

Oil prices hit new 10-year high on ME tensions

LONDON, Sept 19: Oil prices scaled to new ten-year, peaks yesterday, rushing ahead to levels not seen since Iraq's 1990 invasion of Kuwait as dealers took fright at rekindled Middle East tensions and lowly Western oil stocks.

London Brent crude futures for November delivery soared to a 10-year high of \$34.98 a barrel before profit-taking clipped wings, putting the contract up 47 cents at \$34.45 on the day.

US light crude futures rose 96 cents to \$36.88 after topping \$37 a barrel at one point, also a decade high.

Iraqi President Saddam Hussein stepped once again into the spotlight of the volatile world oil stage, warning fellow OPEC member states against pressure mounted by "superpowers" on producers to knock down blazing prices.

The warning came after Baghdad renewed allegations that Gulf neighbour Kuwait was stealing its oil. Similar claims were made shortly before Baghdad's invasion of its neighbour in 1990.

But traders remain just as concerned about lowly levels of Western heating oil inventories heading into the peak usage Northern Hemisphere winter season, despite three crude oil output hikes in the past seven months.

"US refiners are doing their best to avert a winter heating oil crisis," said London's Centre for Global Energy Studies.

Yet stock cover should remain around the 30-day mark to the end of 2000, three days down on the same period last year, providing

scant comfort during a winter quarter and no defence against cold snaps.

The oil market took little notice of Saudi comments that it expects OPEC to raise production before its November 12 extraordinary meeting if prices keep raging at current levels.

"If prices stay as high as they are, there is no doubt that OPEC will reach an agreement to increase production. There is no doubt it will happen," a Saudi source told Reuters.

OPEC would lift output by at least the 500,000 barrels a day agreed under an informal pact to boost supplies if the price of a basket of OPEC crudes stays above \$28 for 20 consecutive working days, the source added.

But in Brasilia, Saudi Oil Minister Ali al-Naimi told Reuters that the kingdom would assess conditions after new barrels hit the market in October.

"We want to let the impact of the new increment take effect. It is already in the process," al-Naimi told Reuters. "Many of the customers who have nominated have already got their allocations and will be lifting from Oct 1 onward."

As prices held strong, protests against high fuel prices raging in Europe have increased pressure on OPEC to release fresh barrels to cool the market.

OPEC Secretary Rilwanu Lukman reiterated over the weekend that the group could add another 500,000 barrels per day (bpd) under the price band mechanism before its November 12 extraordinary conference if prices refuse to retreat.

In the Middle East, Iraq has revived accusations that Kuwait was stealing its oil and warned of unspecified measures against the neighbour it invaded in 1990, leading to the US-led Gulf War in 1991.

Kuwait's cabinet on Sunday issued a statement saying that Iraq posed a real and present threat to the strategic oil-rich Gulf and urged international steps to contain its former occupier.

US Defence Secretary William Cohen said in Singapore on Sunday that the United States was watching Iraq closely and would not allow President Saddam Hussein to become a threat again.

Iraq's most influential paper, Babel, said the United States was planning a new military attack against Iraq.

As OPEC weighed its production policy options, angry truckers and farmers in Europe stepped up their protests against fuel prices on Monday, blockading ports and petrol depots while nervous governments scrambled to limit the political fallout.

Demonstrations centred on Scandinavia but blockades also sprang up at the Spanish port of Barcelona and in Slovenia, while Israeli truckers threatened to stage their own action on Tuesday.

Irish fishermen added to the chorus of popular outrage, vowing to tie up their boats in ports around the country for 24 hours from mid-day Tuesday.

The protests spread as oil consuming nations joined forces to persuade OPEC to boost supplies. Several European governments have put together compensation packages following widespread consumer protests against escalating fuel costs.

Group of Seven industrial nations are set to tackle the oil issue at a summit in Prague later this week, German Chancellor Gerhard Schroeder said over the weekend.

China ups oil prices for 7th time in a yr

BEIJING, Sept 19: China has raised oil prices for the seventh time in less than a year in response to soaring world market prices, state media reported today, says AFP.

The State Development Planning Commission yesterday increased the retail price of gasoline by 4.5 per cent to 4,160 yuan (501 dollars) per ton, while hiking the price of diesel oil by 9.2 per cent to 3,564 yuan (429 dollars) per ton, the China Daily said.

Local consumers feared there would be more price hikes in the coming months, the paper said.

"I'm afraid I will have to pay even more for fuel," Beijing taxi driver Wang Jialing told the paper.

This is because global prices keep rising, even after a commitment by the Organisation of Petroleum Exporting Countries (OPEC) to boost production by 800,000 barrels a day.

Crude oil prices in New York reached a new record on Monday, surpassing \$37 dollars a barrel during trading in New York, the highest level since the 1990 Iraqi invasion of Kuwait.

The State Development Planning Commission said last month that in future it will adjust domestic fuel prices every month to be more in tune with trends in international markets.

The decision to allow more flexible prices has been made

because China is increasingly dependent on imported crude oil, and local refineries need a mechanism to pass higher costs on to the consumers.

China is already a net importer of oil, and last year imported crude accounted for 20 per cent of the domestic market. In the first four months of this year, it imported 22.7 million tons of crude oil, more than double the amount during the same period last year.

While Chinese consumers are not happy about the higher oil prices, it could benefit local oil producers.

Higher oil prices boosted the oil industry's profits to 40.3 billion yuan (4.9 billion dollars) in the first half of the year, four times as much as in the same period last year, according to the paper.

Even so, the oil industry is not increasing its output to any significant extent.

Between January and August this year, China's oil output stood at 108.3 million tons, just 1.2 per cent higher than in the same period last year.

"Chinese oil producers should channel more of their profits into oil reserve prospecting and exploration when the prices are at a high level," said Yang Jingmin, a researcher at the China National Petroleum Corporation.

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to clients.					
Currency	Selling TT & O.D.	Currency BC	Buying TT Clean	Buying O.D. Sight Export Bill	Buying O.D. Transfer
US DOLLAR	54.2500	54.2800	53.8150	53.8870	53.6250
POUND STG	76.6336	76.6759	75.4432	75.2778	75.1789
DEUTSCHE MARK	24.1040	24.1173	23.0715	23.0209	22.9900
SWISS FRANC	30.5823	30.5962	29.9822	29.9164	29.8763
JAPANESE YEN	0.5103	0.5105	0.5010	0.4999	0.4992
DUTCH GUILDER	21.3927	21.4045	20.4763	20.4314	20.4040
DANISH KRONA	6.2472	6.2506	6.1238	6.1103	6.1021
AUSTRALIAN \$	30.0185	30.0331	28.6726	28.6096	28.5714
BELGIAN FRANC	1.1687	1.1693	1.1186	1.1161	1.1145
CANADIAN \$	36.8571	36.8775	35.8074	35.7289	35.6810
FRENCH FRANC	7.1869	7.1905	6.8791	6.8640	6.8548
HONG KONG \$	6.9712	6.9751	6.8879	6.8728	6.8636
ITALIAN LIRA	0.0243	0.0244	0.0233	0.0233	0.0232
SINGAPORE \$	31.4547	31.4721	30.4780	30.4112	30.3704
EURO	47.1433	47.1693	43.1233	43.0249	42.9945
SAUDI RIAL	14.5030	14.5110	14.3091	14.2777	14.2586

Bill Buying Rates					
TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
US \$7512	52.3665	52.9181	52.4596	52.0212	51.1243

US Dollar London Interbank Offered Rate (LIBOR)					
Buying (\$)	Selling (\$)	Currency	1 Month	3 Months	6 Months
53.5250	54.2500	USD	6.62125	6.6475	6.74
75.1789	76.6336	GBP	6.05906	6.18944	6.28281
Cash/TC	Cash/TC	EUR	4.955	4.9623	5.0613

Exchange rates of some Asian currencies against US dollars					
Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
45.85/45.95	55.35/55.45	42.17/42.27	3.7995/3.8005	8645/8665	1130

Amex notes on Tuesday's market
The interbank USD/BDT market has changed little from yesterday. The rates ranged between 53.93 and 53.95. The call rates moved between 5.5 and 5.5 per cent.

The beleaguered euro hit record lows against the dollar and the yen on Tuesday amid concern that the Group of Seven industrial powers may not come up with a strong enough strategy to reverse the single currency's slide. The euro fell below a key psychological underpinning of \$0.95 marking its seventh record low in just 10 trading days. It has now lost nearly 28 per cent of its value since its birth in January 1999. The euro had clawed back about a quarter cent from the record lows against the dollar by European mid-session but traders expected the single currency to stay under pressure. In the absence of actual intervention, rhetoric from financial authorities were providing little support for the euro. The market barely moved after International Monetary Fund Chief Economist Michael Mussa said the euro had fallen too far and central bank intervention might help correct it.

The euro's weakness dragged the Swiss franc down toward 11-year lows against the dollar it had hit earlier this month. The franc later rebounded against the US unit and gained ground against the euro, approaching record highs against single currency. The dollar was little changed against the yen, drifting in the middle of recent ranges around 107 yen.

Against the dollar, sterling was testing its lows for the day around \$1.4014, within a cent of 14-year lows set a week ago around \$1.3945. Dealers said while there was a risk of further sterling/dollar weakness on any fresh falls in euro/dollar, the pound was due some correction having lost more than seven per cent of its value against the dollar over the past month. At GMT 11:00 today, the exchange rates of major currencies against USD were GBP/USD 1.4033/1.4038, USD/CHF 1.7804/1.7814, USD/JPY 106.93/107.03, EUR/USD 0.8529/0.8534.

Shipping Intelligence

Chittagong Port

Berth position and performance of vessels as on 19.9.2000									
Berth No.	Name of vessels	Cargo	L Port	Local agent	Date of arrival	Leaving			
J/1	Fua Kavanga	Gl(Copra)	Sant	Mutual	11/9	25/9			
J/2	Mana	C.Clink	Jaka	NWSL	14/9	25/9			
J/3	Pinya	Rice(P)	Yang	MTA	06/9	21/9			
J/4	Bago	Rice(P)	Yang	CLA	27/8	23/9			
J/5	Pacific Hero	Wheat(P)	Vanc	CLA	27/8	19/9			
J/6	Insan Kamil	Gl(Si.C)	Sing	Everett	19/9	19/9			
J/7	Allegro	C.Clink/Gyp	Krabi	RML	15/9	25/9			
J/8	Jin Cheng		Janj	BDSHIP	16/9	21/9			
J/9	Maritime Friendship	Wheat(P)	Kuin	Mutual	31/8	22/9			
J/10	Aptamariner	Gl(Maize)	Dali	Seaglor	8/9	29/9			
J/12	Xpress Resolve	Cont	Sing	RSL	17/9	21/9			
J/13	Banga Biraj	Cont	Sing	BDSHIP	17/9	21/9			
CCT/1	Tiger River	Cont	Sing	Nol	15/9	21/9			
CCT/2	Banga Birol	Cont	P.Kel	BDSHIP	12/9	20/9			
CCT/3	Dragon Kalmantan	Cont	Sing	Nol	13/9	19/9			
RM/14	Samara	C.Clink	Pada	SMSL	25/8	21/9			
RM/15	North Star-II	Cement		SBS	R/A	27/9			
CC/1	St.Aubin	C.Clink	Jaka	Everett	13/9	20/9			
TSP	Handy Zadi	R.Phos	Jing	Seacoast	25/8	23/9			
RM/15	Banglar Urmi	Bunker		BSC	R/A	-			
DD	Dredger Gemini	Repair	Chand	Karna	R/A	22/9			
RM/9	Banglar Jyoti	Repair		BSC	R/A	22/9			

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port	Local agent	Cargo	Loading port
Darya Shubh	19/9	Viza	MBL	Urea	-
Bay Fortune	20/9	Yang	SMSL	Rice(P)+Gl	-
Banglar Maya	20/9	Momb	-	Gl	-
Banglar Robi(Cont)10/9	20/9	Sing	BSC	Cont	Sing
Banglar Shikha(Cont)6/9	20/9	Sing	BSC	Cont	Sing
Banga Bijo(Cont)10/9	21/9	--	BDSHIP	Cont	Sing
Ocean Reynal(22)10/9	20/9	Kaoh	Asa	Gl(Si.Coll)	-
Hilda	20/9	Osaka	Prog	Gl	-
Pride	20/9	Kand	UML	Salt	-
Pacific Emerald	22/9	Sing	Alseas	Gl	-
OSG Argosy(Cont)12/9	21/9	--	Everest	Cont	Col
Asian Prosperity(Roro)24/9	21/9	P.Kel	JF	Vehi	-
Arabella(Cont)11/9	22/9	--	QCSL	Cont	Sing
Bao Yun Shan(48)14/9	22/9	Sing	RML	Gl(Si.Coll)	-
QC Pintali(Cont)11/9	22/9	Sing	QCSL	Cont	Sing
Kota Nagal(Cont)11/9	21/9	Sing	Pil(BD)	Cont	Sing
Linghai-18	21/9	--	BSL	Gl	-
Topaz	23/9	--	Prog	Gl	-
Xpress Padma(Cont)13/9	25/9	Sing	RSL	Cont	Sing
Tokyo Queen (72) 17/9	25/9	MGL	Everett	Gl(Si.Coll)	-
Asia Saffron	22/9	--	Everett	Gl(Si.Coll)	-
Lucky Emblem (72) 17/9	27/9	--	Everett	Gl(Si.Coll)	-
Shun Cheng	22/9	Lian	Concord	Gl/Drum	-
Xiang Jiang	22/9	Sing	BDSHIP	Cont	Sing
Kota Berjaya(Cont)13/9	23/9	Sing	Pil(BD)	Cont	Sing
Sea Destiny	23/9	Iko	Litmond	Mop	-
Orient Independence(Cont)14/9	23/9	--	BDSHIP	Cont	Sing
Ocean-1	25/9	Yang	SMSL	Gl(Log)	-
Eltanin	25/9	Pada	SMSL	C.Clink	-
QC Teal(Cont)14/9	25/9	--	QCSL	Cont	Sing
Da Fu (Cont)24/9	25/9	Sing	RSL	Cont	Sing
Jurong Balsam(Cont)14/9	25/9	Sing	Nol	Cont	Sing
Joy Hraele (72) 17/9	30/9	--	SSL	Gl(Si.Coll)	-
Jaya Mars (Cont)18/9	28/9	--	Everest	Cont	Col
OSG Alpha (Cont)18/9	28/9	--	RSL	Cont	Sing
Xpress Makulu (Cont)18/9	28/9	Sing	RSL	Cont	Sing
Freedom	NO ETA	--	--	--	--

Tanker due

Name of vessels	Cargo	Last port	Local agent	Date of arrival
Oriental Dominion-II	19/9	Sing	Sealtit	CPO Ollen
Eagle Arles	22/9	Sing	MSTPL	HSD/MS

Vessels at Kutubdia

Name of vessels	Cargo	Last port	Local agent	Date of arrival
Energy Explorer-IV	-	-	BBAL	5/4
Ismaya	-	-	BBAL	17/8
Dea Conqueror	-	-	Arafeen	R/A(11/8)
Dea Champion	-	Sing	Arafeen	9/9
Seabulk Command	-	-	IBS	R/A(16/9)
Dea Captain	P.Mat	Sing	Arafeen	16/9

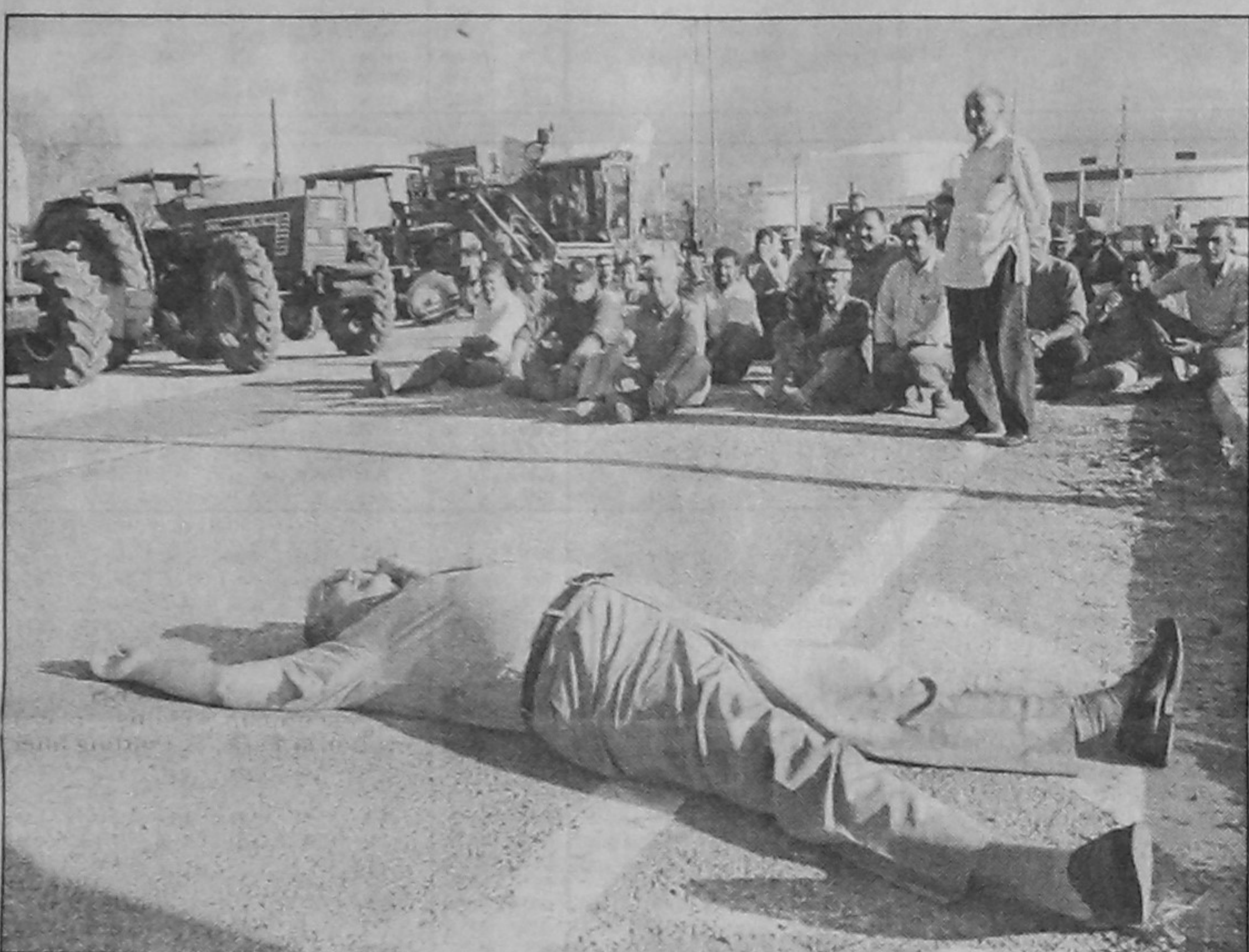
Vessels at outer anchorage

Rady on :				
Orange Sky (Roro/24)	Vehi	Sing	Everett	16/9
Glory	Sugar(G)	Sant	Fortune	16/9
Argus	R.Seed	Rouen	Royal	11/9
Chu Hong	Cont	Sing	QCSL	18/9
Boxer Capt Cook	Cont	P Kel	BDSShip	18/9
Nagayev	CPO	Indo	TSL	19/9
San Pablo(Roro/24)	Vehi	P.Kel	JF	19/9

Vessels not ready

Name of vessels	Cargo	Last port	Local agent	Date of arrival
World Amber	Wheat(P)	Sing	Angelle	24/8
Pavonis	R Seed	Rouen	Royal	13/9
Bay Pride	Rice(P)/Gl	Yang	SMSL	16/9
Lesozavodsk	Gl/RS	Sing	Mutual	16/9
Erodios	Sugar(G)	Sant	Fortune	16/9
Probo Gull	HSD	Juba	ECSL	18/9

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



Members of the Union of Farmers protest against high fuel prices at the entrance of the Hydrocarbon Logistic Company Monday in El Puerto de Santa Mar'a in Spain. Elsewhere in Spain, fishermen angry over high fuel prices blocked the port of the northeastern Catalan city of Barcelona. - AFP photo

Euro hits new all-time low against dollar

NEW YORK, Sept 19: The euro hit a new record low against the dollar in early trading Monday, but recovered slightly later, as traders were holding off ahead of a meeting of the Group of Seven industrialised nations this weekend, says AP.

The euro-zone single currency continued its free fall against the dollar and major foreign currencies Monday, as traders sold heavily their euros on worries that the European Central Bank will not undertake any intervention to prop up its 11-country region currency.

The Euro hit 85.10 cents in early trading Monday, its lowest level since its introduction at \$1.16 in January 1999.

The euro recovered slightly after European Central Bank Vice President Christian Noyer said in an interview with French daily newspaper Les Echos that the euro was "dangerously undervalued" and warned there could be a "violent reversal" following the G7 meeting.

Japan ready to help euro