ASEAN okays escape clause in free trade deal

SINGAPORE, Nov 23: ASEAN economic ministers today approved an escape clause in their free trade agreement as they took stock of the "important challenges" facing the future of the Southeast Asian bloc, says AFP.

The Common Effective Preferential Tariff protocol, with an appropriate acronym of CEPT, gives ASEAN members room to delay tariff cuts in the regional free trade area if they faced "real problems."

The Association of Southeast Asian Nations (ASEAN) is struggling to come to grips with the trade explosion, aiming to have its free trade area (AFTA) operational by 2003.

But Malaysian Trade Minister Rafidah Aziz said the exceptions allowed under CEPT were limited, and would help countries in difficulty.

"It's not like everything will be unravelled, she said.

As ASEAN presses for closer economic integration in the region, the leaders' summit on Friday and Saturday will receive a report from an eminent persons group commissioned to chart steps towards achieving Vision 2020 – its blueprint for a "stable and prosperous economic region."

Singapore Foreign Minister S. Jayakumar described ASEAN as going through "important challenges, when questions have been asked about the future" of the alliance.

The city-state, the strongest economy of the 10-nation grouping, has already been criticised for its go-it-alone approach to free trade agreements, with Malaysia saying they undermined ASEAN.

Jayakumar said Prime Minister Goh Chok Tong was aiming for debate in the summit on "How ASEAN will stay cohesive and how ASEAN can cope with the new challenges, particularly those posed by the new economy at the IT level."

ASEAN delegates have expressed reservations about proposals to include New Zealand and Australia in an ASEAN-plus-two bloc as a means to strengthen the association.

China, Japan and South Korea are already linked under an ASEAN-plus-three umbrella, but a parallel grouping involving Australasia was not necessary, some delegates said here on condition of anonymity.

"ASEAN-plus-three is a good idea because they (China, Japan and South Korea) bring in a lot of money," one official said.

"But ASEAN plus two is more political in nature. That's the feeling among some of us.

"Singapore favours ASEAN-plus-two, but Australia wants to be the Americans in ASEAN. That cannot be accepted."

ASEAN cohesion was also brought into question over Thailand's refusal to defend Myanmar against an International Labour Organisation (ILO) sanctions recommendation, which Yangon described as regrettable.

Foreign Minister Win Aung said he had taken up the issue with Thai Foreign Minister Surin Pitsuan, but he did not believe it would be raised formally by the leaders.

"But maybe when they meet in the corridors and they meet bilaterally they might talk about it," he said.

Thailand last week refused to join an ASEAN defence of Myanmar when the ILO recommended its members impose sanctions over the issue of forced labour. The sanctions take effect on November 30.

"When I met with Mr Surin yesterday I expressed regret for their line of action."

Dermot Mannion made chief dir of Emirates Group

Dermot Mannion has been appointed Chief Director of the Dubai-based Emirates Group, comprising Emirates, the OAG's "Airline of the Year," and Dnata, the leading air travel services company in the Middle East, says a press release.

He will be responsible for Finance, IT and services, which includes the Dnata travel agency division.

Mannion joins Tim Clark, Chief Director (Airline), and Gary Chapman, Chief Director Support & Development, on the Emirates Group's top management team which is headed by its Chairman, Sheikh Ahmed bin Saeed Al-Maktoum and Group Managing Director Maurice Flanagan.

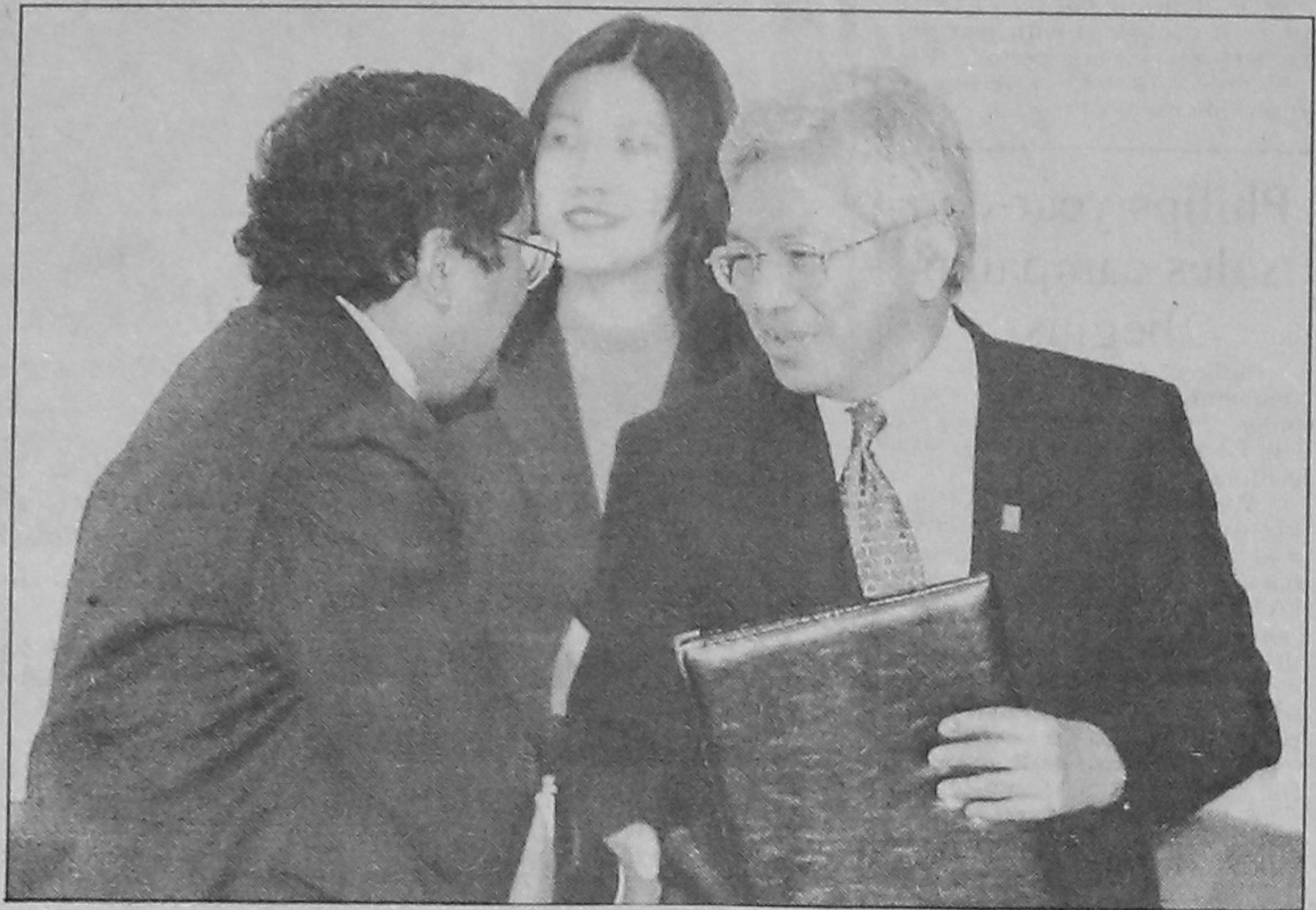
Mannion, who has worked for the Emirates Group since 1987, says he is delighted to expand his former role of Finance Director to this new appointment which carries a diverse portfolio.

A graduate in Business Studies from Trinity College, Dublin, Mannion went on to qualify as a Member of the Institute of Chartered Accountants of Ireland in 1983.

Before joining Emirates, he had a stint in corporate lending at Ulster Investment Bank, a subsidy of National Westminster plc, which gave him the first taste of the fascinating world of aviation financing.

During the past decade, Mannion has played a major role in Emirates' fleet acquisition and financing programme, first as Corporate Treasurer and later as Finance Director.

In 1998, Mannion also joined the board of SriLankan Airlines when Emirates acquired a 40 per cent equity stake in the Colombo-based airline.



ASEAN Secretary General Rudolfo Severino (R) receives the documents from Indonesia's Coordinating Economic Minister Rizal Ramli after the signing by all Association of Southeast Asian Nations (ASEAN) economic ministers, during a ceremony of the 'Protocol of Implementation of the CEPT Scheme Temporary Exclusion List' in Singapore yesterday. ASEAN economic ministers approved an escape clause in their free trade agreement as they took stock of the "important challenges" facing the future of the Southeast Asia. – AFP photo

India to give licences to 6 more pvt insurance firms

Regulators to okay petitions in Dec

NEW DELHI, Nov 23: Six private insurance firms will receive licences from the Indian government by the middle of December, the chairman of the national insurance regulator said yesterday, reports AFP.

"If there is no fresh application, we will give licences to the remaining applicants by the middle of December," N Rangachary told reporters on the sidelines of a Confederation of Indian Industry meeting on insurance.

The Insurance Regulatory and Development Authority (IRDA) has already given licences to Max-NewYork Life, HDFC-Standard Life, Reliance General Insurance and Royal Sundaram SunAlliance.

An "in principal" approval has also been given to ICICI-Prudential and IFFCO-Tokyo Marine Fire Insurance.

The new private firms which are likely to get the green light now include Bajaj Auto General Insurance and Tata-AIG.

Under an insurance bill approved by parliament in December last year, foreign insurers can enter the Indian market through a maximum 26 per cent stake in a joint venture with a domestic firm.

The opening of the sector had been seen as a litmus test of the commitment of Prime Minister Atal Behari Vajpayee's coalition government to market opening reforms launched in 1991.

The first three private insurance firms were given licences only last month signalling an end to decades of state monopoly.

India nationalised life insurance in 1956, while general insurance was nationalised in 1972.

Meanwhile, a Reuters report from Bombay says: India's ambitious gold deposit scheme, launched over a year ago to funnel huge stocks of precious metal into productive use, has been a slow starter but is gathering speed, bankers said Wednesday.

The country's largest nationalised bank, the State Bank of India (SBI), said it had mobilised about six tonnes of gold deposits worth around three billion rupees ($64.07 million) since it began the scheme in November 1999.

SBI had set a target of about 100 tonnes of gold deposits in the first year of the scheme. Officials said deposits had been much lower but should improve.

SE Asia eyes closer trade ties with China

SINGAPORE, Nov 23: Southeast Asian nations, hoping to woo investors increasingly enamoured of China, today welcomed Beijing's intention to forge closer trade ties with the region, reports Reuters.

Supachai Panitchpakdi, Thailand's deputy prime minister and commerce minister, said closer trade ties with China could make foreign investors look at the association of Southeast Asian Nations ASEAN in a different light.

ASEAN ministers were rocked by a recent report they commissioned that shows 61 per cent of foreign direct investment flows into emerging Asian economies this year went to China.

Just 17 per cent went to ASEAN countries – and exact reversal of the proportions in the early 1990s.

"We seem to be suffering somewhat from the diversion of investment away from ASEAN," Supachai told reporters.

"If the marketplace could be much larger than only China alone or ASEAN alone, the location for investment could be more diversified. The choices could be larger," he said.

Southeast Asia is nervous that China, its economy already growing briskly, will become an even fiercer competitor once it joins the World Trade Organisation.

"The proposals put forward by China are very positive, we welcome them and we look forward to developing closer economic relations between ASEAN and China," Singapore Trade and Industry Minister George Yeo told a news conference.

Yeo and Supachai were speaking after a meeting of ASEAN ministers to pave the way for three days of talks among the leaders of the 10-nation bloc plus their opposite numbers from China, Japan and South Korea.

A Chinese foreign ministry spokesman said on Tuesday that Premier Zhu Rongi would raise the idea of a free trade zone with ASEAN, which aims to establish its own free trade in 2002.

Rafidah Aziz, Malaysia's trade and industry minister, said she would welcome a closer economic partnership between ASEAN and China because the two complemented each other.

"You can identify in which areas you can actually develop and forge those partnerships and joint collaborative effort between ASEAN and China," she said.

Fu Ying, director-general of the Asia department in the Chinese foreign ministry told Hong Kong's South China Morning Post that the idea was an academic proposal.

She told the paper that Beijing would instead propose a working group with ASEAN to look at the possible impact of China's entering the WTO.

Euro zone growth seen falling to 3.2 pc in '01

BRUSSELS, Nov 23: Economic growth in the Euro zone will fall to 3.2 per cent in 2001 and 3.0 per cent in 2002 from 3.5 per cent this year, the European Commission forecast yesterday, reports Reuters.

In its autumn economic forecasts, the Commission said:

– euro area GDP seen growing by 3.5 per cent in 2000, a full percentage point higher than 1999 and the best performance since 1990.

– conditions for growth remain very good, but the oil price shock has created some uncertainty.

– nevertheless, average GDP growth should not fall below 3 per cent in the forecast horizon (2000-2) as real disposable income is underpinned by tax cuts which partly offset the oil price-induced loss in purchasing power.

– given the cyclical position, investment could have been stronger, but oil prices weigh on profit margins.

– exports expected to remain dynamic supported by strong world demand and improved competitive position boosted by the weakness of the euro.

– a broadly-based growth outlook emerges, with only a moderate declaration in the offing.

– headline inflation in the euro area jumped to 2.8 per cent on an annual basis in September and is expected to remain above 2 per cent for longer than envisaged in the Commission's spring forecasts.

– as oil prices are assumed to ease only slowly, average HICP inflation in the euro area has been revised up from 1.8 per cent to 2.3 per cent in 2000, while for next year the prediction is now 2.2 per cent.

– only in 2002 inflation will be again below the European central bank's medium-term objective for price stability, at 1.9 per cent.

– wage moderation is expected to prevail.

Harunur Rashid Khan Monno, MP, Chairman and Managing Director of Monno Jutex Industries Ltd, presides over the 25th AGM of the company held at a city hotel Wednesday. The company declared 50 per cent dividend for its shareholders for the 1999-2000 year. – Monno Jutex photo

Coca-Cola Board disapproves Quaker takeover

ATLANTA, Nov 23: Coca-Cola Co has abandoned its pursuit of Quaker Oats Co., with the soft drink maker's board reportedly rejecting a US $ 15.75 billion stock acquisition for the manufacturer of such products as the sports beverage Gatorade and Life cereal, reports AP.

Coke's board decided late Tuesday against buying Chicago-based Quaker Oats after meeting for several hours in New York to discuss the proposal. No further talks between Coke and Quaker oats are planned.

The board released a statement saying it was pleased with the company's "current strategic course" under chairman and chief executive Douglas Daft, calling it the best means for enhancing shareholder value.

Company spokesmen declined further comment. Quaker Oats spokesman Mark Dollins said late Tuesday the company would not comment.

The board's reluctance to approve the deal was heavily influenced by director and investor Warren Buffet, whose concerns ranged from issuing new Coke shares to possible antitrust implications, The Wall Street journal reported on its Web site on Wednesday.

Nonetheless, both sides at one point Tuesday believed a deal was imminent as Coke's chairman Daft and Quaker chairman Robert Morrison had publicity photos taken together, the Journal reported.

US blasts EU food aid criticism

ROME, Nov 22: The United States yesterday blasted European Union criticism that big US food aid contributions to poor nations were aimed at clearing out price-depressing crop surpluses, reports Reuters.

"We reject that," US Agriculture Undersecretary Gus Schumacher told Reuters in an interview in Rome, when asked to comment on EU charges that increasing US food aid aimed to cut farm surpluses and boost prices.

Food aid to needy countries is an issue that the EU wants included in World Trade Organisation negotiations on a global pact governing farm trade. The United States contend food aid does not distort international trade and that the WTO farm talks should focus on export subsidies, domestic farm spending and state-owned enterprises.

George McGovern, US ambassador to the UN Food Agencies in Rome who took part in the joint interview, told Reuters:

"These people belly-aching about us giving away surpluses to help our farmers – what's wrong with that (giving away food)? What's wrong with making it available to hungry people? Would they (critics) be any happier if we dumped it in the ocean?"

In a recent paper prepared for the WTO's agriculture committee, the European Union blasted the United States – although not by name – for a "clear abuse of food aid" in recent years.

"It is a disgrace that food aid availability should increase when prices are low and be curtailed when it is most needed against a background of high commodity prices," the EU said in the paper, which was made available to journalists.

"In certain cases, the main objective of food aid seems to be to help reduce price-depressing surplus stocks in donor countries, as well as promoting market development," it added.

In the mid 1990s the United States faced pressure to defend cuts in food aid at a time of sharp increases in grain prices.

In the past few years, US food aid contributions have jumped while grains prices were weak.

American food aid totaled nearly about 9.5 million tonnes in fiscal 1999, up from 3.5 million tonnes the previous year. In fiscal 2000, which ended in September, the United States shipped 7 million tonnes in food aid.

Schumacher said the United States would consider very carefully requests from the Rome-based UN World Food Porgramme (WFP), the world's biggest food aid agency, for donations to help the hungry in places such as the Horn of Africa and North Korea.

Exchange Rates

Following are **American Express Bank** foreign exchange rates (indicative) against Taka :

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	76.6553	76.6976	75.4486	75.2832	75.1823
Deutsche Mark	23.8682	23.8814	22.8321	22.7820	22.7515
Swiss Franc	30.3106	30.3274	29.7189	29.6537	29.6140
Japanese Yen	0.4949	0.4952	0.4861	0.4851	0.4844
Dutch Guilder	21.1834	21.1951	20.2639	20.2194	20.1923
Danish Krona	6.1837	6.1872	6.0630	6.0497	6.0416
Australian $	29.2082	29.2244	27.8708	27.8097	27.7724
Belgian Franc	1.1572	1.1579	1.1070	1.1046	1.1031
Canadian $	35.4552	35.4748	34.4725	34.3969	34.3508
French Franc	7.1166	7.1206	6.8077	6.7928	6.7837
Hong Kong $	6.9691	6.9729	6.8862	6.8711	6.8619
Italian Lira	0.0241	0.0241	0.0231	0.0230	0.0230
Singapore $	31.2824	31.2997	30.3149	30.2484	30.2079
Euro	46.6821	46.7079	44.6557	44.5578	44.4980
Saudi Rial	14.5053	14.5134	14.3087	14.2773	14.2582

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 inter bank offered rate (LIBOR)

Buying($)	Selling($)	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
53.6250	54.2500	USD	6.61750	6.75063	6.7000	6.67750	6.66750
75.1823	76.6553	GBP	605125	6.06063	6.07188	6.08281	6.08766
Cash/TC	Cash/TC	EURO	4.89000	5.07000	5.10000	5.13000	5.16375

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
46.810/ 46.817	57.380/ 57.480	43.800/43 840	3.7998/3.8 003	9418/9428	1193/1196

Market commentary as of November 23, 2000

The interbank USD/BDT market was very vibrant on Thursday. As the demand for dollar increased, the USD/BDT rate surged from 53.8750-53.8850 to 53,8800-53.8900. The average call rate ranged between 7.00-8.00 per cent.

Euro was dragging its feet near its New York close after failing to extend an early uptick in holiday thinned Asian trade on Thursday. Market-players said the single currency found some solace in speculation that the European Central Bank (ECB) might take advantage of thin trading conditions to intervene in its support. But even this spurred little actual trepidation in a market strayed of significant flows due to a holiday in Japan and the US Thanksgiving break. They also said that euro was likely to track a well-worn 84.20-84.90 cents range on Thursday.

Dollar shed some ground against yen, but managed to hold above the 110 level, with more solid support expected around 109.80. But market-players said the greenback remained in favour internationally despite little sing of a let-up in the protracted and increasingly acrimonious US election saga.

At around 08.51 GMT, the exchange rates of major currencies against USD were GBP/USD 1.4053/1.4058, USD/CHF 1.8013/1.8018, USD/JPY 110.19/110.24 and EUR/USD 0.8446/0.8451.

Shipping Intelligence

Chittagong Port

Berth Position and Performance of Vessels as on 23.11.2000.

Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Leaving
J/1	Maya	GTSP (Fert)	Sing	Litmond	15/11	24/11
J/2	Princess of Lorne	Sugar (TCB)	Bang	CCNL	2/11	25/11
J/3	Banglar Doot	TSP (Fert)	Qing	Unique	20/11	30/11
J/4	Jineshwar	Sugar (TCB)	Darb	SBS	2/11	25/11
J/5	Erodios	Sugar (TCB)	Sing	CCNL	6/11	28/11
J/6	Ava	Rice (P)/GI	Yang	MTA	30/10	-
J/7	Banglar Maya	GI/GL	Okha	BSC	19/11	28/11
J/8	Khulla	M Seed	Mari	BSL	4/11	25/11
J/9	Bay Sisters	Peas (GI)	Sing	Mutual	20/11	28/11
J/10	Bright Sea	C Clink	Krab	MBL	11/11	25/11
J/11	Osg Alpha	Cont	Sing	RSL	16/11	25/11
J/12	Actuaria	Cont	P Kel	QCSL	15/11	23/11
J/13	X-press Makalu	Cont	Sing	Everbest)	21/11	26/11
CCT/1	Kota Singa	Cont	Sing	Pil (BD)	19/11	25/11
CCT/2	Banga Lanka	Cont	Sing	Baridhi	21/11	24/11
CCT/3	Banglar Robi	Cont	Sing	BSC	21/11	25/11
RM/14	Gati-1	HR Coil	Col	BSL	20/11	25/11
CCJ	Ocean Pride	C Clink (Ruby)	Krabi	PSAL	17/11	27/11
GSJ	Banglar Kakoli	Repair	Eden	Seacom	6/11	26/11
RM/4	Sceptre	CDSO	Darb	Rainbow	16/11	26/11
RM/6	Actinia	HSD	Juba	ECSL	22/11	-
DOJ	Banglar Shourabh	C Oil	-	BSC	R/A	24/11
RM/8	Banglar Urmi	Repair	-	BSC	R/A	30/11
CUFLJ	Mary Nour	Cement (Scan)	Lang	BSL	15/11	27/11

Vessels Due at Outer Anchorage

Name of Vessels	Date of Arrival	Last Port Call	Local Agent	Cargo	Loading Port
Xpress Resolve (Cont) 14/11	23/11	Sing	RSL	Cont	L Sing
Thai Binh	23/11	Isha	SBS	Fert (Npk)	
White Sea	23/22	P Said	Simni	For Scraping	
Oriental Queen	23/22	Krabi	RML	C Clink+	
Chier of Cherokee (48) 16/11	26/11	Mong	ASA	Iron Pipes	
Lady Aryette	24/11	Janj	SBS	Fert (GTSP)	
Triumph Kaohsiung (48)/20/11	26/11	Yang	RML	S Coil	
Jaya Mars (Cont)16/11	24/11	Col	Everbest	Cont	L Col
Boxer C Cook (Cont)15/11	24/11	PKL	BDShip	Cont	L Sing
Qc Pintail (Cont)15/11	24/11	Sing	QCSL	Cont	L Sing
Xpress Padma (Cont) 14/11	26/11	Sing	RSL	Cont	L Sing
Samara	27/11	Mumb	SMSL	GI(St.Coil+Mach)	-
Olympic Mentor	25/11	P Said	Ancient	Wheat(G)	-
City of Houston	26/11	Suez	ASA	S Ash+C Soda	-
Xpress Renown (Cont)15/11	26/11	Sing	RSL	Cont	L Sing
Banga Bijoy (Cont)15/11	26/11	P Kel	BDShip	Cont	L Sing
Xiang Jiang	29/11	-	BDShip	GI	-
Qena	28/11	-	SBS	Fert	
Sea Banian	25/11	Hald	Everett	W/LDUrea	-
Ocean-1	26/11	Yang	SMSL	GI(log)	-
Joy World	27/11	Sura	SSLL	S Coil	Newsprint
Kota Cahaya(Cont)16/11	27/11	Sing	Pil (BD)	Cont	L Sing
Banglar Shikha (Cont)19/11	28/11	Sing	BSC	Cont	L Sing
Orient Independence (Cont) 19/11	29/11	-	BDShip	Cont	L Sing
Banga Birol (Cont)19/11	29/11	-	BDShip	Cont	L Sing
Kota Naga	29/11	Sing	Pil (Bd)	Cont	
Arabella (Cont) 20/11	30/11	-	QCSL	Cont	L Sing
Banglar Moni (cont)22/11	30/11	-	BSC	Cont	L/Sing
Banga Bonik (cont)21/11	1/12	-	BDShip	Cont	L Sing
Jurong Balsam (cont) 22/11	2/12	-	Nol	Cont	L/Sing
Qc Teal (cont) 22/11	2/12	-	QCSL	Cont	L/sing

Tanker Due

Saucon	24/11	Sing	MSTPL	HSD/MS(RM/5)	
Armour-1	27/11	Ind	MTCL	CDSO(RM/1)	

Vessels at Kutubdia

Name of Vessels	Cargo	Last Port Call	Local Agent	Date of Arrival

Vessels at Outer Anchorage

Vessels Ready

Tiger River (Cont)	Cont	Sing	Nol	21/11
Jaami(Cont)	Cont	Sing	Cros	21/11
Hanjin Tampa	M Seed	Lapa	Rainbow	13/11

Movement of Vessels for 24, 25 & 26/11/2000

Outgoing		Incoming		Shifting		
24.11.2000						
J/1	Maya-5	DOJ	B Jyoti	J/6	Ava	RM-15
J/8	Khulla-5	J/13	Jaami	RM-4	Sceptre	RM-3
J/12	Actaria	J/12	T River	J/13	XP Makalu	CCT-2
CCT-2	B Lanka	CCT-3	Qc Pintail			
CCT-3	B Robi	J/8	T Kaoshiung			
DOJ	B Shourabh	J/6	H Tampa			
25.11.2000						
J/4	Jineshwar	J/11	Xp. Resolve			
J/11	Osg Alpha	CCT-2	J Mars			
CCT-1	K Singa	J/8	Thai Binh			
RM-6	Actinia	RM-6	Saucon			
DOJ	B Jyoti	DOJ	B Shourabh			
		NB	Lady Aryethee			
		J/4	C Cherokee			
26.11.2000						
J/9	Bay Sisters	CCT-2	B C Cook			
CCT-2	XP Makalu	J/9	Lady Aryethee	J/2	P Of Lorne	RM-14
RM-14	GATI-1	Kafo(U)	Sea Banian	J/10	Bright Sea	DOJ
GSJ	B Kakoli	DOJ	B Jyoti			
RM-3	Sceptre	NB	C Cherokee			
DOJ	B Shourabh	J/10	O Queen			
J/1	T Kaoshiung					

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