

India not revising growth target despite oil price impact

NEW DELHI, Oct 10: Indian Finance Minister Yashwant Sinha said yesterday he was not revising the country's economic target for 2000/01 (April-March) yet although the increase in international oil prices had had an impact on the economy, says Reuters.

"I am not revising any projections as yet. Let me go into the detail and then we will decide," Sinha told reporters on the sidelines of a business seminar.

India expects its gross domestic product (GDP) to grow by 7.0-8.0 per cent in 2000/01, up from 6.4 per cent in the previous year. Independent analysts estimate GDP growth to be in the 6.2 to 7.0 per cent range.

"There is an impact of the oil

price increase on the economy," Sinha said.

India raised prices on petroleum products and cut import and excise duties to reduce a ballooning deficit in its oil pool which is used to subsidise some oil products sold below cost.

The deficit is expected to reach 236 billion rupees (\$5.13 billion) by the end of March 2001.

Later, Sinha met representatives of India's leading industry chambers to devise corrective steps to tackle the industrial slowdown particularly in some sectors like steel, cement and capital goods.

He assured industrialists the government would take immediate steps to overcome the slowdown and asked them to

identify specific problems and report to him within a week.

India's index of industrial production (IIP) growth slowed to 5.4 per cent year-on-year in April-July 2000, adding to growing concerns that a cyclical recovery seen in the previous financial year was fading.

Industrial output growth in April-July 1999 was 5.9 per cent.

Analysts have expressed concern over the figures, saying they spelled trouble for industrial growth in the medium term.

Industrial output grew eight per cent in 1999/2000 from over 3.9 per cent recorded a year earlier.

The government has not any target for the current financial

year but officials estimate industrial output growth to be about 11 per cent.

"As much as 83 per cent of the respondents from across India's industrial spectrum stated that growth is slipping.

The overall mood is certainly not upbeat," said GP Goenka, President of the Federation of Indian Chambers of Commerce and Industry quoting a survey conducted by his organisation.

He said industry's costs were rising because of higher power tariffs, rising labour and borrowing costs and rising prices of petroleum.

"Industry believes that the government should invest in critical sectors like infrastructure for starting the recovery process," Goenka said.

S'pore raises growth forecast for 2000

SINGAPORE, Oct 10: Singapore said today advance gross domestic product (GDP) grew 10.2 per cent in the third quarter of 2000 in real terms from the same period a year earlier and revised up its growth forecast for the year, says Reuters.

The official growth forecast for 2000 was revised to around nine per cent from a range of 7.5-8.5 per cent, while growth in the first half of the year was revised to 9.2 per cent from 8.8 per cent, the Ministry of Trade and Industry (MTI) said.

Analysts said the data showed Singapore economy on track to achieve the top end of the prior 7.5-8.5 per cent official forecast for the year. A mid-September Reuters poll had projected growth of about 8.4 per cent for the year.

MTI said the advance third quarter estimate, compiled

largely from two months' data and released 10 days after the end of the quarter, included firm growth in the manufacturing sector and service-producing industries.

Taking into account the stronger economic growth, the government said it put its preliminary 2001 GDP growth forecast at 5-7 per cent.

"Our economic recovery has gathered strength. Growth in the first three quarters averaged 9.5 per cent. Growth momentum, on a quarter-on-quarter basis, continues to be strong," it said.

Goods-producing industries were estimated to have grown 11.4 per cent while the manufacturing sector continued its robust growth, boosted primarily by the electronics industries.

The construction sector, which had been the lagging sector, also showed signs of improvement, MTI said.

Exchange Rates

Following are yesterday's Standard Chartered Bank foreign exchange rates of major currencies against Taka.

Central Bank Buying and Selling Rate of USD: BDT 53.85/BDT 54.15.

TT/OD	Selling		Currency	Buying	
	BC	TT Clean		OD	OD
54.2500	54.2800	USD	53.8150	53.8454	53.5779
47.6448	47.7317	EUR	45.7015	45.7015	45.6249
79.2508	79.2928	GBP	77.4474	77.1809	77.1263
29.9128	29.9374	AUD	26.9151	26.8226	26.7425
0.5063	0.5064	JPY	0.4884	0.4882	0.4872
31.1737	31.1982	CHF	30.4830	30.3885	30.3040
5.5265	5.5317	SEK	5.5319	5.4142	5.3983
36.3752	36.3997	CAD	35.5107	35.4171	35.3339
6.9933	6.9946	HKD	6.8604	6.8517	6.8343
31.428	31.4489	SGD	30.2901	30.2463	30.1316
14.8919	14.9095	AED	14.5023	14.5242	14.4838
14.5799	14.5983	SAR	14.5023	14.5242	14.1853

Usage export bills

TT/OD	30 Days	60 Days	90 Days	120 Days	180 Days
53.7041	53.7277	52.9304	52.4217	51.8698	50.6303

+Exchange rates of some Asian currencies against US dollar

Indian Rupee	Pak Rupee	Baht	Ma	Indo	NZ
46.07/46.09	58.50/58.60	42.65/42.70	3.7795/3.8705	88.10/88.20	0.4010/0.4017
45.08	59.720	42.756	3.87005	87.90	0.4012

US Dollar LIBOR

	Buying	Selling	Months	1	2	6	12
Cash note	53.6150	54.2800	USD	6.62	6.8025	6.756	7.6
TC	53.5850	54.2600	GBP	6.07906	6.17594	6.2687	6



Japan's electronics giant Sony employee Kaoru Saito displays a water-proof camera case Marine-Pack MPK-P1 for 3 million pixel digital camera Cyber-shot DSC-P1 at the company's showroom in Tokyo yesterday. DSC-P1 said digital Marine-Pack enables to use at a depth of 30 meters under the water. Sony will put DSC-P1 on the market October 20 with a price of 99,800 yen (\$925 USD) and will put MPK-P1 on the market November 15 with a price of 23,000 yen (\$210 USD).

Japan's PM urges early free trade deal with S'pore

TOKYO, Oct 10: Japanese Prime Minister Yoshiro Mori said today that Japan needs to conclude a free trade agreement (FTA) with Singapore as quickly as possible, says DPA.

The premier, who is expected to agree later this month with Singapore Prime Minister Goh Chok Tong on the opening of FTA talks, made the remarks in a meeting with International Trade and Industry Minister Takeo Hiranuma, government officials said.

Hiranuma told a Tokyo press conference Japan will do its utmost to conclude an FTA with Singapore at the earliest possible opportunity, as suggested by Mori.

A joint Japan-Singapore study group recommended in late September that the two nations launch negotiations early next year on concluding a bilateral FTA within a year.

Mori and Goh are expected to agree at their planned meeting in Tokyo on October 22 to initiate FTA talks, as recommended by the study group.

An accord with Singapore would be the first FTA for Japan, which is the only major industrialised country that does not have a free-trade arrangement with any of its economic partners.

Taiwan's WTO entry may be held up until 2001

TAIPEI, Oct 10: Taiwan's top WTO negotiator said yesterday the island's accession to the global trade club could be held up until next year by rival China's slow progress, says Reuters.

Vice Minister of Economic Affairs Steve Chen said Taiwan has cleared the way for its own accession by completing talks with all WTO members that requested them, but politics barred its way.

"Unfortunately, our accessions when asked if Beijing's delayed entry would have an impact on Taiwan."

Beijing, which considers Taiwan a breakaway province to be reunited with the motherland - by force if necessary - insists China must enter the global trade body first.

"We are ready to join this organisation. It's about time to conclude the procedure. In your life, you don't have so many 10 years," Chen told a panel discussion, in a reference to the more than 10 years the island has spent pursuing its bid to join WTO.

US Trade Representative Charlene Barshefsky said on Friday slow progress in talks in Geneva may force China to wait until next year to join the WTO.

A Chinese trade official pledged on Monday to press on with the process.

Chen said it was still possible for the WTO general council to adopt Taipei and Beijing's accession protocols by the end of 2000 if Beijing managed to resolve the 11 outstanding problems with the WTO members.

Chen was fight-lipped, however, on whether Taipei would uphold its ban on direct trade with China by invoking a non-application clause in the ground of national security.

"It's still too early to say what the situation will be (between Taiwan and China)," Chen said.

"Current policy must be reviewed. But conclusion is not yet ready," he said, adding that officials "higher-up" would decide.

Taiwan President Chen Shui-bian has offered to ease the decades-old ban on direct trade, transport and postal services before the end of the year, but only if Beijing renounces fence-mending talks.

Taiwan has banned the so-called "three links" with China since Chairman Mao Zedong's Communists won a civil war.

Asian stock markets close lower

HONG KONG, Oct 10: Most Asian stock markets closed lower Tuesday, with prices falling in Tokyo for a third straight session following the collapse of a life insurance company, reports AP.

The Japanese benchmark 225-stock Nikkei Stock Average shed 166.52 points, or 1.04 per cent, to close at 15,827.72. On Friday, the average closed down 105.02 points, or 0.65 per cent.

Financial markets in Tokyo were closed Monday for a national holiday.

The Nikkei opened lower after Chiyoda Mutual Life, a mid-size insurer, filed for bankruptcy Monday in the largest failure of a life insurer in Japan since World War II.

The Financial Services Agency, the national financial regulator, said Chiyoda Mutual's liabilities exceeded assets by \$315 million at the end of September.

Also pushing down the market was continued weakness on Wall Street, where the Dow Jones Industrial average fell 28.11 points to 10,568.43 at Monday's close. The Nasdaq composite index lost 5.45 points to end at 3,355.56.

In currency trading, the US dollar was quoted at 108.32 yen, down 0.47 yen from late Friday in Tokyo and also lower than its late New York level of 108.83 yen overnight.

In Hong Kong, the Hang Seng Index fell 139.39 points, or 0.9 per cent, closing at 15,554.11. On Monday, the index had slumped 491.18 points or 3.03 per cent.

Brokers attributed the downturn to continued profit-taking following recent gains in share prices.

There were also renewed concerns about US inflation after the US Labour Department reported an unexpected drop in unemployment on Friday.

Philippine markets were badly battered for a second day by allegations that President Joseph Estrada received millions of dollars in kickbacks from illegal gambling operations, traders said.

The dollar surged to a new record high of 46,890 pesos on the Philippine Dealing System after closing at 46,550 pesos Monday.

The 30-company Philippine Stock Exchange Index dropped 32.79 points, or 2.4 per cent to 1,332.22 - its lowest closing level since Oct 14, 1998, when it finished at 1,324.22.

The market was closed in Taiwan for a public holiday.

\$1.63 billion sale to Royal Dutch Shell and US-based Apache. The NZSE-40 Capital Index rose 22.50 points, or 1.2 per cent, to 1,948.44.

Sydney: Australian share prices closed lower, dragged down by selling in most telecommunications and insurance stocks. The All Ordinaries Index fell 9.3 points, or 0.3 per cent, to 3,216.9.

Seoul: South Korean share prices closed slightly lower. The Korea Composite Stock Price Index slipped 0.84 point to 588.34.

Jakarta: Indonesian shares closed lower on foreign-led selling. The Composite Index fell 0.6 per cent, or 2,449 points, to 412,915.

Kuala Lumpur: Malaysian share prices closed higher, with government-linked funds buying select blue chip stocks to support the key index above the 700 points psychological level. The Composite Index rose 0.9 per cent or 6.26 points, to 711.25.

Singapore: Share prices closed higher on bargain-hunting. The Straits Times Index rose 26.63 points, or 1.4 per cent, to 1,913.81.

Bangkok: Thai shares fell on a new two-year closing low on foreign selling. The Stock Exchange of Thailand's SET index fell 4.31 points, or 1.7 per cent to 256.98.

German Sept inflation hits 6-year high

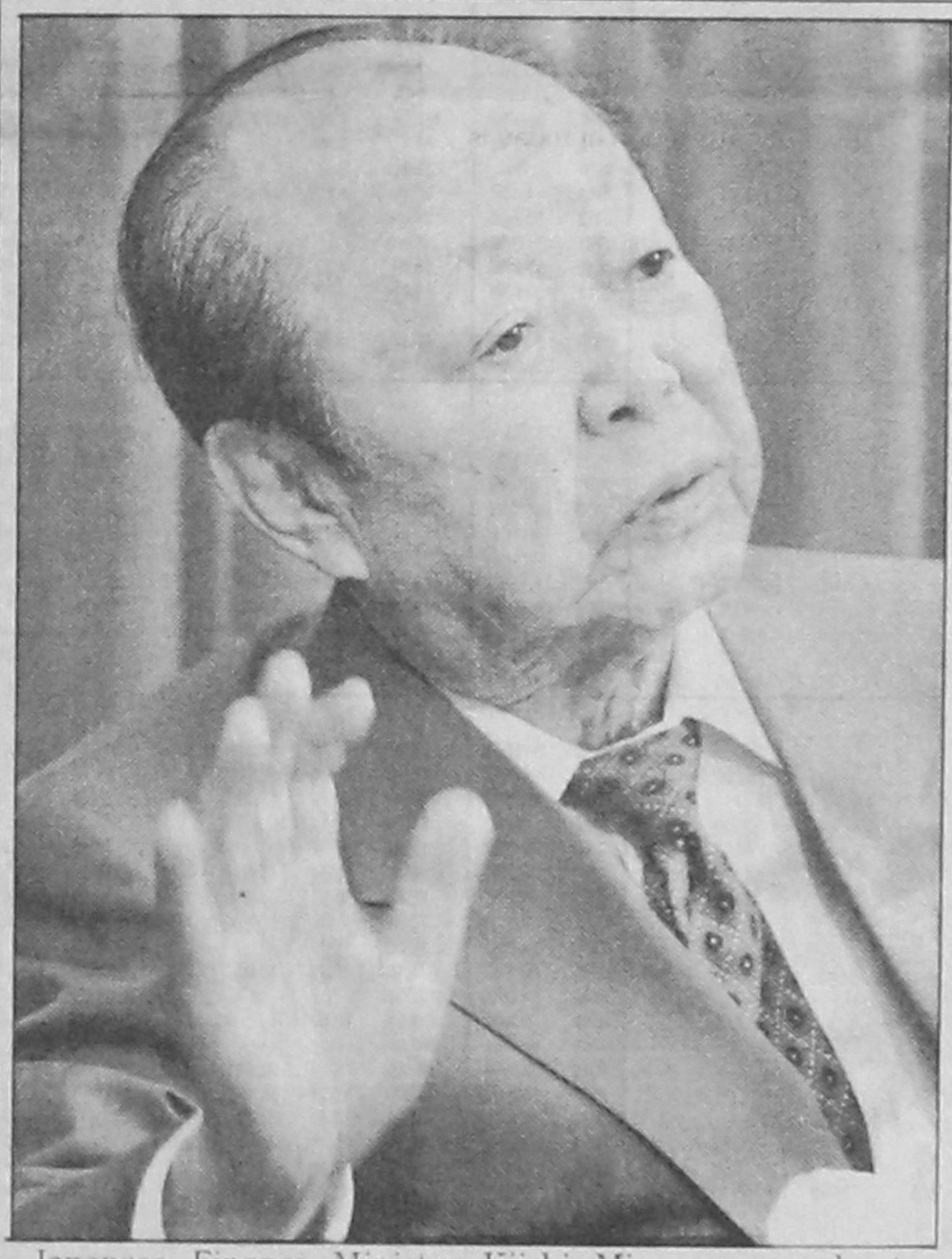
FRANKFURT, Oct 10: German inflation reached a six-year high of 2.5 per cent in September driven by rising oil prices, according to revised figures released today, reports Reuters.

The rate, revised upwards from an originally reported 2.4 per cent, is the highest seen in Germany since December 1994. Month-on-month, prices were up 0.5 per cent, revised up from an earlier reported 0.4 per cent.

The figures mark a sharp increase from August when prices were up 1.8 per cent year-on-year and down 0.2 per cent month-on-month.

Heating oil prices rose 78.4 per cent year-on-year, up from an August increase of 32.6 per cent. Fuel prices were up 18.5 per cent in September, the Federal Statistics office said.

Excluding heating oil and fuel, consumer prices were up 1.2 per cent year-on-year.



Japanese Finance Minister Kiichi Miyazawa speaks to reporters after the cabinet meeting in Tokyo yesterday. Miyazawa said he believes Japan's real economic growth rate in fiscal 2000 will be higher than the one per cent gain forecast by the government.

Swiss economy may slow in second half of 2000

ZURICH, Oct 10: The Swiss economy is expected to slow in the second half of 2000, UBS AG said today, forecasting third-quarter growth of 3.3 per cent and an expansion of 3.0 per cent in the fourth quarter, says Reuters.

That compared with gross domestic product (GDP) growth of 3.8 per cent in the second quarter versus the year-ago period. GDP grew by 2.5 per cent versus the first quarter on a seasonally adjusted, annualised basis.

UBS made its forecasts based on its quarterly survey of about 300 industrial firms. It found robust demand was expected to continue in the October-December period. But the earnings situation was expected to improve only modestly due to rising raw materials prices and personnel costs.

Orders, revenues and profits were lower than in the previous quarter but remained in entirely positive territory. Nearly 60 per cent of those surveyed reported that orders, output and sales were up compared with the year-ago period.

Lessening pressure on prices of goods sold together with cost savings led to improvements in earnings at 24 per cent of the companies surveyed. A high level of orders in hand was positive for both production and employment.

It said 17 per cent of the companies surveyed expected to increase staff in the final quarter of this year.

The latest survey showed the industrial pick-up in the months of July to September was less lively than was expected still in June, adding that neither domestic nor foreign demand completely lived up to expectations.

Finance Ministry says Bangkok bank may be sold before election

BANGKOK, Oct 10: A long-pending sale of a nationalised bank to Britain's HSBC Holdings is expected to be completed before the end of the government's term in November, a Finance Ministry official said Tuesday, reports AP.

HSBC will disclose this week its decision on going through with the 56.6 billion baht (\$871.42 million) purchase of the Bangkok Metropolitan Bank, Sonmai Phasae, the deputy permanent secretary in the Finance Ministry, said.

"I think HSBC should buy. The deal should be sealed within the current government's term," he said in an interview with a local television station.

HSBC has already agreed in principle to buy the bank.

The government completes its term in office on Nov. 17, and elections have to be called within 60 days of that. But Prime Minister Chuan Leekpai has said that parliament will likely be dissolved on Oct 21 after which the government will remain in office as a caretaker.

Bangkok Metropolitan is one of the smaller of the 13 commercial banks in Thailand with 177 branches. Burdened by bad loans, it was nationalised after the 1997 Asian economic crisis and would be the fifth Thai bank to be sold to foreigners.

The four purchasers of the other private and nationalised banks are ABN Amro of the Netherlands, Standard Chartered of Britain and DBS Bank and UOB Bank of Singapore.

Bangkok Metropolitan's non-performing loans are currently worth 108.24 billion baht (\$2.57 billion) or 55.54 per cent of its total lending.

Sonmai said the government will not offer tax reduction to HSBC to sweeten the deal.

Instead, the Financial Institution Development Fund, a state rescue fund, will allow Bangkok Metropolitan Bank after its takeover to show part of its accumulated losses as expenditure, thus freeing it from tax obligations, Sonmai said.

"It's merely an accounting method. The state won't inject any fund to the bank, nor offer tax reduction," he said.

Shipping Intelligence

Local foreign exchange market remained steady and demand for dollar was rangebound. Money market was inispid and trading of call money fluctuated between 6.00 and 7.00 per cent.

In the international market, market players commented that bankruptcy of Japan's 12th largest life insurer will induce substantial yen buying for a long time -- far beyond warranted by the failure. Chiyoda Mutual Life Insurance, heavily laden with non-performing assets, filed on Monday for court protection from its creditors under new last track laws for financial firms, becoming Japan's biggest corporate bankruptcy with 2.94 trillion yen (\$27.02 billion) in debt.

Chittagong port

Berth position and performance of vessels as on 10.10.2000.

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Date of arrival	Leaving
J/1	Bavfontune	GI	Yang	SMSL	20/9	14/10
J/2	WORLDAMBER	Wheat(P)	Sing	Angelic	24/9	15/10
J/3	Bright Sea	C. Clink	Krabl	MBL	30/9	16/10
J/4	Min Jiang	GI	S-Hai	BDShip	4/10	11/10
J/5	Asian Saffron(48)	GI(STC)	Yang	Everett	7/10	11/10
J/6	Ocean-1	GI(Log)	Yang	SMSL	28/9	13/10
J/7	Pacific Emerald	GI(Copra)	Sing	All seas	21/9	17/10
J/8	Erodios	Sugar(G)	Sant	Fortune	16/9	10/10
J/9	Shin Cheng	GI(S,ASII)	Libe	Concord	22/9	10/10
J/10	Hyderabad	Rice(P)	Kara	BSC	2/30/9	16/10
J/12	Boxer Capt Cook	Cont	P.Kel	BD ship	5/10	12/10
J/13	Kota Cahaya	Cont	Sing	PIL(BD)	7/10	12/10
CCT/1	Banga Lanka	continue	P.Kel	BDship	5/10	10/10
CCT/2	QC Pinnal	Cont	Sing	QCSL	7/10	12/10
CCT/3	Kota Naga	Cont	Sing	PIL(BD)	7/10	13/10
RM/14	Gandla Satrija	TSP(P)	indo	Delmare	8/10	20/10
RM/15	North Star-II	Cement	SBS	R/A	11/10	
TSP	Natcha Naree	R/Ship	DARB	Seacom	1/10	15/10
RM/3	Novovovager	CDSO	B AB	Rainbow	4/10	11/10
RM/6	Al Badiyah	Naphtha	Kara	EOSL	5/10	10/10
DOJ	Banglar shourabh	C Oil	BSC	R/A	10/10	
DDJ	Banglar Shikha	Repair	Sing	BSC	20/9	12/10
DDJ/2	Sea Bulkdaniah	Cont	IBS	R/A		
RMJ	Banglar group	Repair	BSC	R/A	15/10	
CFUJ	Marjmour	Cement	Lank	BSL	27/9	10/10

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Cargo	loading port
Orient Independence (Cont)	10/10	P.Kel	Bdship	Cont	Sing
DeXing	10/10	Sing	Arafeen	Survey Purpose	-
Seabulkhawk	10/10	Sing	Arafeen	-	-
Sunmi Frontier	10/10	Krabl	SBS	C. Clink	-
Banga Bijoy (cont)	11/10	P.Kel	BDship	GI	-
Hpaan	10/10	Yang	MTA	Rice(P)	-
Hanjin Houston	11/10	Vano	Mutual	D. Peas & Wheat	-
Marine Express	11/10	Sing	Rainbow	WT(P)/N. Secc/J.Y. Peas	-
Morning Rise (RORO/249)	10/10	Sing	QCSL	Everett	Vehi
Randor	12/10	12/10	SSST	GTS(Fer)	-
Xpress Maklu (cont)	7/10	18/10	Everest	Cont	Col
Bandung Ace (7213/10)	13/10	-	Everett	Steel/GI	-
Joy Miracle (7211/7)	15/10	Jaka	SSLL	GI(S, Prod)	-
Acturia (Cont)	7/10	13/10	Sing	QCSL	Cont
Banga Bonik (Cont)	7/10	13/10	Sing	BDship	Cont
Paltern	13/10	Yang	MTA	Rice(P)	-
Kota Berjaya (Cont)	1/10	13/10	Sing	PIL(BD)	Cont
Qe Teal (Cont)	2/10	14/10	Sing	QCSL	Cont
Osg Alpha (Cont)	5/10	14/10	Sing	RSL	Cont
Java Mars (cont)	5/10	14/10	CBO	Everest	Cont
Triumph Kaohsiung 7219/10	14/10	Yang	RML	St Coal	-
Yasmina	18/10	Okha	SMSL	Cont	Sing
Jaami (cont)	15/10	15/10	Sing	Cross	Cont
Kota Singa (Cont)	5/10	16/10	Sing	PIL(BD)	Cont
Kota Petani (Cont)	9/10	16/10	Sing	PIL(BD)	Cont
Chu Hong (Cont)	9/10	16/10	Sing	QCSL	Cont
Bang Birl (Cont)	9/10	18/10	Sing	BDship	Cont
Banglar Robi (Cont)	9/10	18/10	Sing	BSC	Cont
Banglar Monil (Cont)	9/10	20/10	Sing	BSC	Cont

Tanker due

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Eminence	10/10	Jnba	ECSL	HSD
Aegwam	13/10	Juba	ECSL	HSD
Alpha-2	10/10	-	Rainbow	CPO
Gaz Kaudala	11/10	Para	MBL	-

Vessels at Kutubdia

Name of vessels	C. Oil	Jebe	Uniqe	6/10
Fortune Sea	C. Oil	Jebe	Uniqe	6/10
Banglar Jyoti	C. Oil	-	BSC	R/A/9/10
Energy Explorer-IV	-	-	BBAL	5/4
Isniava	-	-	BBAL	17/8
Dea Champion	-	-	Arafeen	R/A/24/9
Recal Eastern	-	-	BBAL	28/9
Dea Captain	-	-	Arafeen	3/10
Dea Conqueror	-	-	Arafeen	R/A/8/10
Seabulk Command	-	-	LBS	R/A/7/10

Vessels at outer anchorage

Ready on

Name of vessels	Salt (TCB)	P. Kel	SBS <th>26/9</th>	26/9
Hans	Salt (TCB)	P. Kel	SBS	26/9
Sea Ballo	Y. Corn	Darb	Rainbow	4/10
Eltanin	C. Clink	Sing	PSAL	3/10
Arabella (Cont)	Cont	S		