Indian oil firms to hike output by 500,000 MT

NEW DELHI, Sept 25: Indian oil companies said today they would pump 500,000 extra tonnes of crude to help offset the global increase in oil prices and save precious foreign exchange reserves, says AFP.

"We plan to go in for enhanced recovery of crude... to pump out an additional 500,000 tonnes of crude over the current year's target of 24.65 million tonnes," Yogesh Sinha, Director of the Oil and Natural Gas Corp. (ONGC) told the Press Trust of India.

He said the increased production would help India save more than 120 million dollars in foreign exchange.

The decision to increase production followed an appeal by Petroleum Minister Ram Naik.

"(The) government has asked domestic oil producing companies, including ONGC, to pump out additional crude to tide over the difficult situation arising out of the surge in international crude oil prices," Naik said.

Naik also issued a stern warning to hoarders.

"Vigilance has been stepped up... those who hoard will have to pay for it," he said, adding that it would be considered as an "anti-social act."

Petroleum Secretary S. Narayan said measures had been taken to prevent stockpiling.

"We have asked the marketing companies to check that there are no extra withdrawals of petro products," Narayan said, adding that supplies would be maintained normally so that the consumers did not face any problems.

The price of oil on the international market has soared to as high as 37 dollars a barrel over recent weeks, sending sharemarkets and currencies around the world into a spin.

Naik had over the weekend indicated that India would increase domestic prices of petroleum products across the board by the end of the month to offset galloping global oil prices and the shrinking value of the rupee.

The step would net 80 billion rupees (1.7 billion dollars) for the government and initiate the gradual phasing out of fuel subsidies, Naik said.

"We will announce the price hike before September 30," Naik said without elaborating on the planned increases, which experts say could be as much as 20 per cent.

India's oil import bill topped 10.5 billion dollars for the financial year to March 2000 and is expected to rise by about seven billion dollars for the year to March 2001.

India imports 73 per cent of its petroleum needs, and the weakness of the rupee against the dollar, combined with the rising global price has hit government coffers hard.

Petroleum products in India are heavily subsidised by the government and any increase in prices carries a heavy political risk.

Several governments have had their fingers burned by intense public protests that followed attempts to cut subsidy levels.

Fuel protests spread to Australia

MELBOURNE, Sept 25: Truck drivers blockading three fuel depots hinted Monday that their protest could turn violent if managers force tanker drivers to deliver gasoline, says AP.

The Melbourne road blocks marked the first time protests at soaring fuel prices have spread to Australia where the majority of freight is transported by road across vast distances.

Similar but more widespread protests crippled France and Britain earlier this month.

"We want to remain peaceful, and we've got a genuine cause to be here, and we're not looking for trouble," protest spokesman Jerry Brown-Garre told Australian television's Nine Network.

"But if they try to force the issue on the other drivers, that's up to them to decide what action they will take at that point."

Unleaded gasoline has recently topped one Australian dollar (55 US cents) per liter in many parts of the country. Truck drivers say that has resulted in the average cost of a trip from Melbourne to Sydney increasing by 300 Australian dollars ($ 165).

Brown-Sarre said so far more than 300 tankers had been prevented from leaving the depots, and warned supplies could dry up in three to four days.

Empty tankers have been allowed into the grounds but full tankers, except those refueling essential services, were prevented from leaving the depots.

The blockading drivers, who are demanding an official inquiry into spiraling gasoline prices, have parked their trucks outside fuel plants owned by Mobil, Caltex and Shell.

However, it was unclear what impact the blockade would have as it was not supported by most truckers.

Australian Trucking Association chief executive Andrew Higginson said he did not expect any major groups to support blockades of petrol depots.

Exchange Rates

Following are yesterday's Standard Chartered Bank Foreign Exchange rates (indicative) against Taka to major currencies.

Central Bank buying and selling rate of USD: BDT 53:85/BDT 54.15

Selling		Currency	Buying		
TT/OD	BC		TT Clean	OD Sight Doc	OD Transfer
54.2500	54.2800	USD	53.8150	53.6464	53.5779
48.3758	48.4627	EUR	46.5688	46.3854	46.3088
79.7164	79.7584	GBP	77.9105	77.6440	77.5894
30.6926	30.7171	AUD	27.6905	27.5980	27.5179
0.5100	0.5102	JPY	0.4919	0.4917	0.4907
31.6339	31.6584	CHF	30.9287	30.8342	30.7497
5.6674	5.6725	SEK	5.5698	5.5522	5.5362
36.7562	36.7807	CAD	35.8781	35.7845	35.7013
6.9921	6.9934	HKD	6.8681	6.8504	6.8330
31.566	31.5875	SGD	30.4204	30.3766	30.2619
14.8919	14.9095	AED	14.5023	14.5242	14.4838
14.5799	14.5983	SAR	14.2399	14.2032	14.1850

Usance export bills

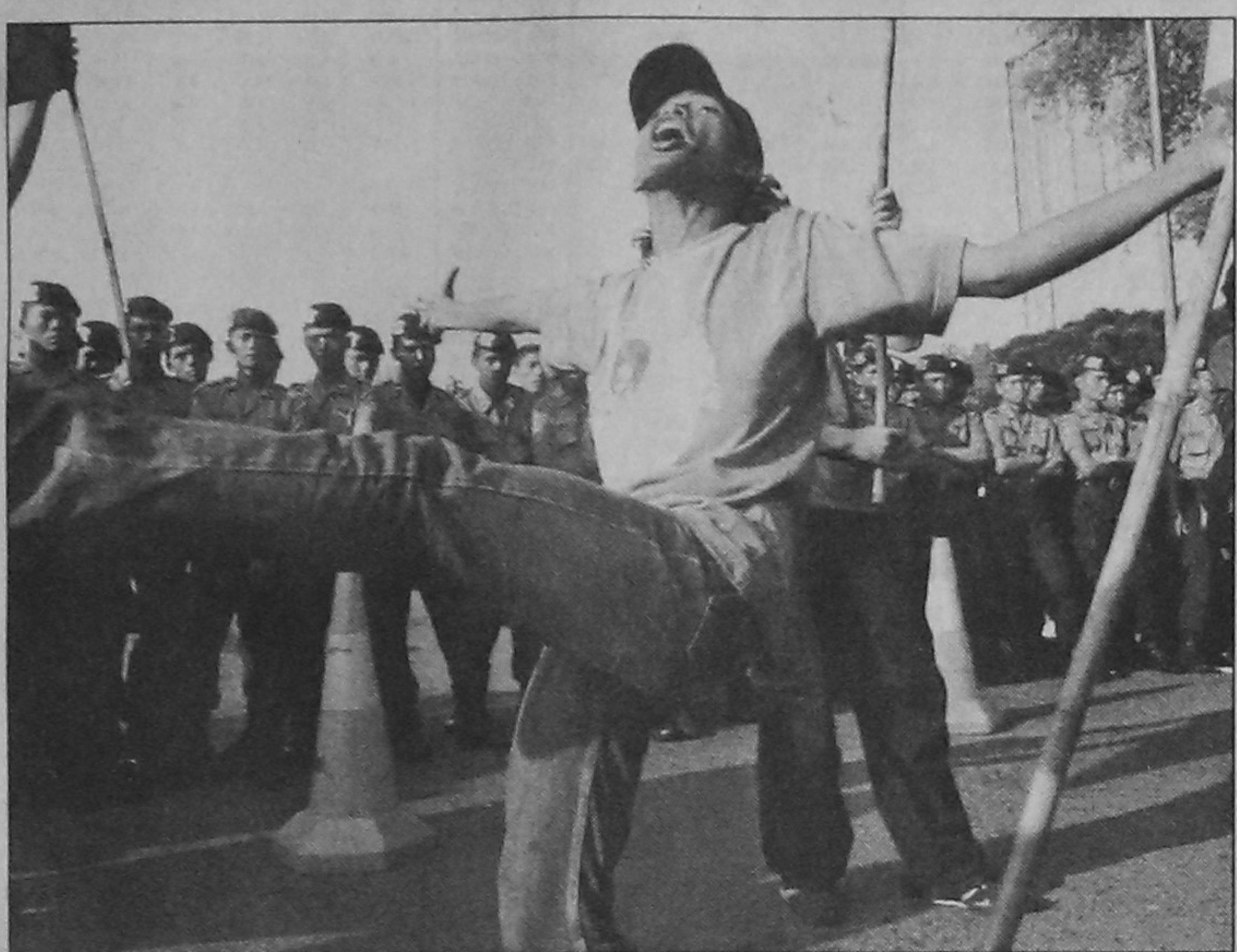
TT DOC	30 Days	60Days	90 Days	120 Days	180 Days
53.7041	53.3727	52.9304	52.4217	51.8688	50.6303

Exchange rates of some Asian currencies against US dollar

Indian Rupee	Pak Rupee	Thai Baht	Mal Ringit	Indo. Rupiah	NZ Dollar
46.00/ 46.20	57.50/ 57.90	42.48/ 42.52	3.7995/ 3.8005	8770/ 8790	0.4133/ 0.4140

Local foreign exchange market is dull and demand for dollar was moderate. Most of the market players were long in dollars. Money market was dull and trading of call money was rangebound. Call rate ranged between 5.75 and 6.5 per cent.

The euro was steady against the dollar amid lingering fear that the Group of Seven nations will repeat last week's concerted intervention to prop up the single currency. While traders said that they remained unconvinced that the euro had found a floor, they were reluctant to aggressively challenge after the policy makers commented that they would continue to cooperate in exchange markets as appropriate. Financial markets were stunned by the concerted intervention to buy euro, particularly with the unexpected participation of United States which even after the action maintained that its "strong dollar" policy was unchanged.



An Indonesian student protester dances while shouting slogans during a demonstration in front of the palace in Jakarta yesterday as in the back the police cordon look on. Some 75 students held a protest demanding rejection of the hike of fuel price prior a week before it is valid. -- AFP photo

Euro basks in concerted G7 intervention glow

Doubts still there over reversal of falling trend

TOKYO, Sept 25: The euro nudged higher in early Tokyo trade today, basking in the glow of last week's surprise intervention by the Group of Seven nations, but doubts lingered over whether its long decline had been decisively reversed, says Reuters.

Wariness over further intervention provided firm support at around $0.3750 and traders said the market may attempt to lift it back above $0 .90 in the near term.

"Market sentiment has clearly changed for a firmer euro," said Kosuke Hanao, senior deputy general manager, global forex market, Industrial Bank of Japan.

"But as they (central banks) stopped buying euro in New York afternoon (on Friday), New York traders are apparently stuck with unwanted long positions in the euro, caping the euro's buoyancy for today."

As of 2345 GMT, the euro was quoted at $0.8797/07 compared with $0.8758 in late US trade on Friday. Against the yen it stood at 95.03/17 yen compared with 94.98.

The dollars was steady against the yen and expected to move in a tight range. It was at 107.93/96 yen against 107.90 yen in Friday US trade. It rose as high as 108.18 yen on Friday.

Friday's intervention was the first combined action since 1995 involving the central banks of Europe, Japan and most surprisingly to the market, the United States.

It was also the first time that the European Central Bank (ECB) has intervened on its own account to save the euro, which has been on a steep downward trend since its birth in 1999.

Friday's intervention pushed the euro as high as $0.9040 and 96.20 yen through brokers. It had fallen to lifetime low of $0.8439 and 90.05 yen last week, dealers said.

To justify their action, the Group of Seven nations on Saturday issued a warning to the financial markets that they would continue to take action to prevent a weak euro and high oil prices from damaging a buoyant world economy.

The G7 nations said in a joint communique that they ordered currency intervention "because of the shared concern of finance ministers and governors about potential implications of recent movements in the euro for the world economy."

"In the light of recent developments we continue to monitor (the market) closely and cooperate in exchange markets as appropriate," the communique said.

Shipping Intelligence

Chittagong Port

Berth Position and Performance of Vessels as on 25.9.2000.

Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Leaving
J/1	Fua Kavanga	GI (Copra)	Sant	Mutual	11/9	30/9
J/2	Pavonis	GI (St.C)	Pipa	SMSL	13/9	1/1
J/3	Banglar Maya	GI/S.Ash	Momb	BSC	20/9	28/9
J/4	Bay Pride	Ricp (P)/GI	Yang	SMSL	16/9	30/9
J/5	Glory	Sugar(G)	Sant	Fortune	16/9	25/9
J/6	Argus	R Seed	-	Royal	11/9	30/9
J/7	Allegro	C.Clink/GYP	Krabi	RML	15/9	27/9
J/8	Erodios	Sugar(G)	Sant	Fortune	16/9	3/10
J/9	Hilda	GI	Busa	Prog	20/9	27/9
J/10	Aptmariner	GI(Maize)	Dali	Seaglory	8/9	28/9
J/11	Banga Bijoy	Cont	P Kel	BDShip	21/9	28/9
J/12	Jurong Balsam	Cont	Sing	Nol	24/9	28/9
J/13	Arabella	Cont	P Kel	QCSL	22/9	28/9
CCT/1	Qc Teal	Cont	Sing	QCSL	25/9	28/9
CCT/2	Qc Pintail	Cont	P Kell	QCSL	22/9	26/9
CCT/3	Kota Naga	cont	Sing	Pil (BD)	21/9	26/9
RM/15	North Star-II	Cement	-	SBS	R/A	28/9
CCJ	Al Shams	C Clink(Ruby)	Krabi	RML	21/9	27/9
TSP	Handy Zadi	R Phos	Xing	Seacoast	15/9	26/9
RM/6	Eagle Aries	HSD	Sing	MSTPL	20/9	-
DD	Banglar Shikha	Repair	Sing	BSC	20/9	8/10
DDJ/1	Banglar Jyoti	Repair	-	BSC	R/A	4/10
RM/9	Banglar Gourab	Repair	-	BSC	R/A	15/10

Vessels due at Outer Anchorage

Name of Vessels	Date of Arrival	L.Port Call	Local Agent	Cargo	Loading Port
Da Fu (Cont) 24/9	25/9	Sing	RSL	Cont	Sing
Hans	25/9	-	SBS	Salt (TC)	-
Sea Destiny	25/9	Ikol	Litmond	Mop	-
Ocean-1	27/9	Yang	SMSL	GI(Log	-
Tokyo Queen (72)17/9	26/9	MGL	Everett	GI(St.Coil)	-
Bao Yun Shan (48) 14/9	26/9	Sing	RML	GI(S.Coil)	-
Acturia (Cont) 20/9	26/9	-	QCSI	Cont	Sing
Xpress Padma (Cont) 13/9	30/9	Sing	RSL	Cont	Sing
Asian Saffron	30/9	-	Everrett	GI(St.Coil)	-
Lucky Emblem (72) 17/09	30/9	-	Everett	GI (St.Cargo)	-
Jaami (Cont)19/9	27/9	Sing	Cross	Cont	Sing
Triumph Hongkong (72)21/9	27/9	Yang	RML	GI(St.Coil)	
Mary Nour	27/9	Lank	BSL	Cement(Scan)	-
Ganda Satqia	28/9	Indo	Delmuri	TSP	-
Kota Sing (Cont) 19/9	29/9	Sing	Pil (BD)	Cont	Sing
Jaya Mars (Cont) 18/9	28/9	-	Everest	Cont	Col
Osg Alpha (Cont) 18/9	29/9	-	RSL	Cont	Sing
Xpress Makalu (Cont) 18/9	28/9	Sing	RSL	Cont	Sing
Joy Miraclf (72) 17/9	30/9	Jaka	SSLL	GI(St.Prod)	-
Alas (48) 20/9	30/9	Hald	H&SL	GI(St.Prod)	-
Banga Birol (Cont) 21/9	30/9	-	Bdship	Cont	-
Banga Biraj (Cont) 21/9	1/10	-	Bdship	Cont	Sing
Xpress Resolve (Cont) 21/9	2/10	-	RSL	Cont	Sing
Chu Hong (Cont) 24/9	2/10	-	QCSL	Continue	Sing
Banglar Moni (Cont) 19/9	3/10	Sing	BSC	Continue	Sing
Banglar Robi (Cont) 24/9	4/10	Sing	BSC	Continue	Sing
Tug De Ping	8/10	S Hai	OWSL	-	-
Submersible Barge Zhong Ren-1	8/10	S Hai	OWSL	-	-

Tanker Due

Atlanta	25/9	Sing	TSL	Cpo Olein	-

Name of Vessels	Cargo	Last Port Call	Local Agent	Date of Arrival
Vessels of Kutubdia				
Energy Explorer-IV	-	-	BBAL	5/4
Ismaya	-	-	BBAL	17/8
Dea Conqeror	-	Sing	Arafeen	9/9
Seabulk Command	-	-	Ibs	R/A (24/9)
Vessels at Outer Anchorage				
Ready On				
Shun Cheng	GI (S Ash)	Lian	Concord	22/9
Topaz	GI	Sing	Prog	23/9
Anze Jiang	GI	Hnch	BDShip	23/9
Kota Berjaya (Cont)	Continue	Sing	Pil (BD)	24/9
Orient Independence (Cont)	Continue	-	BDShip	24/9
World Amber	Wheat (P)	Sing	Angelic	24/8
Vessels Not Ready				
Bay Fortune	Rice (P) GI	Yang	SMSL	20/9
Pacific Emerald	GI (Copra)	Sing	Allseas	21/9
Pride	Salt (TCB)	Kand	UML	22/9
Feng Tai	Sugar (TCB)	Mumb	CCML	23/9
Vessels Awaiting Instruction				
Banglar Shourab	-	-	BSC	R/A (15/9)
Banglar Urmi	-	-	BSC	R/A920/9)
Vessels Not Entering				
Linghai-18	GI (Maizee)	Ying	BSL	21/9
Mallika Naree	Tsp(P)	Durb	BSL	17/9
Al Bquaraq	Gypsum	Pene	seacom	4/9
Lesoza Vodsk	GI/R.Se	Sing	Mutual	16/9
Saint Nicholas-II	Scraping	Sing	UMTL	14/9
Accord	Cement	-	Viking	5/4
Revenge	-	-	Sunshine	R/A(9/10)
Xing Ye	Rice(G)	-	MBCSL	R/A(20/6)
Karya Sentosa	RiceG)	-	USTC	R/A(9/8)

Movement of Vessels for 26.9.2000

Outgoing		Incoming		Shifting
J/5	Glory	J/11	K.Berjaya	J/11 B Bijoy to RM/8
CCT/2	QC Pintail		O Independence	
CCT/3	K. Naga	CCT/2	Da Fu	
TSP	H. Jade	J/5	Tokyo Queen	
RM/6	E.Aries	CCT/3	Acturia	
			Seabulk Command	
		RM/4	Atlanta	
		NB	World Amber	

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

Asian stocks rally on G7 move on euro, oil drop

SINGAPORE, Sept 25: Asian stock markets rallied today after the world's largest economies acted in concert to prop up the flagging euro and oil prices sank on a US decision to tap strategic oil reserves, says Reuters.

European stock markets were expected to edge higher after Tokyo, Seoul and Hong Kong cheered Friday's joint euro, buying intervention by Group of Seven central banks, as well as the US plan to release 30 million barrels of oil from its strategic reserve over 30 days.

But European dealers said the tone would remain tense, with investors still jittery abut the outlook for corporate earnings and markets gearing up to test the newly buoyed euro currency.

In Asia at 0635 GMT, the euro was at $0.8815 after leaping above 90 cents on Friday, while New York November light crude futures were last traded at $31.44 per barrel after plunging nearly six per cent to an intraday low of $30.86.

Tokyo backed off early highs on lingering uncertainty over whether the G7 had turned the tide for the euro and oil prices.

Some high-tech stocks hit hard last Friday were making a rebound, including chip manufacturing equipment maker Tokyo Electron Ltd and largest chipmaker NEC Corp.

"Tokyo rebounded from its Friday tumble. But its recovery was anything but powerful, which worries me," said Koji Hayakawa, equities general manager at Ichiyoshi Securities.

The Nikkei 225 average finished up 1.1 per cent at 15,992.90.

Worries persist high oil prices and a struggling euro could still trigger a slowdown and hit corporate earnings, sparking more earnings warnings like that from Intel Corp which hammered global markets early on Friday.

But later a moderate decline in decade high oil prices and a recovery by the euro after currency intervention kept the damage to a minimum on Wall Street.

The blue-chip Dow Jones industrial average rebounded to end up 0.76 per cent at 10,847.37, while the tech laden Nasdaq composite index recovered most of its early six per cent loss to finish down just 0.66 per cent at 3,803.76.

Today Hong Kong's Hang Seng Index bounded 5.22 per cent higher in thin trade to 15,338.20 by 0635 GMT, but sentiment was expected to remain cautious.

"The oil price problem hasn't been resolved because the US move to release strategic reserves is only for short term stabilisation purposes," said YK Chan, head of research at CEF securities.

Korea was a big winner after memory chip giant Samsung Eelctronics led a blue-chip rebound. The KOSPI ended 5.67 per cent higher at 584.63.

Taiwan's TAIEX ended 0.99 per cent higher at 6,677.46 after the stock exchange gathered nine electronics firms to clarify the technology sector's outlook in the wake of Intel's sales warning.

Sinopec to cut 100,000 jobs in 5 years

HONG KONG, Sept 25: China Petroleum and Chemical Corp, also known as Sinopec, said Monday it will cut 100,000 jobs, or about 20 per cent of its total work force, in the next five years to slash costs and improve efficiency, says AP.

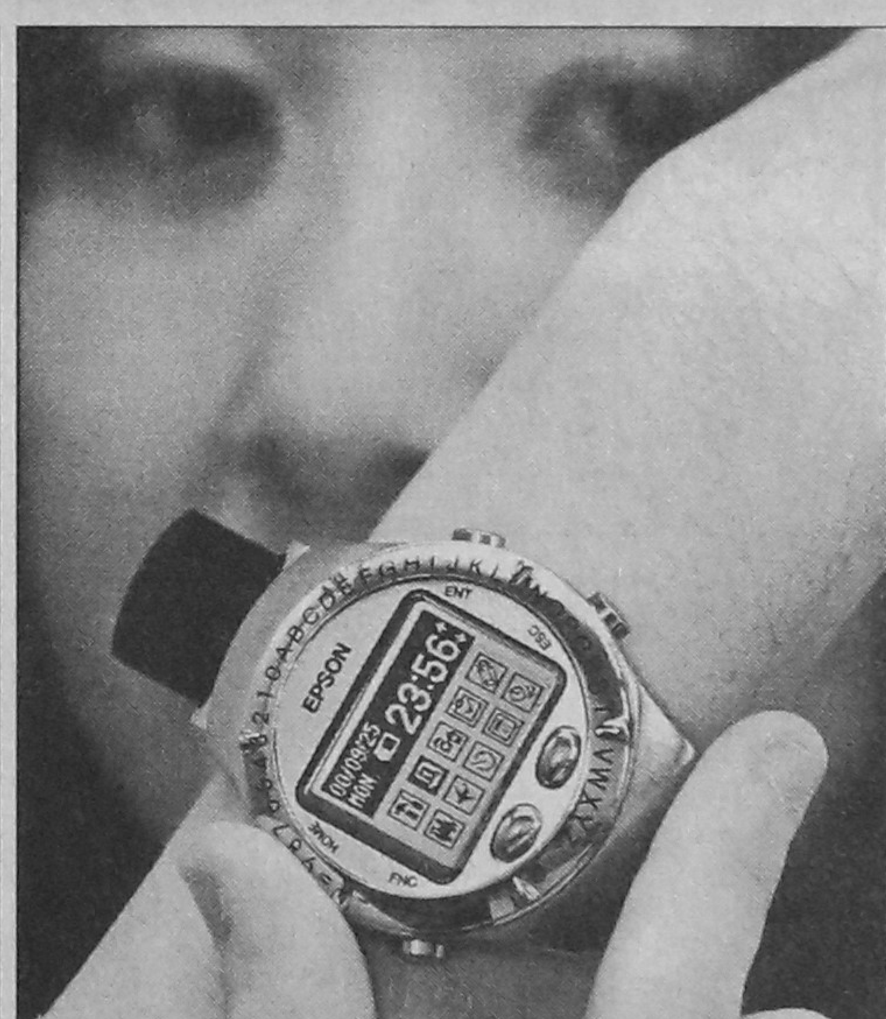
The reduction in its current total of 511,000 employees will cost the company 1.8 billion yuan ($217 million) but will save 2 billion yuan ($241 million) over the next five years, said Chen Ge, deputy executive of the Beijing-based Sinopec's board.

Sinopec, China's largest petrochemical and petroleum conglomerate, is among a number of major state-run enterprises that are turning to initial public offerings to finance corporate restructuring and upgrading.

Chen rejected speculation in media reports that the measure is aimed at building confidence ahead of the company's $3 billion initial global public offering.

"The layoffs are not unusual," said Chen, "It's the same as many other state-owned companies that are cutting their staff to improve efficiency."

Chen said the job cuts along with other measures to improve efficiency in crude oil refining and procurement are expected to lower Sinopec's costs by $1.6 billion in three years.



Japan's micro-electronics giant Seiko Epson employee, Naoko Akiyama, displays the wristwatch PDA "Chrono-Bit WM-550L" at the company's head office in Tokyo yesterday. The Chrono-Bit's bezel has functions of the keyboard, enabling personal information management (PIM) software of Microsoft's Outlook, Lotus Organiser 2000 and Notes to synchronise data with personal computers. -- AFP photo

China plans rules on foreign telecom investment before WTO entry

BEIJING, Sept 25: China will issue rules on foreign investment in telecommunications and the Internet before its entry into the World Trade Organisation, the official in charge of the industry said today, reports AFP.

Although it may just be a few months before China becomes a member of the trade body, the regulations are still only being drafted, Wu Jichuan, minister of information industry, told reporters in Beijing.

"At the moment, we are pressing on with formulating regulations on foreign participation in telecom operations in China," he said. "They will be published before China joins the WTO."

Foreign businessmen in China have said they fear the new rules will impose strenuous requirements for participation in the telecoms industry, particularly the Internet.

Wu denied this, but declined to describe what standards China will adopt when determining which foreign companies will be allowed access to the telecoms market.

He said China will live up to the commitments it made to gain WTO membership that the rules will be fair, open and equitable.

According to agreements reached with the United States and the European Union, China will eventually allow 49 per cent foreign ownership in mobile voice and data services, and 50 per cent shares in value added services, including the Internet.

Foreign telecom companies are eager to enter the Chinese market, which is one of the fastest growing in the world and is also gradually becoming one of the largest.

Official statistics released on Monday showed that China had 65 million mobile subscribers by September 20, making it the second-largest market after the United States.

The figure is up from 59.3 million at the end of June, and marks a 50 per cent increase from 43.3 million users at the end of last year.

China now also has 135 million fixed line users, which is up from 127 million users by the middle of the year, according to the data published on Monday.

One of the questions facing China's regulators is how to deal with the arrival of third generation (3G) mobile technologies, which allow customers to access the Internet and enables speedier transfer of graphics and data.

For third-generation wireless services, China is facing a number of choices based on the code division multiple access, (CDMA) technology, including the US-made CDMA 2000 and China's own TD-SCDMA.

"It's a complex issue because the technology is changing every day," said Yang Xianzu, general manager of China Unicom, the country's number two phone company.

For China Unicom, the issue is complicated further because it is in the process of absorbing a second generation mobile network operated by Great Wall Telecom and originally developed by the armed forces.

Chinese policy makers will also have to address how to allocate third generation telecom licenses among local companies.

In Europe, the licenses have been allocated through auctions forcing successful bidders to spend so much money that some investors have started doubting if they will have sufficient financing to build the infrastructure for third generation telecom.

In Germany, European telecom companies paid a total of 46 billion dollars for the licenses, and in Britain, the combined price tag was 36 billion dollars.

ROK seeks investment guarantees from DPRK

SEOUL, Sept 25: South Korean negotiators today sought investment guarantees and other legal protection from the rival North in a bid to stimulate trade with the troubled communist state, says AFP.

The guarantees for wary South Korean businessmen were sought at the start of two days of economic talks in Seoul, being held parallel to military talks as the two sides seek to bolster reconciliation.

The negotiations are considered crucial to the resurrection of the North's moribund economy.

The two sides exchanged draft agreements aimed at promoting South Korean investment in the North, officials said.

Discussions focused on striking accords on investment guarantees and the avoidance of double taxation, the South's chief delegate said.

"We will have in-depth discussions on the main contents of the draft accords," Lee Keun-Kyung, South Korea's deputy finance and economy minister, said after the morning session of the talks.

"The draft accords of each side have much in common," he added.

Any accords would pave the way for the two Koreas, still technically at war, to increase economic co-operation.

The South Korean chief delegate, however, did not expect to reach final agreements this week.

"Due to the limited time, it would be difficult to sign any of the agreements this time," he said. "We'll need a few more rounds of contacts."

The South initially hoped to discuss dispute resolution and transaction settlement as well but the North's negotiators said they were not prepared for these.

Since an historic summit between the leaders of the North and South in June, South Korean businesses have not made any major investment in the communist state, citing the lack of legal protection.

"First of all, the two sides must work out a legal device to protect investments," Lee said in a speech before the start of the talks.