APEC leaders to give global trade round a gentle push

KUALA LUMPUR, Nov 6: Asia Pacific leaders meeting in Brunei next week are expected to declare their support for a new round of global free trade talks but shy away from listing specifics they want on the agenda, says Reuters.

And such caution about commitments may be typical of the November 15-16 Asia Pacific Economic Cooperation summit meeting in the tiny oil-rich sultanate, expected to draw US President Bill Clinton, Japanese Prime Minister Yoshiro Mori and Russian President Vladimir Putin among others.

Rising oil prices, globalisation, regional free trade arrangements and liberalisation of e-commerce services are some of the issues on the agenda when the leaders of the 21 APEC members meet.

In all those areas agreement on broad principles may be easier to reach than consensus on concrete policy steps considering APEC's diversified membership, which stretches geographically from Russia to Chile and economically from Third World Papua New Guinea to Japan and the Untied States.

Certainly the drive for a fresh round of World Trade Organisation (WTO) global trade liberalisation talks will be soft-pedalled, analysts say.

APEC members account for 60 per cent of global gross domestic product and 45 per cent of world trade.

Many are still recovering from the Asian financial crisis in the late 1990s and several like Malaysia are wary of the risks posed by globalisation, so APEC is unlikely to move too fast on free trade.

"It will be a sort of a symbolic declaration. But I don't think they will agree on the specifics to be included in the new round," Kyung Tae Lee, the incoming chairman of the APEC's economic committee, told Reuters by telephone from Seoul.

WTO members failed to launch a new global liberalisation round in Seattle last December amid a backlash of violent protests.

"I think to date much emphasis has been placed to help in building a consensus to launch a new round of TWO. We will continue to press for it as early as possible," said Lawrence Greenwood, a senion US State Department official.

"Many (developing countries) are worried about effects of globalisation... whether it is good or bad for developing countries.

K M S Alam, General Export Manager of Bata-Bangladesh, hands over a contract letter to the representative of Rakhi Traders. Zaman, proprietor of Rakhi Traders, and J D Hearns, Managing Director of Ba a-Bangladesh, were present. – Bata photo

ECB still focused on inflation

Report on policy shift 'a misinterpretation'

FRANKFURT, Germany, Nov 6: The European Central Bank yesterday flatly dismissed an agency report that it was shifting the focus of its monetary policy making to inflation excluding energy costs from headline inflation, says Reuters.

An ECB spokeswoman said Vice President Christian Noyer, whose remarks have used in the report, was misquoted and that the bank's policy had not changed.

"Mr. Noyer was misquoted," she said. "Our monetary policy strategy, which includes our definition of price stability, has not changed."

The ECB defines price stability as keeping the year-on-year increase in the EU harmonised index of consumer prices (HICP) at below 2 per cent over the medium term.

In the report Noyer was quoted as saying the bank would now apply the 2 per cent ceiling to core inflation, which excludes volatile energy prices.

"We cannot control external shocks like the rise in oil prices immediately, so at the moment the aim is to ensure that core inflation doesn't rise above our 2 per cent ceiling," he was quoted as saying.

The headline consumer price inflation in the euro zone rose to 2.8 per cent in September from 2.3 per cent in August, while core inflation was 1.6 per cent in September after 1.5 per cent in August.

Noyer's comments could have been seen by the markets as a sign that central bank interest rates were on hold for now after it hiked them by a total of 2.25 percentage points in the last 12 months.

Analysts had widely interpreted ECB President Wim Duisenberg as having taken a softer-than-usual tone on inflation risks at the bank's regular monthly press conference on Thursday, following the bank's decision to leave interest rates unchanged.

Duisenberg repeated at the news conference his prediction for headline inflation to remain above the 2 per cent ceiling for longer than had been expected, but said there were signs that growth in the 11-member euro zone was moderating.

Together with his comment that money supply growth was slowing, his remarks were seen by analysts as a strongest hint to date that the ECB's tightening crusade was close to a peak. The bank's main rate is currently at 4.75 per cent.

Duisenberg's less hawkish comments were followed by the ECB's surprise solo intervention on Friday to prop up the euro just as it was clawing back from all time lows hit two weeks ago.

The intervention failed to boost the euro much above levels just higher than 86 cents where it traded before the ECB stepped into the markets, but it indicated the central bank was confident the single currency's 22-month slide was near bottom.

Romano Prodi, President of the European Commission, speaks during the annual national conference of Confederation of British Industry (CBI) at the International Conference Centre in Birmingham yesterday. Prodi said that the European Central Bank (ECB) needs two years to work properly. – AFP photo

EBL operating profit till Oct Tk 57cr

EBL has achieved a remarkable growth at the beginning of the new millennium. The bank made an effective operating profit of Tk 57 crore till last month.

This was stated by Managing Director of Eastern Bank Limited, Khairul Alam, while presiding over a meeting of the officers of head office, Dhaka-based branches and all managers of the bank at its head office on Monday, says press release.

Mohammad Hafiz Ahmed and Ahmed Ismet, Executive Vice-presidents, among others, spoke at the meeting.

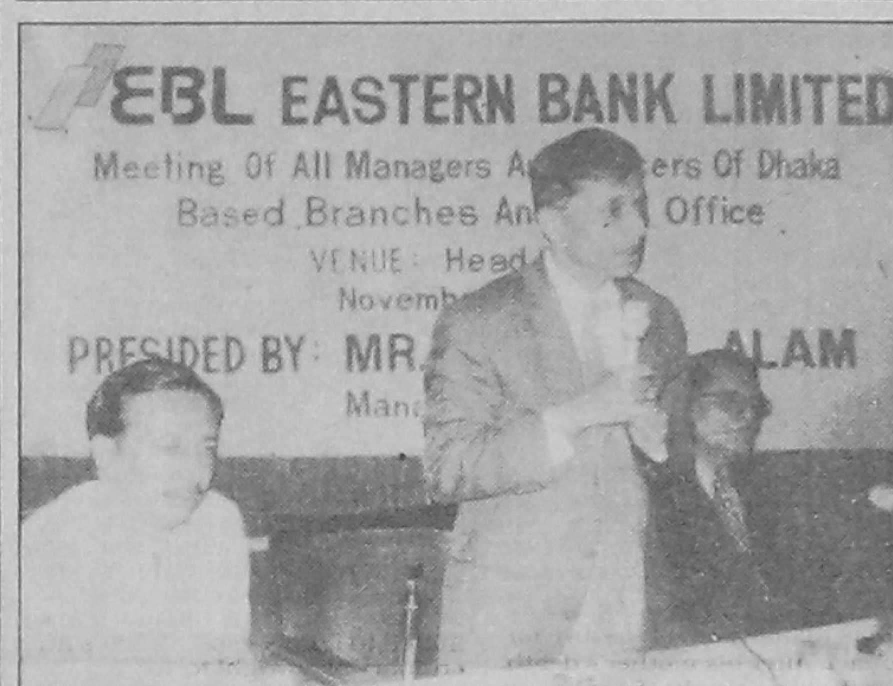
The managing director said if the trend of growth continues the bank will earn more than Tk 65 crore during the year 2000.

Bata signs deal with Rakhi to export footwear to S Arabia

Bata Shoe Company (Bangladesh) Ltd signed an agreement with Rakhi Traders to export 100,000 pairs of footwear to Saudi Arabia, says a press release.

Bata-Bangladesh has been exporting shoes to Saudi Arabia since 1993 and this brand has became popular among the Bangladeshi expatriates living in Saudi Arabia.

K M S Alam, General Export Manager, handed over the contract to the representative of Rakhi Traders. A B M Amanuzzaman of Rakhi Traders and J D Hearns, Managing Director of Bata-Bangladesh, were present on the occasion.



M Khairul Alam, Managing Director of Eastern Bank Limited (EBL), addresses a meeting of the officers of Head Office and Dhaka-based branches and all managers in the city Sunday. Ahmed Ismet (left) and Mohammad Hafiz Ahmed (right), Executive Vice-presidents, were also present. – EBL photo

Corporate Japan unveils plan to become Internet giant

TOKYO, Nov 6: Some of the biggest names in corporate Japan on Monday urged Prime Minister Yoshiro Mori to open the telecommunications industry to wider competition as part of a five-year plan to make the country into an Internet superpower, says AP.

A council of business leaders chaired by Sony Corp. Chief Executive Nobuyuki Idei made the proposal in a draft report that also called for bringing high-speed Internet access to all Japanese homes by 2005.

The IT Strategy Council was formed in September in a highly touted effort to draw up a long-term national Internet strategy for Prime Minister Mori, an avowed computer novice who has seized upon information technology as one of the pet themes of his six-month-old administration.

The council's provisional five-year-plan, presented to Mori and members of his Cabinet on Monday morning, said Internet usage in Japan has lagged far behind other advanced countries because of "high access charges caused by a de facto monopoly in the telecommunication business."

Communications giant Nippon Telephone and Telegraph Corp. continues to dominate the market for local calls in this country and has been slow to introduce Internet-friendly rates and services.

Without pointing fingers, the council proposed a set of measures to "stimulate competition" in Japan's telecommunications industry – something that foreign governments and companies have demanded for years.

The proposals included tightening anti-monopoly regulations and ensuring "fair" access to the nation's fiber-optical network, which the current administration plans to expand under its latest economic recovery programme.

Creditors club Hyundai Engineering to come up with viable plan

SEOUL, Nov 6: Cash-strapped Hyundai Engineering and Construction Co faced a crucial week Monday, with creditors pressuring it to come up with a drastically viable self-rescue plan or face liquidation, says AP.

"The fate of Hyundai Engineering will likely be decided within one week," Finance and Economy Minister Jin Nyum told reporters.

Hyundai Engineering, a key affiliate of the giant Hyundai group, survived a list of 52 companies that government-controlled creditor banks last week said were nonviable and should be liquidated or sold immediately.

But the nation's largest builder was served notice that it deserves no new bank loans, meaning that it will face liquidation if it cannot survive with its own financial resources or help from other Hyundai subsidiaries.

After being bailed out by creditor banks four times this year, Hyundai Engineering defaulted on payment of 22.4 billion won ($200 million) in commercial notes last week.

The builder made full payment of the commercial notes a day later but its future was in question because of its limited financial resources. It reportedly needs $80 million in cash to pay debts this week.

Its long-term forecast is also bleak. Bank officials said the firm has $1.4 billion coming due in commercial notes by year's end but it can muster only $1 billion to cover them.

To avoid the huge impact the builder's collapse may have on South Korea's economy, creditors over the weekend asked Hyundai Engineering's owner, Chung Mong-hun, to agree to capital reduction and a debt-for-equity swap.

The proposed deal by creditor banks, if accepted, would deprive Chung of management control of the construction firm.

The owner rejected the swap deal and instead offered to sell some of his stocks in other Hyundai affiliates to save the construction firm. It was unclear whether Chung's offer was enough to satisfy creditor banks.

Late Monday, Hyundai group said it is also considering selling shares in its units held by affiliate Hyundai Merchant Marine Co to ease the liquidity crisis at the builder.

The group said in a statement that it was seeking to sell a 12.46 per cent stake in Hyundai Engineering and Construction and a 9.25 per cent stake in Hyundai Electronics Industries Co. The shares are valued at about 555.4 billion won ($505 million).

"Hyundai Engineering basically cannot survive on its own. It cannot even pay the interest on its debts," said Lee Keun-mo, the head researcher at Good Morning Securities.

The massive corporate restructuring under way is part of reforms being pushed by the government to restore sagging investor confidence in its economy. Investors have strong doubts about many financially unstable firms listed on the stock exchange.

Also on Monday, Daewoo Motor Co failed to honour maturing bills worth 44.1 billion won ($40 million). By law, the carmaker will be declared bankrupt, if it fails to pay the bills by Tuesday.

Brown to call for reform of European single market

BIRMINGHAM, England, Nov 6: Britain's finance minister Gordon Brown will call for the European single market to be reformed when he addresses top business leaders later today, says Reuters.

Speaking just days before he sets out his stall ahead of next year's budget, Brown will say that a new productivity drive must be accompanied by change on the continent.

Treasury sources say Brown will stress that Britain is pushing the case for "fair tax competition and against tax harmonisation, for mutual recognition of nationally determined standards, and calling for more specific timetables that would open the single market in telecommunications, energy and financial services."

In his speech to Britain's employers' group, the Confederation of British Industry (CBI) at their annual conference he will add: "the challenge is not to restrict the single market or retreat from it but to extend it."

Brown is also likely to reinforce his recent message that there will be no significant loosening of public finances in Wednesday's pre-budget report.

He has come under heavy pressure in recent weeks to alleviate the plight of truckers and farmers who have been hammered by the recent rise in oil prices, and also to fork out more cash for hard-up pensioners.

But Brown will say: "we can either as a country retreat into the old short-termist ways and put at risk the very stability you have rightly urged us to pursue, or we can, for the first time in a generation, use our stability to entrench in Britain a culture of low inflation and low interest rates and invest for the future.

Even when tested by unexpected shocks, such as the recent surge in oil prices, Brown will say that "our resolve will be constant."

Instead of going down the road of stop-go economic policies which bedevilled the country in the past, Brown will say Britain "must build from stability to achieve what I believe is now the prize within our grasp, US levels of productivity and thus long-term prosperity for all."

Some pundits have alleged that the public finances will be in surplus to the tune of around 15 billion pounds ($21.75 billion) this fiscal year, 10 billion more than Brown forecast at the time of the March budget.

However, Treasury officials have played down city forecasts of a hefty surplus."

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against taka to clients.

Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	54.2500	54.2800	53.8150	53.6970	53.6250
Pound STG	78.8090	78.8526	77.5958	77.4257	77.3219
Deutsche Mark	24.4562	24.4698	23.4154	23.3641	23.3327
Swiss Franc	31.0870	31.1042	30.4711	30.4043	30.3635
Japanese Yen	0.5089	0.5092	0.4998	0.4987	0.4980
Dutch Guilder	21.7053	21.7173	20.7816	20.7360	20.7082
Danish Krona	6.3450	6.3485	6.2192	6.2056	6.1973
Australian $	29.1268	29.1429	27.7901	27.7291	27.6920
Belgian Franc	1.1857	1.1864	1.1353	1.1328	1.1313
Canadian $	35.7826	35.8024	34.7844	34.7082	34.6616
French Franc	7.2920	7.2960	6.9816	6.9663	6.9570
Hong Kong $	6.9710	6.9749	6.8877	6.8726	6.8634
Italian Lira	0.0247	0.0247	0.0237	0.0236	0.0236
Singapore $	31.7177	31.7353	30.7268	30.6595	30.6184
Euro	47.8322	47.8587	45.7966	45.6961	45.6349
Saudi Rial	14.5026	14.5107	14.3068	14.2754	14.2563

Bill buying rates

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
53.7512	53.3665	52.9181	52.4696	52.0212	51.1243

US dollar London Interbank Offered Rate (LIBOR)

Buying ($)	Selling ($)	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
53.6250	54.2500	USD	6.62000	6.75063	6.70000	6.69063	6.68750
77.3219	78.8090	GBP	6.05328	6.12625	6.17844	6.21234	6.24625
Cash/TC	Cash/TC	EURO	4.94688	5.12188	5.17563	5.21063	5.24875

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
46.635/46.655	56.30/56.40	43.30/43.35	3.7995/3.8005	9140/9155	1132/1133

Amex notes on Monday's market

The interbank USD/BDT market was active on Monday as the international market resumed operation after weekend. Average USD/BDT rate remained unchanged, ranging between 53.8700 and 53.8750. The call money market was active and the call rates ranged from 6.00 to 6.25 per cent.

The euro leapt nearly a cent against the dollar on Monday as the European Central Bank intervened for a second consecutive trading day to buy the single currency. The ECB said the unilateral intervention was in line with the statement it made on Friday when it said its action was prompted by concern about the global and domestic repercussions of the exchange rate of the euro, including its impact on price stability. Monday's intervention by the ECB boosted the euro by nearly a cent to above $0.87 and by nearly a yen to levels around 93.50. However, it was still about a cent below the peaks near $0.88 it set in the wake of Friday's intervention.

The dollar was little changed from late Friday levels against the yen, still nursing the wounds from Friday's 1.5-yen drop triggered by gyrations in euro/yen, which spiked up and quickly reversed in the wake of the ECB intervention.

At around 0923 GMT, the exchange rates of major currencies against USD were GBP/USD 1.4499/1.4503, USD/CHF 1.7560/1.7570, USD/JPY 107.22/107.23, EUR/USD 0.8691/0.8694.

Shipping Intelligence

Chittagong Port

Berth position and performance of vessels as on 6.11.2000.

Berth no	Name of vessels	Cargo	L port call	Local agent	Date of arrival	Leaving
J/1	Grand Slam (Liner)	GI	Sing	Prog	30/10	15/11
J/2	Mathilde Oldendorff	GI (Y Pe)	Bank	Seaglory	24/10	10/11
J/3	Keishung(Roro/24)	Vehi	P Kel	Everett	5/11	7/11
J/4	Mergui	Rice(P)	Yang	MTA	23/10	8/11
J/5	Mapiridge(72)	gi(St.C)	Sing	ASA	2/11	-
J/6	Lemthong Glory	Sugar (TCB)	Sing	CCNL	1/11	12/11
J/7	Yong Jiang	GI	Dali	BDShip	26/10	7/11
J/8	Beluga Obsession	GI	P said	IPL	1/11	12/11
J/9	ENOS	Urea (G)	Basu	SMSL	31/10	10/11
J/10	Xpress Padma	Cont	sing	RSL	1/11	10/11
J/11	Golden-D	C Clink	PIPA	NWSL	28/10	12/11
J/12	Xpress Makalu	Cont	Sing	Everbest	2/11	7/11
J/13	Banglar robi	Cont	Sing	BSC	5/11	10/11
CCT/1	Chu Hong	Cont	Sing	QCSL	3/11	8/11
CCT/2	Kota Singa	Cont	Sing	Pil (BD)	2/11	8/11
CCT/3	Jaami	Cont	Sing	Cross	2/11	9/11
RM/15	Sungrisan-9	GTSP(P)	Sing	Delmure	24/10	10/11
GSJ	Pride	Salt(TCB)	Kand	UML	22/9	10/11
Tsp	Mina	P.acid	Jedd	USS	3/11	8/11
RM/3	Minsatu	L Oil	Sing	BSL	3/11	7/11
RM/4	Juliana	Cpo/Rbd	Bintu	Sealift	5/11	8/11
RM/6	Eltanin	C Clink	Sing	PSAL	3/10	8/11
DOJ	Banglar Shourabh	Repair	-	BSC	R/A	8/11
RM/8	Banglar Jyoti	Repair	-	BSC	R/A	7/11

Vessels due at outer anchorage

Name of vessels	Date of arrival	L port call	Local agent	Cargo	Loading port
Banga Lanka (Cont) 25/10	6/11	Col	Baridhi	Cont	Col
Erodios	6/11	Sing	CCNL	Sugar (TCB)	-
Boxer Capt Cook (Cont) 30/10	6/11	P Kel	BDShip	Cont	Sing
Banglar Kakoli	6/11	Jedda	Seacom	R Phos	-
Joy Miracle(72)17/09	7/11	Jaka	Ssll	GI(St.Coil)	-
Xpress Renown (Cont) 16/10	7/11	Sing	RSL	Cont	Sing
QC Pintail (Cont) 26/10	7/11	-	QCSL	Cont	Sing
Kota Cahaya (Cont) 29/10	7/11	Sing	Pil (BD)	Cont	Sing
Banglar Moni (Cont) 30/10	8/11	Sing	BSC	Cont	Sing
Arabella (Cont) 31/10	8/11	-	QCSL	Cont	Sing
Banga Birol (Cont) 30/10	9/11	-	BDShip	Cont	Sing
Kota Naga (Cont) 30/10	9/11	Sing	Pil (BD)	Cont	Sing
Chin Shwehaw (Liner)	9/11	Yang	MTA	Marze(P)	-
Jaya Mars (Cont) 30/10	10/11	-	Everbest	Cont	Col
Banga Bijoy (Cont) 1/11	10/11	-	BDShip	Cont	Sing
Banglar Shikha (Cont) 2/11	11/11	Sing	BSC	Cont	Sing
Orient Independnce (Cont)5/11	12/11	-	Bdship	Cont	sing
Jurong Balsam(Cont)5/11	12/11	Sing	Nol	Cont	sing
Acturia (Cont)5/11	14/11	-	Qcsl	Cont	Sing
Kota Berjaya(Cont)5/11	14/11	Sing	Pil(BD)	cont	Sing
Banga Bonik(Cont)5/11	15/11	-	Bdship	Cont	Sing
Qc Teal (Cont) 5/11	15/11	-	Qcsl	Cont	Sing
San Pabo (Roro/24)2/11	17/11	-	Jf	Vehi	-

Tanker due

Gulf Stream	7/11	-	Seacom	CDSO	-
Bunga Mawar	8/11	-	Seacom	CDSO	-
Eminence	8/11	Juba	ECSL	HSD	-
Saucon	9/11	sing	MSTPL	Sko/Jp-1	-
Aspilos-II	9/11	RAST	BSL	Crude Oil	-
Fortune sea	11/11	-	Unique	Crude Oil	-

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Vessels at Kutubdia				
Energy Explorer-IV	-	-	BBAL	5/4
Ismaya	-	-	BBAL	17/8
Dea Conqueror	-	-	Arafeen	R/A (18/10)
Dea Champion	-	-	Arafeen	R/A (31/10)
Seabulk Command	-	-	IBS	R/A (30/10)
Dea Captan	P.Mat	Sing	Arabeen	30/10
Vessels at outer anchorage				
Ready on				
Xpress Padma (Cont)	Cont	Sing	RSL	1/1
Tiger River (Cont)	Cont	Sing	NOL	4/11
Brother Hope	GI (ST.C)	Sing	Everett	5/11
Handy River	Wheat(P)	Aust	Mutual	24/10
Vessels not entering				
Marine Express	WT(P) MS	-	Rinbow	R/A (27/10)
Ibn Express	TSP(P)	Tampa	Litmond	18/10
Al Bauraq	C Clink	-	Seacom	R/A (9/10)
Martina Prima	Scraping	Sing	OTBL	27/10
Tiba	Scraping	Maur	AHZ	27/10
Shantar	Scraping	Yang	OTL	1/11
Lady Juliet	Scraping	Mong	Litmond	3/11
Ocean Pride	-	-	PSAL	R/A (4/11)

Movement of vessels for 7.11.2000

Outgoing		Incoming		Shifting
J/3	Keisung	J/12	B. Lanka	J/10 Xpress Padma to J/11
J/5	Maplridgw	J/3	Handy River	J/11 Golden-D
J/7	Yong Jing	J/5	Al Muztuba	RM/4 Juliana to RM/3
J/8	Beluga Obsession	J/8	Brother Hope	
J/12	Xpress Makalu	CCJ	St. Aubin	
RM/3	Filma Satu	J/7	Khulia	
DOJ	B. Shourabh			

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