end of our time here," he said. China's official Xinhua news agency quoted Trade Ministry officials as saying Zhu's talks with Lamy were "friendly and frank," but gave no further details. Lamy, who officials say would walk away from the talks if he thought that a satisfactory deal could not be reached, earlier declined to be drawn on the prospects of a breakthrough. And he appeared lukewarm about his opening two-hour session of talks with Shi on Tuesday. Progress in that session was "constructive enough for us to resume today" Lamy told reporters, as he left his hotel for the meeting with Zhu. He declined further comment on the talks, which the EU hopes will produce a pact that goes slightly further than Washington's November agreement in opening China's potentially vast market of 1.3 billion people. EU officials have said outstanding areas of difficulty included services, telecommunications, life insurance, banking and distribution. The two sides have expressed optimism that a deal can be done in Beijing, but both have also suggested they are unwilling to move far from their present positions on how far and how fast China should open its markets. Chinese media have reported that a WTO deal was "within striking distance", but it repeated assertions by senior trade officials that Beijing was unlikely to give more to the EU than it had to the United States. Gooch described the Tuesday meeting, part of the third set of China/EU negotiations this year, as "frank and constructive." "Both sides have got totally out of the starting blocks, but that's as far as we've got and we've got a number of hurdles to get across until we can see the finish line," Gooch said. Shi said at the start of the talks he hoped that through "mutual understanding and mutual accommodation, we will be able to reach a win-win agreement." EU officials have declined to say how long Lamy would remain in Beijing, but said he would not hesitate to return to Brussels without a deal. The last round of trade talks ended in disagreement in February with China saying a deal was close.



DCCI Director, Manzur-ur-Rahman (Ruskin), addresses the inaugural ceremony of a day-long training workshop on "Customs Documentation and Harmonized System Classification of Commodities" organised by the Business Advisory Service (BAS) Project of DCCI-GTZ Partnership Programme at DCCI Auditorium Monday. Project Coordinator of the BAS Project Micheal K Nathan, Co-convenor of DCCI Business Institute and Project Development Standing Committee Data Magfur, resource person Sheikh Mohammad Farid and DCCI Secretary Mirza A Matin were also present. — DCCI photo

**BJMC Advertisement**  
**Tender Notice**

Galbra-Habib Limited, Barabkunda, Chittagong invites sealed quotations from genuine foreign suppliers/manufacturers or their agents in Bangladesh for import of EN48A Alloy Steel Square Bar and Chromel Alumel Thermo Couple Wire under 22nd Japanese Debt Relief Grant (1st Tranche) or any other available source of foreign exchange on C&F (C) Chittagong basis.

Tender to be dropped in the tender box kept at (1) Planning Division, BJMC, Adamjee Court, Motijheel C/A, Dhaka (2) BJMC Zonal Office, Sattar Chamber, 99, Agrabad C/A., Chittagong (3) Project Office, Barabkunda, Chittagong within 12:00 Noon on 08/05/2000 and will be opened at 12:30 PM on the same day in presence of tenderer, if any. In case of government holiday stands due or any other circumstances beyond control occurs on the opening date specified above, then tenders will be opened at the same time and place on the next working day without referring any notice.

Tender schedule with full details of requirement, specification, terms and conditions can be obtained excepting opening date from (1) General Manager (A&F), BJMC, Adamjee Court, Motijheel C/A, Dhaka (2) Manager (A&F), BJMC Zonal Office, Sattar Chamber, 99, Agrabad C/A., Chittagong and (3) Manager (A&F), Galbra-Habib Ltd., Barabkunda, Chittagong on payment of Taka 100/00 (non-refundable) per set.

Earnest money @1% of the quoted value but not less than Tk. 1000/00 (refundable) to be submitted alongwith the quotation in the form of Pay Order/Bank Draft favouring Galbra-Habib Limited. The Management reserves the right to accept/reject any or all quotations without assigning any reason whatsoever.

BJMC-130 Date: 21/3/2000  
DFP-6935-23/3

**Emirates launches flight to Sydney**

Emirates' first flight to Sydney took off from the Dubai International Airport on March 26, inaugurating a new service to the airline's second destination in Australia, says a press release.

Emirates flies daily between Dubai and Melbourne via Singapore.

Emirates operates four flights a week to Sydney via Singapore, with the brand-new Airbus A330-200 configured in three classes of 18 seats in First Class, 42 in Business and 183 in Economy. The aircraft can also carry 13 tonnes of cargo in addition to a full passenger load.

Sheikh Ahmed bin Saeed Al Maktoum, Emirates' Chairman, led a top level delegation in the inaugural flight. Tim Clark, Emirates' Chief Director Airline, Ghaith Al Ghaith, Commercial Operations Director, and senior airline personnel were also the delegation members.

The new Sydney service offers "Emirates" passengers the added convenience of selecting their ports of entry and exit in Australia, reducing the number of connections required and the overall flying times.

Sydney and New South Wales have already gained considerable awareness among travellers from the Gulf region. Emirates Holidays, the airline's leisure management division, has been featuring vacation programmes to Sydney and New South Wales since 1996. With Sydney as the second Australian gateway, Emirates Holidays expects even higher demand for these vacations.

# US House leader sees vote on China deal in May

WASHINGTON, Mar 29: US House of Representatives Majority Leader Dick Armey said yesterday he hoped to schedule a May vote on President Bill Clinton's landmark trade agreement with China and expected it to pass, reports Reuters. The Clinton administration and its allies have been pressing the Republican leadership for weeks to set a "date certain" for a vote, arguing it would help shore up Democratic support for the market-opening pact. If a vote is not held by May, they warned, the trade agreement could become bogged down in election politics any may have to be set aside until next year. "What we need... is for the Republicans to set a date," White House spokesman Joe Lockhart said on Tuesday. "I don't think this should be used as a partisan issue in an election year and the vote should be delayed for political reasons." Though Armey said he wanted the House to vote on the pact in May, he added, "I can't

guarantee it." The Texas Republican said the onus was on Clinton to round up 90 Democratic votes to ensure House passage. The trade agreement, a crucial piece of Beijing's application to join the World Trade Organisation (WTO), calls on China to open a wide range of markets, from agriculture to telecommunications. In exchange for China opening its markets, Clinton says Congress must grant Beijing permanent normal trade relations (NTR)—a status that would guarantee Chinese goods the same low-tariff access to US markets as products from nearly every other nation. US Senate support is virtually assured, but it faces stiff opposition in the House from union leaders, who have demanded that China improve labour standards and human rights before joining the Geneva-based WTO. The administration concedes it is in for an uphill fight. One of Clinton's closest allies in the House, Representative Robert Matsui of California, warned on Monday that Democratic support for the pact was eroding because of labour's intense lobbying campaign. "It's going to pass," the influential Ways and Means Committee member said. But he added: "It may not be this year." To shore up Democratic support, Lockhart said Clinton would call about a dozen lawmakers, this week urging them to back permanent trade relations with China. The White House is also expected to press House Speaker Dennis Hastert, an Illinois Republican, and Arroyo to announce a May vote. "Until there is a vote scheduled, it's difficult to get members to commit," said Representative Cal Dooley of California, leader of the centrist New Democrat coalition. Representative Charles Stenholm of Texas said an "overwhelming majority" of the "Blue Dog" Democrat coalition would also support permanent NTR. The conservative group has 30 members.

# Shipping Intelligence

**Chittagong port**  
Berth position and performance of vessels as on 29.3.2000

Berth No	Name of vessels	Cargo	L port call	Local agent	Date of arrival	Leaving
J/1	Ocean Pride	Gr(Malzee)	Yang	PSAL	15/3	1/4
J/2	Ocean Line-2	Rice(P)	Kara	OWSL	16/3	2/4
J/3	Al Murtaba	Gr(BBT)	B Abb	CLA	21/3	1/4
J/4	Hual Yang	G	Chin	Prog	18/3	3/4
J/6	ASEAN Express	G	Sing	Prog	25/3	2/4
J/7	Dewan-I	Urea (G)	Juba	AMBL	12/3	31/3
J/10	Freedom -K	C Clink	Koshi	NWSL	23/3	3/4
J/11	Lima-1	R seed	Lapa	Seagroy	20/3	3/4
J/12	QC Mallard	Cont	P Kel	QC SL	27/3	31/3
J/13	Chu Hong	Cont	Sing	QC SL	25/3	29/3
CCT/1	Banga Biraj	Cont	Sing	BD Ship	25/3	30/3
CCT/2	Xpress Resolve	Cont	Sing	RSL	28/3	31/3
CCT/3	Kota Singa	Cont	Sing	PH(BD)	25/3	31/3
RM/14	Thank God	C Clink	Pada	PSAL	24/2	2/4
CCJ	Allegro	C Clink	Krabi	RML	22/3	2/4
GSJ	Kithira	Idle	Darb	Rainbow	9/3	31/3
TSP	Hyok Sin	R Rhos	JHEJ	Atlantic	21/3	3/4
MR/4	Alam Kembong	Cop/Rbd	Sanda	Seallif	28/3	1/4
RM/5	Ocean Dragon	MS	Sing	Atlantic	29/3	1/4
DOJ	Asia Lion	HSD	Rawa	ECSL	21/3	30/3
DOJ	Banglar Mookh	Repair	-	BSC	R/A	30/3
DDJ/1	Smit Lloyd-74	-	-	BBAL	R/A	-
RM/8	Sarah-1	-	-	SMSL	R/A	30/3
RM/9	Banglar Robi	Repair	-	BSC	R/A	2/4
CUFLJ	Mary Nour	Cement (Scan)	Larg	BSL	18/3	30/3

**Vessels due at outer anchorage**

Name of vessels	Date of arrival	L port call	Local agent	Cargo	Loading port
OSG Alpha(Cont)20/3	29/3	-	RSL	Cont	Sing
Martina	30/3	Yang	SMSL	Rice&G	-
Kota Naga (Cont) 21/3	30/3	Sing	PH(BD)	Cont	Sing
OSG Argosy (Cont) 24/3	30/3	CHO	Baridih	Cont	Sing
Shun An (48) 22/3	31/3	Mong	RML	Gr&C&P Equal	-
Kangtung (48) 15/3	31/3	-	Everett	GHST, Coll	-
Banga Biraj (Cont) 21/3	31/3	-	BD Ship	Cont	Sing
Norbuk Namir	31/3	-	Sentrans	Cement	-
Rich Dety	31/3	-	Sentrans	Cement	-
Edovia	31/3	UAE	UMTL	Scraping	-
Banglar Shikha (Cont) 26/3	1/4	Sing	BSC	Cont	Sing
Trias	1/4	T Prk	Jaycee	Cement	-
Kota Berjaya (Cont) 20/3	1/4	Sing	PH (BD)	Cont	Sing
Agla Dynati	1/4	Band	Angelic	Wheat(P)	-
QC Pintall(Cont)20/3	2/4	P Kel	QC SL	Cont	Sing
Triumph Hong Kong (48) 22/3	3/4	Yang	Everett	GI (ST Coll)	-
Ocean Prayer	3/4	SBS	Sentrans	GI(Bit in Drum)	-
Jurong Balsam (Cont) 27/3	3/4	Sing	NOL	Cont	Sing
Alpine	4/4	Yang	SMSL	G	-
Banga Bijoy (Cont) 24/3	5/4	-	BD Ship	Cont	-
Kota Cahaya (Cont) 27/3	5/4	Sing	PH (BD)	Cont	Sing
Ever Brisk (Cont) 27/3	5/4	Sing	QC SL	Cont	Sing
Xpress Padma (Cont) 27/3	5/4	Sing	RSL	Cont	Sing
Xpress Makalu (Cont) 27/3	5/4	Sing	RSL	Cont	Sing

**Tanker due:**

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Nol Areis	30/3	KUWA	ECSL	HSD
Dadabhai Naoroji	31/3	Sing	Atlantic	HSD
Amer Energy	5/4	-	Atlantic	HSD/JP-1

**Vessels at Kutubdia**

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Energuy Exdplorer-IV	-	-	BBAL	5/4
Ismaya	-	-	BBAL	17/8
MFB Devi Matha	-	-	BBAL	24/10
MFB Sona	-	-	BAAL	24/10
MFB Lakshmi	-	-	BBAL	24/10
Barge Cok-6	-	-	BBAL	R/A (28/11)
Tug Magarita	-	-	BBAL	R/A (28/11)
Tug Dharma Sakti-108	-	-	BBAL	R/A (28/11)
Seabulk Command	-	-	IBS	R/A (27/2)
Dea Champion	-	-	Arafeen	R/A (18/3)

**Vessels at outer anchorage**

**Ready on**

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Australia-II	CDSO	Toama	Seacom	15/3
Al Shams	C Clink	Krabi	RML	25/3
Asha Maman	R Rhos	Shen	Seacoast	26/3
Prosperitas	CDSO	MAD	Rainbow	27/3
Yong Jiang	GI	Sing	Bdship	28/3
QC Teal (Cont)	Cont	P Kel	QC SL	28/3
Da Fa(Cont)	Cont	P Kel	RSL	29/3
Performance-9	CPO	Pena	TSL	29/3

**Vessels not ready**

Name of vessels	Cargo	DPKR	MHC SL	Date of arrival
Ja Gang	Cement	Padra	Viking	23/3
Al Bauraq	Cement	Padra	Viking	29/3

**Vessels awaiting instruction**

Name of vessels	Cargo	DPKR	MHC SL	Date of arrival
Xing Ye	Rice(G)	-	MHC SL	R/A(20/6)
Revenge	-	-	Sunshine	R/A(9/10)
Banglar Gourabs	-	-	BSC	R/A(18/10)
Banglar Urmi	-	-	BSC	R/A(18/10)
Banglar Kakoli	-	-	BSC	R/A(21/3)
Banglar Shourabh	-	-	BSC	R/A(23/3)
Manglar Mamata	-	-	BSC	R/A(26/3)
Banglar Moni	-	-	BSC	19/3
Sera Bird-1	-	-	CCNL	R/A(10/3)