

Rich world to talk further trade liberalisation in Paris this week

Leaders may eye ways to launch new global round

PARIS, June 25: Trade ministers from almost 30 industrial countries will discuss prospects for further world trade liberalisation here this week, their first meeting since failing to launch a new trade round in November, says AFP.

US Trade Representative Charlene Barshefsky and European Trade Commissioner Pascal Lamy will be among ministers in Paris for the 29-member Organisation for Economic and Development's annual meeting on Monday and Tuesday, along with World Trade Organisation director general Mike Moore.

Barshefsky and Lamy were key players in the WTO ministerial meeting in Seattle,

Washington in November which failed to reach agreement on launching a new round of global free trade talks.

"The United States considers it important for (OECD) members to express support for launching a new round (of global trade talks) as soon as possible," US ambassador to the OECD, Amy Bondurant, told reporters ahead of the talks.

Officials are insisting that the OECD meeting is not a negotiating forum, but the ministers will devote part of their two-day meeting to trade issues and that is enough to ensure that anti-WTO protesters, who managed to shut down the Seattle meeting at one point, will also be making their presence

felt here.

The fact that the OECD is not a negotiating body — that is the WTO's role, can be an advantage, offering a more relaxed atmosphere for discussion that can provide "momentum" for future talks, Bondurant said.

Asked what progress the OECD could make on the issue, given that developing countries, key players in the WTO talks, are not OECD members, OECD secretary Donald Johnston noted that one problem at Seattle was the "enormous differences of views within the OECD".

And Washington is hoping that the final communiqué from the OECD talks will include a

"strong statement" supporting a new round and pledging to ensure that developing countries reap the full benefit of further global trade liberalisation, she said.

OECD deputy secretary general Herwig Schloegl told reporters that the OECD ministers could "successfully prepare the ground for the launch of a new round as soon as possible." Such comments may help explain why anti-globalisation groups are planning to demonstrate outside a two-day forum being organised by the OECD alongside the ministerial, on the challenges of an "increasingly global, knowledge-based economy," which is to be addressed by Moore.



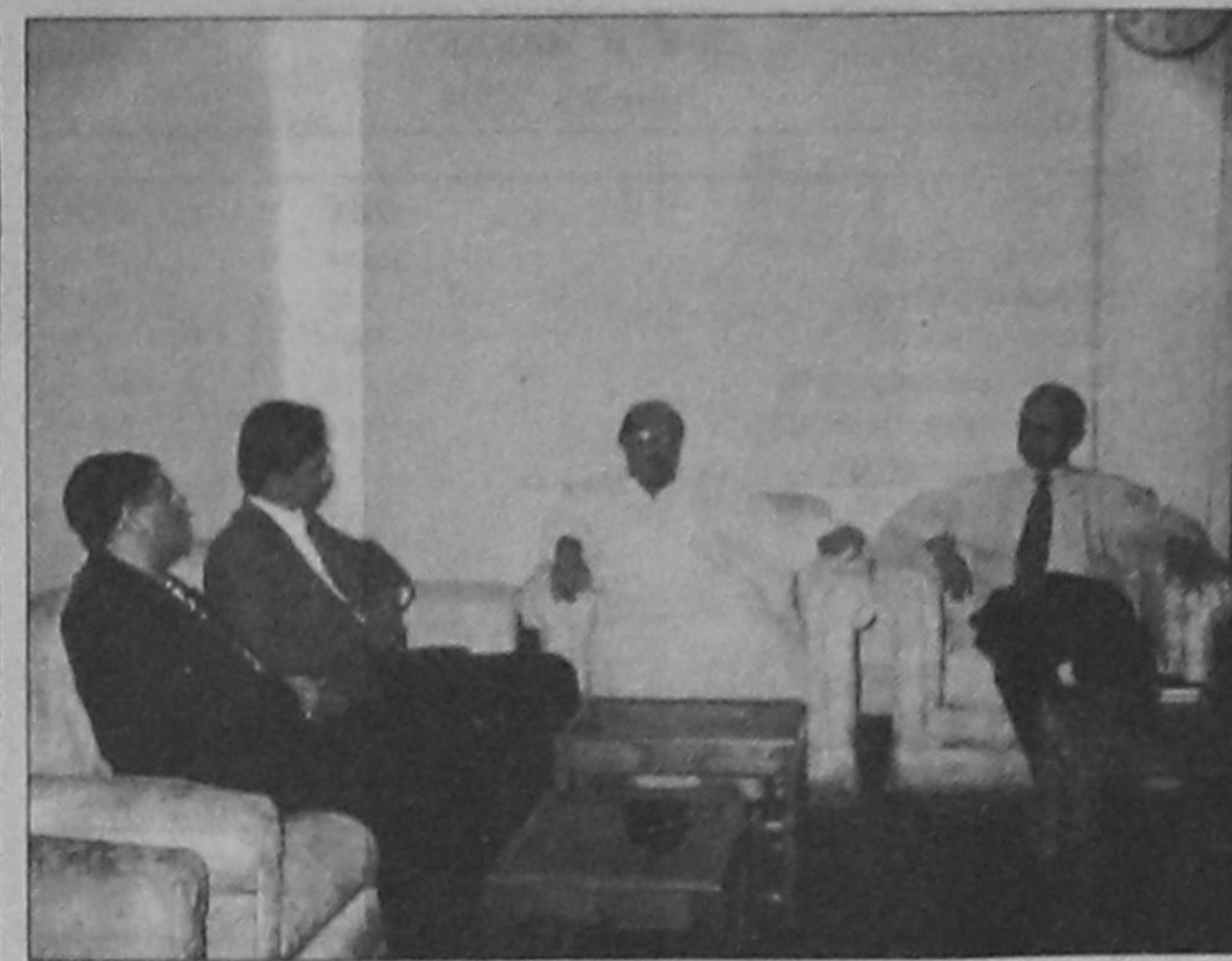
The 6th annual general meeting of Safko Spinning Mills Ltd was held at a city hotel on Thursday. Managing Director Syed Md Faisal and the directors are seen at the meeting. — Safko Spinning photo

Safko Spinning declares 8pc dividend

Safko Spinning Mills Ltd has declared an 8 per cent dividend for the shareholders of the company for the year ended on December 31, 1999, says a press release.

The Board of Directors of the company announced the dividend at the 6th annual general meeting held on Thursday at a city hotel with Managing Director Syed Md Faisal in the chair.

Addressing the shareholders, Syed Md Faisal said power failure, political unrest and deteriorating law and order situation in the country seriously interrupted production and distribution programme. Besides, frequent devaluation of taka and increase in unit price of gas and electricity sharply raised the cost of production. In spite of these unfavourable situation, the company earned a gross profit of Tk 6,30,70,348.00.



Dato' Ezanee Ab Aziz (2nd-L), Managing Director of TM International (BD) Ltd, AKTEL service provider, paid a courtesy call to Mohammad Nasim, Minister of Posts and Telecommunications and Home Affairs, at the Secretariat on Saturday. Also seen in the picture are Badruddin Mansoor (L), GM Technical, and Nazmul Ahsan Chowdhury, Secretary, Ministry of Posts & Telecommunications (extreme right).

Indian govt to push economic reforms

NEW DELHI, June 25: Prime Minister Atal Bihari Vajpayee's right-wing coalition is expected to give a new thrust to privatisation of state-owned companies despite a stiff resistance from trade unions and leftist groups, reports AP.

The Cabinet Committee on Disinvestment at its meeting Friday is expected to announce a schedule for selling some of 240 state-run companies, ranging from condom to car making.

The Vajpayee government, which came into power last year, has had a string of legislative successes in parliament that four governments in the past four years couldn't achieve. The government has opened up the insurance sector to private companies, allowing up to 26 per cent foreign investment, put in place a budget that reduced subsidies on food and fertiliser and introduced a new information technology law paving the way for e-commerce.

"The pace of disinvestment is slower than what I expected and is desired, Press Trust of India news agency quoted K C Pant, deputy chairman of the Planning Commission, as saying. It is high time that a proper disinvestment policy is put in place."

The state-run commission prepares the government's five-year development plans and deals with financial allocations to state governments from the federal pool.

Cash-strapped Lankan govt battles prices as war budget bites

Forex reserves still low despite Indian godsend

COLOMBO, June 25: Sri Lanka's surging military spending has made it even more difficult for the beleaguered government to balance the books and keep prices affordable, despite a 100 million dollar cushion from India, says AFP.

The cash-strapped government raised taxes and prices to finance imports of urgently-needed military hardware, but yet the foreign exchange reserves were low, analysts here said.

They said a 100 million dollar credit line for "humanitarian assistance" from India could be a godsend to cushion the impact on external reserves which dropped by an alarming 14.5 per cent drop at the end of April compared to its position in

December.

After a round of price increases across the board earlier in the month, the central bank made a surprise depreciation of the rupee last week mounting further inflationary pressures.

"For a government to resort to a devaluation of its currency with a general election round the corner, it must be in dire economic straits," the privately-run Island newspaper said. The main opposition United National Party (UNP) has accused the government of mismanaging the economy, but the root of the crisis appears in the sudden surge in defence spending last month.

The arms spending was prompted just three months after the treasury announced that the 2000 budget was designed

to retain the military status quo, encourage rebels to peace talks and not to build up military strength.

Treasury chief PB Jayasundera said he expected this year's defence spending to be about the same amount as in 1999, but his forecasts have already been hopelessly over shot.

The government announced last month that it was increasing defence spending by at least another 175 million dollars, over and above the originally estimated 706 million dollars.

The weapons shopping spree was aimed at resisting the most ferocious Tamil Tiger rebel offensive aimed at taking the peninsula of Jaffna in the north of the island.

However, with the deploy-

ment of new armaments such as multibarrel rocket launchers, the military has been able to halt the "rolling offensive" of the Tigers by the end of May.

The economic shocks were to follow. Electricity rates were increased by six per cent with a 25 per cent surcharge added onto consumers who fail to reduce their consumption by a fifth from this month.

DCCI course on sub-sector analysis held

A 5-day training course on 'Sub-sector analysis for new business creation' ended in the city on Thursday.

Organised by the Business Advisory Service (BAS) of DCCI with GTZ technical support, the course began on June 18, says a press release.

The purpose of the course was to provide functional knowledge about the methodology of sub-sector analysis by which one will be able to take prudent decision about new business.

The course incorporated topics like sub-sector and its characteristics, selection of sub-sector for study, introduction of participants to sub-sector, drawing preliminary sub-sector map, explore opportunities for leveraged interventions and analysis to action, preparation of project, estimation of equity and debt, earning forecast, cash flow statement, loan repayment schedule, discounted cash flow and estimation of break-even point.

Aftab ul Islam, President of DCCI distributed certificates among the participants as chief guest.

In all 14 participants from NGOs, private organisations and universities attended the course.



Picture shows DCCI President Aftab ul Islam, Vice President Muhammad Golam Mustafa, Convenor of DCCI Business Institute and Project Development Standing Committee-2000 Fazle R M Hasan, and other officials and participants at the certificate-awarding ceremony of the training course on 'sub-sector analysis for new business creation' held in the city on Thursday. — DCCI photo



Obaidul Kader, State Minister for Youth and Sports, opens Shopper's Bazar, a shopping mall, at Banani in the city yesterday.

— Shopper's Bazar photo

IMF hails rupee-dollar band by Lanka

COLOMBO, June 25: The International Monetary Fund (IMF) today welcomed Sri Lanka's decision to widen the rupee-dollar trading band and said it expected the local currency to settle at around 77-78 to the dollar, reports Reuters.

"It is a very good move. The time has come when the market rate should be determined by the market and central banks should step away," Nadeem ul Haque, IMF's senior resident representative in Sri Lanka, told Reuters in an interview.

"We expect the rate to settle at 77-78, which is reasonable according to our calculations," he added.

Sri Lanka on Tuesday allowed the depreciation of the rupee by expanding the rupee-dollar trading band to five per cent from two per cent in an effort to make its exports more competitive.

The Central Bank said it would stop announcing its daily buying and selling rate for the dollar, but would intervene in the market if the new band was breached.

The rupee ended 4.2 per cent down at 78.35 to the dollar on Tuesday against Monday's close of 75.12.

On Wednesday, the rupee was trading at around 78.3 levels.

"There was a slight appreciation in the real exchange rate, which had not been corrected. Exports have been healthy in the first quarter and this move should give a further fillip. Balance of payments situation will improve," Haque said.

He said the new band was wide enough for the market to trade.

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to major currencies					
Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	51.2500	51.2800	50.8500	50.6970	50.6250
Pound Stg	77.4798	77.5251	75.8224	75.5943	75.4869
Deuts mark	24.9302	24.9448	23.9427	23.8706	23.8367
Swiss Franc	31.1418	31.1600	30.5094	30.4176	30.3744
Japanese Yen	0.4941	0.4944	0.4805	0.4791	0.4784
Dutch Guilder	22.1260	22.1389	21.2495	21.1856	21.1555
Danish Krona	6.4783	6.4821	6.3436	6.3245	6.3156
Australian \$	31.0216	31.0398	29.7371	29.6476	29.6055
Belgian franc	1.2087	1.2094	1.1608	1.1573	1.1557
Canadian \$	34.9281	34.9485	33.9385	33.8363	33.7883
French Franc	7.4333	7.4377	7.1388	7.1174	7.1073
Hong Kong \$	6.5912	6.5951	6.5138	6.4942	6.4850
Italian Lira	0.0252	0.0252	0.0242	0.0241	0.0241
Singapore \$	29.9357	29.9533	29.0074	28.9201	28.8791
Euro	48.7593	48.7878	46.8278	46.6869	46.6206
Saudi Riyal	13.7017	13.7098	13.5214	13.4807	13.4616

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
50.6250	51.2500	USD	6.65125	6.77000	6.93000
75.4869	77.4798	GBP	6.14703	6.21719	6.33625
Cash/TC	Cash/TC	EUR	4.41875	4.52500	4.68625

Exchange rates of some Asian currencies against US dollars					
Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
4.60/44.75	52.27/52.30	39.04/39.09	3.7995/3.8005	8550/8570	1119.01/1119.5

Amex notes on Sunday's market

Interbank USD/BDT market was moderately active on Sunday, due to weekend in the international market on Sunday. Demand for US dollar was moderate with steady supply. Average USD/BDT rate mostly ranged between 51.1875 and 51.1900 level. Interbank money market was active. Call rates opened at 7.25 per cent and later came down to 6.75 per cent after the first clearinghouse. Average call rates played between 6.75 and 7 per cent today.

The dollar edged higher against the yen on Friday, after the Japanese currency surged to a two-month high then swiftly retreated as market players laid low ahead of Japanese elections on Sunday and fears the Bank of Japan (BOJ) will act next week to tame sharp yen gains. The yen has gained 4.7 per cent against the dollar this month on mounting prospects the BOJ may end its zero-interest rate policy as Japan's economy picks up steam. Meanwhile, the euro eked out slim gains against the dollar, shedding nearly 3.5 per cent on the week after failing on Monday to break to a fresh two-months high above 97 cents.

In New York on Friday, the majors closed against US \$ at 104.72/104.82 JPY, 1.6557/1.6567 CHF, Euro at \$0.9362/0.9367 and GBP at \$1.5011/1.5018.

Shipping Intelligence

CHITTAGONG PORT						
Berth position and performance of vessels as on 25.6.2000						
Berth No	Name of vessels	Cargo	Last port call	Local agent	Date of arrival	Leaving
J/1	Banglar Doot	Rec(P)	Kara	DSC	8/6	30/6
J/2	Apex	Rice(P)	Saig	Cindy	10/6	28/6
J/3	Altair-SS	Sugar(G)	Kolis	Litmond	12/6	30/6
J/4	Scan Hawk	E/L	Sing	OWSL	20/6	27/6
J/5	Egaso Fortune	G(S) Ash C Sda	Const	BSL	14/6	28/6
J/6	Esco Virgo	G(Copra)	Sing	Prog	8/6	30/6
J/7	Areopolis	C.Clink	Tuba	MBL	8/6	28/6
J/8	Jun Hong Hai	Wheat(P)	P.Said	OWSL	7/5	27/6
J/9	Bay Fortune	G(BIT)	B Adh	SMSL	5/6	-
J/10	Sulu Warrior	G	Vanc	Rainbow	2/6	-
J/11	Kota Cahaya	Cont	Sing	Pil(BD)	15/6	25/6
J/12	Norbulk Oak	C.Clink	Pada	NWSL	8/6	30/6
J/13	Jutha parichart	Cont	Sing	RSL	10/6	24/6
CCT/1	Sin Hai	Cont	P Kel	RSL	16/6	29/6
CCT/2	Acturia (flag)	Cont	Sing	QCSL	16/6	28/6
(CT With QC Teal)						
CCT/3	Banga Bijoy	Cont	P Kel	Bdship	16/6	28/6
CCJ	Ban Ann	C.Clink	Lang	RML	15/6	27/6
Rm/6	Poti	Hsd/Jp-1	Baha	Atlantic	12/6	27/6
Do	Al Sabiyah	Hsd	Kowa	Atlantic	9/6	20/6
DDJ/1	Seabulk Command		K Dia	IBS	R/A	-
RM/8	Ocean-1	Repair	Yang	SMASL	13/5	28/6
RM/9	Banglar Joyti	Repair	-	BSC	R/A	-
CUFLJ	Mary Nour	Cement	Lank	BSL	22/6	2/7

VESSELS DUE AT OUTER ANCHORAGE

Name of vessels	Date of arrival	Last Port call	Local agent	Cargo	Loading Port
Banglar Maya	26/6	Jedda	BSC	GI/GL	-
Gant Star	25/6	-	H&H	GI	-
Banga Biraj(cont)	11/06	Sing	Bdship	Cont	L/Sing
QC Pintail(cont)	14/6	Sing	QCSL	Cont	S/Sing
Kapitan Petko Volvoda	27/6	Col	BBA	GI(St.Coll)	-
Chong Gen	28/6	Viet	SBS	Rice(P)	-
Bharatendu (E/L)	17/6	Mong	SSLL	E/L	L/Ant Dundef
Osg Alpha	27/6	Sing	PSAL	Clink	L/Sing
Rimbun	26/6	Sing	PSAL	C.Clink	(Damond)
Jon Jin	26/6	T Prk	Jaycee	Cement	-
Chu Hong(cont)	18/6	-	QCSL	Cont	L/Sing
Banglar Robi	27/6	Sing	BSC	Cont	L/Sing
Hilda	28/6	-	Prog	GI	-
Jaani(cont)	21/6	Sing	Cross	Cont	L/Sing
BBC Anglat(24)	22/6	-	Seacom	Straddle	Carrier
Al Muztuba	29/6	-	Cia	Rice(P)	-
Lin Cheng	29/6	Shang	Bdship	GI	-
An Da	30/6	Lanj	Lutful	St.Rails	-
Arabella	1/7	-	QCSL	Cont	L/Sing
Andhika Adikara	1/7	-	Everett	GI(St.Coll)	-
Siang Jiang	2/7	Bustn	Bdship	GI	-
Kota Berjaya	2/7	Sing	Pili(BD)	Cont	L/Sing
Mapleridge (48)	22/6	-	ASA	GI(St.Coll)	-

TANKER DUE

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Pranadya Pratama	26/6	-	CTPL	F Oil (RM/4)
Southern Royal	28/6	Thai	Litmond	Lube Oil(RM/)

VESSELS AT KUTUBDIA

VESSELS AT OUTER ANCHORAGE:

READY ON

READY ON				
Patty ann	Cont	Kaki	Rabbow	31/5/20
Fua Kayenga	GI(Copra)	Sing	Allseas	8/6
Pu Chyeng	Ri(Maizee)	Chin	Porg	10/6
AVA	GI(Maizee)	Yang	MTA	11/6
Johnny-L	What(P)	Jedd	OWSL	18/5
Mego Lombok	GI(DP)	Hako	Litmond	4/6
Stavancer Pride	Hsd/MS	Sing	Atlantic	16/6
Qing Ann	GI(Log)	Indo	HSL	17/6
Osg Argosy(Cont)	Cont	Col	Everest	17/6
Da Fu(Cont)	Cont	Col	Everest	17/6
Eagle sylt(Cont)	Cont	Sing	Nol	18/6
Xpress Makalu(Cont)	Cont	Sing	RSL	18/6
Da Fa (Cont)	Cont	Sing	RSL	19/6
QC Teal (Cont)	Cont	P.kel	QGH	20/6
Kota Singa	Cont	Sing	Pil(BD)	21/6
Bay Pride	GI(OG)	Yang	SMSL	21/6
Morning Rise	Vehi	Sing	Everett	21/6
Eco Charger	GI(Maizee)	Sing	Rainbow	21/6
Gold Indus	GI(STC)	Yang	Everett	22/6
Epress Resolve(Cont)	Cont	Sing	RSL	22/6
Banglur Shikhai(Cont)	Cont	Mong	BSC	22/6
Kedah (Cont)	Cont	Sing	RSL	23/6
Jaya Mars(Cont)	Cont	Sing	Everest	23/6
Dragon Kalimaantan	Cont	Sing	NOL	24/6
Kota Nava (Cont)	Cont	Sing	Pil(BD)	24/6