Oil prices hit 3-month high despite output hike hint

LONDON, June 13: World oil prices stampeded to three-month peaks yesterday, shrugging off warning signals from Saudi Arabia that petroleum markets are riding too high for comfort, reports Reuters.

International benchmark Brent crude rose $1.63 a barrel or five per cent to $31.21, powered by short-term supply uncertainties and a question mark over whether OPEC producers would soon open their taps.

US light crudes ended up $ 1.54 at $31.74.

Prices are at their highest since the Organisation of the Petroleum Exporting Countries (OPEC) agreed in March to raise output by seven per cent and ease markets off nine-year highs.

The gains occurred despite word from Saudi Arabia that all options — including a sizeable output rise — were open for OPEC in its attempt to moderate prices.

"All options are open including that of an increase, or an increase of 500,000 barrels per day (bpd) or more," the official told Reuters. "All these options are currently being discussed.

He added: "Saudi Arabia is examining all relevant information in order to reach the right decision within its well established policy of achieving a stable and balanced market, and a moderate oil price that is lower than today's price, that is good for producers and consumers alike and for the world economy in general."

The statement, published 15 minutes before the close, caused a brief 20-cent sell-off. But bulls quickly resumed their upward march, taking the contract higher still in the last few minutes.

Traders said a strike affecting production in Norway, the world's second largest exporter, combined with continued uncertainty over OPEC's next production move had led to Monday's buying spree.

Norway's 225,000 barrels per day Draugen oilfield was closed at the weekend because of a strike that included workers at the facility.

OPEC last week decided against immediately implementing an automatic 500,000 bpd of extra supply after a basket of OPEC crudes rose above the $28 a barrel threshold that the cartel agreed in March would trigger additional output.

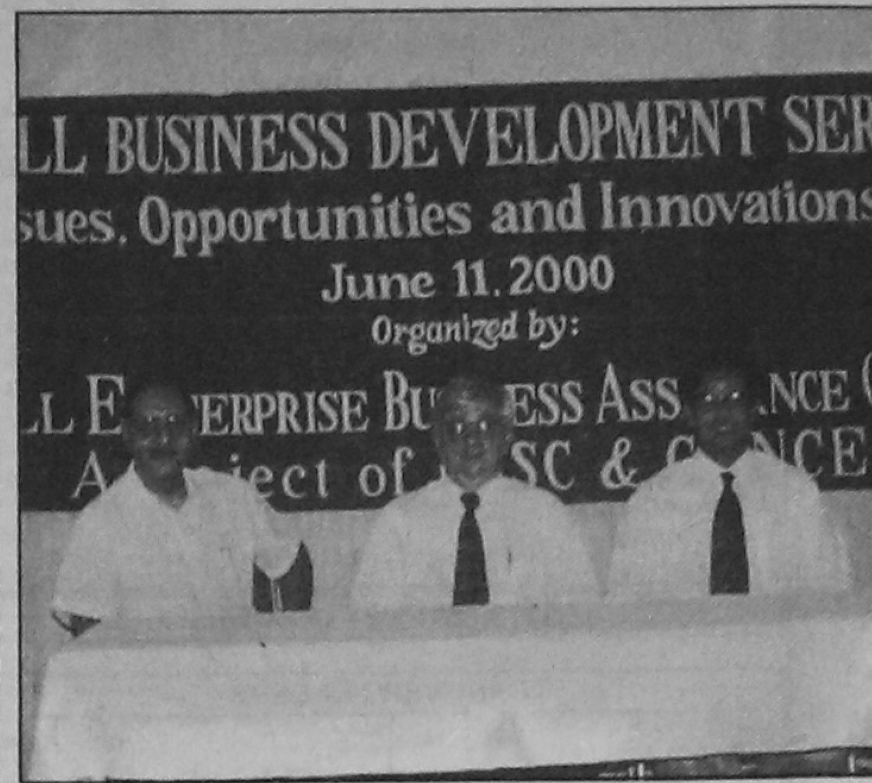
Instead, the group will probably put off any output decisions until their June 21 ministerial session in Vienna, OPEC delegates said.

The uncertainty has left traders confused — wondering whether OPEC will leave output unchanged, raise output by 500,000 bpd or lift supply by a larger volume.

Last week an OPEC source said leading cartel producer Saudi Arabia was considering a move that would require OPEC to add as much as one million bpd of extra oil.

The respected Middle East Economic Survey on Monday reported that the United States, the world's largest consumer, was asking OPEC to increase output by more than 500,000 bpd to ease supply concerns during the peak gasoline demand season.

The US is believed to want OPEC to roll back 1.35 million bpd of supply restrictions, the volume it cut in June 1998 in a second of three rounds of cartel supply curbs that amounted to 4.3 million bpd altogether between March 1998 and March 1999.



Anthony Palamone (C), Director of Small Business Development Centre, Indiana University of Pennsylvania (IUP), USA, and Adviser to the SEBA Project, is seen at a seminar on "Small Business Development Services: Issues, Opportunities and Innovations" held at BASC in the city on Sunday. BASC Executive Director Engr. Md. Lutful Kabir and CENCE Executive Director Quazi Mahmud Ahmed were also present. — CENCE photo

Unemployment remains thorny issue for Chinese policymakers

BEIJING, June 13: Unemployment remains a thorny issue for China's policymakers, even though economic growth will be higher this year than last, according to a report by regional economists released here today, reports AFP.

China's registered urban unemployment rate is likely to reach 3.5 per cent this year, up from 3.1 per cent last year, according to a report on Pacific rim economies published by the Pacific Economic Cooperation Council (PECC), a non-government organisation.

That is just the official rate and leaves out a large number of people, especially in rural areas, who are not officially out of work, but do not add much to the economy either, according to Ross Garnaut, a professor at the Australian National University in Canberra, who coordinated the economists contributing to the report.

"Unemployment and low-value employment are going to be a problem for a long time," Garnaut said at a press conference in Beijing.

Many economists say China's official urban unemployment rate is unrealistically low, especially since reform of the ailing state enterprises has led to massive shut-downs. Laid-off workers from the state sector are not included in the official unemployment rate.

China's economy is likely to grow by 7.3 per cent this year, according to the PECC. While that's up from 7.1 per cent in 1999, it will still be the second-lowest rise in a decade.

Chinese officials have said the economy will likely grow by eight per cent year-on-year in the first six months of 2000, and could expand by as much as 7.7 per cent for the whole year.

The PECC said this year's growth will be led by more private consumption, although social reform, forcing people to pay more for services such as education, health and housing, could reduce their willingness to spend on consumer items.

The improved world economy will also help Chinese exporters ship more products abroad, and exports are likely to rise 12 per cent this year, compared with 6.1 per cent growth in 1999, according to PECC.

Combined with increased inflows of foreign direct investment, there is little need for the yuan to be devalued, the report said.

The yuan could even rise, as the US dollar is likely to weaken over the coming years, Garnaut said. He declined to provide an estimate of how much the yuan might rise.

Growth will also be helped by investment by state companies, which is likely to rise 8.6 per cent this year, up from seven per cent last year, but down from 14 per cent in 1998, according to the report.

The Chinese government has been investing heavily in fixed assets such as bridges and power grids over the past two years, in an effort to lift economic growth and absorb excess labour.

While that has helped job creation, new sources of employment must be found elsewhere, Garnaut said.

He said non-state companies are making increasing contributions to economic growth, helped by government moves to make it easier for them to operate.

In particular, he pointed to a constitutional amendment passed by lawmakers in March last year to elevate the status of the privately-owned part of the economy.

Consumer demand strengthens in Hong Kong

HONG KONG, June 13: Hong Kong retail sales grew eight per cent in value and 14 per cent in volume in April from the same year-ago period, reflecting strengthening consumer demand and a further pick-up in the overall economy, the government said today, reports Reuters.

April retail sales totalled a provisional HK$15.5 billion (US$1.9 billion), Census and Statistic Department figures showed. It was the 10th consecutive month of positive volume growth, and followed an 8.9 per cent rise in value and 15.3 per cent rise in volume in March year-on-year.

After discounting the effect of price changes over the period, the volume of total retail sales rose by 14 per cent.

This was followed by sales of wearing apparel, 23 per cent by volume; other consumer durable goods, 23 per cent; commodities in supermarkets (not including supermarket sections of department stores), 17 per cent; motor vehicles and parts, 15 per cent.

For the first four-months of 2000, total retail sales rose by 14 per cent in volume over the year-ago period. Seasonally adjusted retail sales volume registered an increase of 10 per cent in the three months to end-April.

Indian industrial output grows 12pc

NEW DELHI, June 13: India's industrial output rose sharply year-on-year in April, driven by strong growth in the consumer goods segment, and analysts said they expected the trend to be sustained in the coming months, says Reuters.

The government said yesterday that the index of industrial production (IIP) grew 12.2 per cent in April 2000 compared to a year earlier.

Within the IIP, the manufacturing sector grew 14.0 per cent in April, up from 5.7 per cent a year earlier while the mining sector rose 5.2 per cent compared to a 2.0 per cent decline.

The electricity sector grew 3.2 per cent, down from six per cent a year earlier.

The manufacturing sector has a weight of around 80 per cent in the IIP and the other two sectors account for about 10 per cent each.

"This is a continuation of the trend of the past few months," said BB Bhattacharya, director at the Institute of Economic Growth.

"I see the growth sustained in the coming months unless the monsoon is bad or there is some external disturbance," he said.

India's IIP grew eight per cent in 1999/2000 (April-March), more than double the previous year's 3.9 per cent.

Analysts cheered the IIP numbers, but differed on how broad-based the recovery was.

The basic goods and capital goods segments grew by 5.4 per cent and 8.5 per cent while intermediate goods and consumer goods grew by 21.2 per cent and 11.9 per cent respectively in April 2000.

"The IIP growth is on account of better capacity utilisation by corporates .... We are still not seeing an investment-led recovery," Singh said.

"If the recovery is indeed genuine, we should start seeing an increase in capital goods imports."

Although India's non-oil imports grew more than 25 per cent in April 2000, analysts say the trend is not yet clear as non-oil imports grew only 1.36 per cent in financial year 1999/2000 (April-March).

Another analyst said the recovery had become broad-based.

"It is not just consumer goods, but capital goods, intermediate goods and basic goods have all shown better growth over last year," Basu said.

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	51.2500	51.2800	50.8500	50.6970	50.6250
Pound Stg	77.7770	77.8225	76.6259	76.3953	76.2868
Deuts Mark	25.3599	25.3748	24.3690	24.2957	24.2612
Swiss Franc	31.4726	31.4910	30.8294	30.7366	30.6930
Japanese Yen	0.4820	0.4823	0.4733	0.4719	0.4712
Dutch Guilder	22.5074	22.5206	21.6279	21.5629	21.5322
Danish Krona	6.5909	6.5847	6.4539	6.4345	6.4254
Australian $	30.7756	30.7936	29.4930	29.4043	29.3625
Belgian Franc	1.2295	1.2303	1.1815	1.1779	1.1763
Canadian $	35.0571	35.0776	34.0612	33.9587	33.9105
French Franc	7.5614	7.5659	7.2660	7.2441	7.2338
Hong Kong $	6.5891	6.5930	6.5121	6.4925	6.4833
Italian Lira	0.0256	0.0256	0.0246	0.0245	0.0245
Norway Kron	5.9207	5.9242	5.8294	5.8119	5.8036
Singapore $	30.1169	30.1346	29.1789	29.0911	29.0498
Saudi Rial	13.7014	13.7094	13.5211	13.4804	13.4612
UAE Dirham	13.9920	14.0002	13.8063	13.7648	13.7452
Swedish Krona	5.9009	5.9044	5.8300	5.8125	5.8042
Qatari Riyal	14.1173	14.1256	13.9265	13.8846	13.8649
Kuwaiti Dinar	172.9724	173.0737	160.6940	160.2105	159.9829
Thai Baht	1.3160	1.3167	1.3033	1.2994	1.2976
Euro	49.5998	49.6288	47.6617	47.5183	47.4508

Bill buying rates

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
50.7512	50.4263	50.0025	49.5788	49.1550	48.3075

US dollar London Interbank Offered Rate (LIBOR)

Buying ($)	Selling ($)	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
50.6250	51.2500	USD	6.65125	6.81000	6.99000	7.15125	7.27375
76.2868	77.7770	GBP	6.08797	6.24375	6.39203	6.52875	6.64781
Cash/ TC	Cash/ TC	EURO	4.41688	4.54875	4.72688	4.89313	4.99875

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
4.65/44.85	51.99/52.01	38.90/38.95	3.7995/ 3.8005	8560/8590	1113.9/ 1114.4

Amex notes on Tuesday's market

The USD/BDT market was active on Tuesday. Demand for US dollar was high with high level of supply. Inflow of USD has increased as major players are supplying USD into the market. Average USD/BDT rate ranged between 51.20 and 51.2100. The call money market was very active. Call rates opened at 10.50 per cent in the morning. Later it came down to 9.50 per cent after the first clearing house. Average call rates ranged between 9.50 and 10.25 per cent today.

The dollar was generally softer across the board on Tuesday awaiting US retail sales data for further evidence of a possible slowing of domestic economic growth and clues about the course of US interest rates. The dollar eased against the euro on Tuesday to levels around a cent away from two-month troughs set last week at $0.970. The US currency was slightly softer against the yen down more than 1/2 a yen from the Asian peak of 107.00.

At around 1217 GMT the exchange rates of major currencies against USD were GBP/USD 1.51251/1.5133, USD/CHF 1.6305/1.6310, USD/JPY 106.50/106.55, EUR /USD 0.9580/0.9581.

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 13.3.2000

Berth No	Name of vessels	Cargo	Last Port call	Local agent	Date of arrival	Leaving
J/1	Petrina	Wheat(P)	Alba	MSA	22/5	16/6
J/2	Al Shams	C.Clink	Pada	NWSL	4/6	15/6
J/3	Sai Kung	Sugar(G)	Kosh	Fortune	22/5	21/6
J/4	Top glory	Wheat(P)	Sing	Rinbow	30/5	21/6
J/5	Larak	Sugar(G)	Bang	SBS	2/6	19/6
J/6	Naumea express	Gi(Copra)	Sing	Aeka	4/6	20/6
J/7	Areopolis	C.Clink	Tuba	MBL	8/6	22/6
J/8	Jin Hong Hai	Wheat(P)	P.Said	OWSL	7/5	16/6
J/9	Yong Jiang	Gi	Silai	Bdship	1/6	11/6
J/10	Kota Naga	Cont	Sing	Pil(BD)	31/5	8/6
J/11	Jurong Balsam	Cont	Sing	Nol	5/6	16/6
J/12	Osg Alpha	Cont	Sing	Rsl	4/6	15/6
J/13	Green Island	GI(Y Pe)	Sing	Royal	7/5	12/6
CCT/1	Banglar robi	Cont	Sing	BSC	10/6	15/6
Cct/2	Qc Pintail	Cont	Sing	QCSL	9/6	14/6
Cct/3	Jaya Mars	Cont	Col.	Everest	1/6	13/6
Ccj	Allbgro	C.Clink	Kradi	RML	4/6	15/6
Gsj	Undok-1	Cement	Sing	SBS	22/5	17/6
TSP	Siam Ivory	R.Phos	Sing	ASA	7/6	17/6
Rm/4	Verginia	Cdso	Kaki	Seacom	27/5	15/6
Rm/6	Halia	Hsd	Aliu	ECSL	28/5	13/6
Doj	Banglar Shourabh	C.Oil	-	BSC	R/A	17/6
Dd	Ocean-1	Repair	Yang	SMSL	13/5	18/6
Ddj/1	Banglar Shikha	Repair	Sing	BSC	17/4	15/6
Rm/9	Banglar Moni	Repair	-	BSC	R/A	20/6
Kafco(U)	New Mariner	Urea	Sing	Everett	9/6	16/6
Bb	Vladi	Visit	Hong	Sinoben	9/6	-

VESSELS DUE AT OUTER ANCHORAGE

Name of vessels	Date of arrival	Last Port call	Local agent	Cargo	Loading port
Shun An	6/5	Yang	RMSL	GI	-
Banga Birol	13/6	P.Kel	Bdship	Cont	Sing
Sin Hai	15/6	Sing	RSL	Cont	Sing
Egasco Fortune	11/6	Const	BSLGI	-	
Kapitanpetko Voivoda	12/6	P.Kel	Bdshif	Cont	sing
Banga Bijoy	13/6	-	Bdship	Con	-
Kota Cahaya	15/6	Sing	Pil (BD)	Cont	Sing
Actuaria	15/6	Sing	QCSL	Cont	Sing
Chong Gen	15/6	-	SBS	Rice(P)	-
Developing Road	15/6	China	Karna	-	-
Qing Ann	12/6	Indo	HSL	GI	-
Osg Argosy	16/6	-	Everefs	Cont	Col
Bay Pride	18/6	Yang	SMSL	GI(LOG)	-
Da Fu	17/6	Cbo	Everebest	Cont	Sing
Da fa	17/6	Sing	RSL	Cont	Sing
Banglar Maya	18/6	-	BSC	GI	-
Eagle Sky	18/6	Sing	NOL	Cont	Mgl
Xpress Makalu	18/6	-	RSL	Cont	Sing
Qc Teal	19/6		QCSL	Cont	Sing
Xpress Resolve	19/6	-	RSL	Cont	Sing
Kota Singa	19/6	Sing	Pil (BD)	Cont	sing
Gold Indus	20/6	-	Everett	GI	-
Asian Leader	22/6	-	Jf	Vehi	-
Morning Rise	23/6	-	Everett	Vehi	-
Banga Biraj	23/6	P.Kel	Bdship	Cont	Sing
An Da	26/6	-	Lutful	St.Rails	-

TANKER DUE

NIL

VESSELS AT KUTUBDIA

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Energy Exdplorer-IV	-	-	BBA	5/4
Ismaya	-	-	BBBAL	17/8
Barge: Csk-6	-	-	BBAL	R/A (28/11)
Tug Magrita	-	-	BBAL	R/A (28/11)
Dea Champion	-	-	BSL	2/6
Dea Conquerror	P.Mat	-	Arafeen	R/A (2/6)
Seabulk Command	-	-	-IBS	R/A (19/4)
Spiros	C.ol	Jebs	BSL	2/6
BanglarJyoth	C.Oil	-	BSC	R/A (3/6)

VESSELS AT OUTER ANCHORAGE:

Ready on				
Chu Hong	Cont	Aden	BSL	5/6
Sulu Warrior	Gi (YP)Ms	Uang	Rainbow	2/6
Arabella	Cont	P.Kel	QCSL	7/6
Kota Berjaya	Cont	Sing	Pil	9/6
Orient Independence	Cont	P.Kel	Bdship	10/6
Jutha parichart	Cont	Sing	RSL	10/6
Jaami	Con	Sing	Cross	11/6
Patty	Cont	sing	Cross	11/6
Boxer Capt Cook	Cont	P.kel	Bdship	13/6
Apex	Rice(P)	Saig	Cindy	10/6

VESSELS NOT ENTERING

Accord	Cement	Sing	Viking	5/4
Delos-1	Cement	T Prk	PSAL	26/5
Paulina	-	-	Fortune	R/A (6/6)
Bquator	Scraping	Une	OTBL	31/5
Romina-G	Scraping	Kdia	OTBL	4/6
Revenge	-	-	Sunshine	R/A (9/1)
Karva Sentosa	Rice(G)	-	USTC	R/A (18/9)

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