

Venezuela prefers oil price at top end of OPEC band

S Arabia for reasonable rate of producers, consumers

REUTERS, Caracas

Venezuelan Energy and Mines Minister Alvaro Silva said yesterday he preferred a price between \$25 and \$28 a barrel for OPEC's crude oil reference basket as anything below that caused "problems for the exporters' cartel."

"The official band is still between \$22 and \$28 but we have noticed that it can be between \$25 and \$28 without causing disturbances (to the world economy)," Silva told journalists after a meeting with investors.

"Below \$25 it causes problems for the countries (of OPEC)," he added.

The price averaged \$27.55 per barrel last year, up from a historic average low of \$12.33 in 1998, and many OPEC members are pushing to increase the target.

However, cartel heavyweight Saudi Arabia insisted on Monday that \$25 per barrel was still its target price.

"The market is at a reasonable price level today and there is no need to take additional move-

ments," Saudi Oil Minister Ali al-Naimi said after talks in Oslo with Norwegian Oil and Energy Minister Olav Akselsen and Mexican Energy Minister Ernesto Martens.

"We need to focus on where the price is... looking for a price of \$25 a barrel," he said.

OPEC decided last year to establish \$22-\$28 per barrel price target band for its basket of seven reference crude oils, which it hoped to maintain by adjusting production levels at regular ministerial meetings.

Venezuela has become a leading OPEC price hawk since President Hugo Chavez took office in 1999. Calling \$30 per barrel a fair price last year, he encouraged OPEC to "go to battle" last month to shore up falling prices with output cuts.

Despite opposition from the United States and Europe, the Organisation of the Petroleum Exporting Countries trimmed back global supplies by 1.5 million barrels per day (bpd) from February 1 to avoid a glut during the

second quarter when winter demand wanes.

OPEC's basket price stood at \$26.79 per barrel on Monday.

Signs of an economic slowdown in the United States, the world's biggest energy consumer, has led some analysts to reduce forecasts for oil demand this year.

But Silva downplayed the impact of the higher oil price.

"Consumers say they are happy with \$25 a barrel and \$28 is perfectly able to be assimilated by the world economy," Silva said.

Meanwhile, another report from Riyadh says: Saudi Arabia yesterday it was determined to ensure "reasonable" oil prices for both producers and consumers that would not stunt world economic growth, the official Saudi Press Agency (SPA) reported.

SPA said a meeting of the kingdom's Supreme Petroleum Council (SPC), chaired by King Fahd, had reviewed developments in the world oil market.

The SPC said the kingdom, the world's largest oil producer and

exporter, would continue to seek "balance in the oil market taking into account the interests of producers and consumers and continued world economic growth," SPA reported. The council also reaffirmed its policy to ensure "stable oil supplies and prices at reasonable levels," SPA reported.

Saudi Arabia set up the council last year to oversee oil and gas policies.

Saudi Oil Minister Ali al-Naimi said on Monday oil prices were reasonable at current levels around \$25 a barrel and saw no need for further output cuts.

Saudi Arabia and its fellow members of the Organisation of the Petroleum Exporting Countries cut collective output by 1.5 million barrels per day (bpd) from February 1 ahead of an expected fall in seasonal demand.

But some analysts have warned OPEC that by restraining output and boosting prices it could cause further strains on a slowing US economy, ultimately crimping fuel



This February 6, 2001 photo shows a drummer performing on a tropical float during the nightly "Eureka!" parade at Disney's new theme park, "California Adventure", in Anaheim, CA. A 55-acre expansion of the Disneyland Resort, "California Adventure" opens to the public today.

ECB, EC members upbeat on growth

Inflation risks seen receding

AFP, Strasbourg

ECB members Christian Noyer and Tommaso Padoa-Schioppa said yesterday inflation risks were receding, and European Commission officials gave a positive assessment of Europe's economy despite a US slowdown.

European Central Bank Vice President Christian Noyer said in a speech in Strasbourg caution was still needed on inflation but that the average rate of consumer price growth should fall back below the ECB's two per cent warning light level this year.

"The annual pace of consumer price rises should fall to less than two per cent during the year, even if it could take a bit of time," he said in reference to the euro zone, declaring at the same time that vigilance was still needed.

ECB executive board member Tommaso Padoa-Schioppa said in an interview published the same

day in Italy's Il Sole 24 Ore: "The euro's appreciation and the fall in oil prices have reduced the risks for price stability."

"But they haven't eliminated them," he said.

Even though growth has been much lower than in the American economy for many years and even though unemployment is rather high, there are still risks linked to salary dynamics, bottlenecks in some sectors of the labour market and a certain relaxation of discipline over the budget.

European Economic Affairs Commissioner Pedro Solbes said in the same newspaper he expected euro zone economic growth of 3.0 per cent in 2001, and that a slower US economy will weigh on European economies.

Like Noyer and others, Solbes highlighted that euro zone countries trade the bulk of goods among each other and that internal demand was more crucial.



European Commission president Italian Romano Prodi answers questions yesterday in Brussels during a press conference at the European Commission. Prodi, looking ahead to next month's EU summit in Stockholm, sets out 10 areas of action that he says Europe must tackle seriously if it wants to beat the United States in the Internet age.

Internet users to hit 1 billion by '05

AFP, Washington

The number of Internet users around the world topped 400 million in 2000 and will surpass one billion by 2005, according to a survey released yesterday.

The study by eForecasts of Buffalo Grove, Illinois, also predicted that wireless Internet users, who now account for less than 10 per cent of those online globally, will grow to 62 per cent by 2005.

"Most of the growth (in Internet users) is coming from Asia, Latin America and parts of Europe," the market research company said.

"By year-end 2005 the number of worldwide Internet users will nearly triple to 1.17 billion."

The report noted that although wireless Internet is seen as a disappointment, "the wireless Internet will take off rapidly once al-

ways-on service and useful content for the small displays of wireless devices are available." "The wireless Internet has lived up to expectations in Japan and similar success is expected in other regions, but on a slower schedule," it added.

It said wireless devices will be supplemental to PC Internet access for most users in developed countries, but the primary Web access in lesser developed countries that now have low Internet penetration.

According to the survey, US users in 2000 represented 135 million - or roughly one-third of the 414 million global Internet users, with Europe accounting for 95 million.

US Internet users are expected to grow to 214 million by 2005 - or about 20 per cent of the global Internet population.

Directorate General Defence Purchase
Ministry of Defence
New Airport Road, Tejgaon, Dhaka-1215

Tender Notice

(1st Time)

1. Sealed tenders are invited in local currency from bonafide manufacturers/dealers/suppliers/indentors (enlisted firm's) for supply of the following items for Bangladesh Armed Forces:

Ser No	Nomenclature	Date of selling	Date of opening	Currency	Tender No	Cost of I/T
a.	Dal Moong (without husk) 100 metric tons	17.2.2001 15.3.2001	19.3.2001	Local currency	608/P-8	500.00

2. Tender schedule with detailed specifications will be available on payment (non-refundable) as per I/T selling rate during office hours between 0800 hours to 1300 hours. The tender will be dropped latest by 1000 hours and opened at 1005 hours on concerned opening date in front of tenderers present at that time (if present any).

ISPR/Misc/2001/112
DFP-3022-4/2
G-288

Major
for Director General

Government of the People's Republic of Bangladesh
Public Works E/M Division-7, Dhaka

Memo No E/M-7-126/3029 Date: Dhaka 25-1-2001/12-10-1407 Bangla

Tender Invitation Notice

No: 84/2000-2001

Tenders in Bangladesh Form No 2911 in sealed envelopes on percentage basis are hereby invited for special first class/first class/E/M first class (combined) and 2nd class contractors enlisted for electrical/mechanical work with Public Works Department who have the valid ABC/BC categories contractors and supervisory licences issued from Bangladesh Electrical Licensing Board, Dhaka and registration certificate from the Value Added Tax Department and TIN certificate for the undermentioned work. Tenders will be received in the tender box kept at the office of the Executive Engineer, Public Works E/M Division-1/2/3/4/5/6/7/8, Dhaka, Public Works E/M Workshop Division, Dhaka, Public Works Timber Workshop Division, Dhaka, Public Works Eden Building Division, Dhaka on 3-11-1407 Bangla/15-2-2001 till 12-00 noon and will be opened the same day at 12-30 pm in presence of the tenderers (if anyone remains present).

Tender form, schedule of item, terms and conditions and rules and regulations etc can be purchased from the office of the Executive Engineer, Public Works E/M Division-1/2/3/4/5/6/7/8, Dhaka, Public Works E/M Workshop and Timber Workshop Division, Dhaka, Public Works Eden Building Division, Dhaka during office hours on payment of Taka 425/- only in cash (non-refundable) till 2-11-1407 Bangla/14-2-2001. Contractor himself or his nominated representative authorised by him can purchase tender form by producing all necessary papers including registration book. Security money at the rate of 2 per cent of the total quoted rate in the form of Bank Draft/Pay-Order/Treasury Challan/Call Deposit from any scheduled bank in favour of the undersigned will have to be deposited with the tender.

Serial No	Name of work	Estimated cost	Earnest money	Time allowed
1.	Change of damaged electrical wiring/out of order 100/60 amps TPMCCB & 15/16 amps CCB at various levels on south-west block of Jatiya Sangsad Bhaban at Sher-e-Bangla Nagar in Dhaka along with related repairing work.	Tk. 3,57,897/-	At the rate of 2% of the total quoted cost	20 (twenty) days

Md Aminul Haque
Executive Engineer
Public Works E/M Division-7
Sher-e-Bangla Nagar, Dhaka
Phone: 8121492

DFP-2862-31/1
G-290

Australia cuts rates by .5pc

Bid to boost sagging economy

AFP, Sydney

Australia's central bank announced Wednesday a cut in official interest rates by half a percentage point to 5.75 per cent to boost a sagging economy amid signs of deteriorating global growth.

The widely anticipated reduction, the first by the Reserve Bank of Australia (RBA) since December 1998, followed a string of pessimistic forecasts and data showing business confidence down and employment levels falling.

The cut followed a meeting on Tuesday of the RBA board which said in Wednesday's announcement it had noted deteriorating conditions overseas, a decline in business confidence and a softening labour market.

But despite areas of short-term weakness, the Australian economy still exhibited "considerable resili-

ence" while inflation remained low and was expected to remain so within the coming year.

However, the board had judged "that the balance of risks to the outlook over the next year had changed sufficiently to warrant a shift in the stance of monetary policy," RBA governor Ian Macfarlane said in a statement.

"With a weaker external environment in prospect, and with inflation contained, policy settings more supportive of domestic demand are now prudent."

The Australian dollar barely moved following the announcement while the share market eased by just 0.2 per cent, but brokers said the cut had been factored in and predicted the market would recover later in the day.

Economists said the cut had been widely tipped and showed the bank had turned its attention

from inflation worries to the growth of the domestic economy.

"There's a clear message in there that they recognise the economy has slowed up and with the world outlook much more uncertain there is room for monetary policy to ease back," said ANZ Bank senior economist David de Garis.

Australian Treasurer Peter Costello said the cut in rates was made possible by December's "remarkably low" inflation data and dented the downside of the rate cut was a weakened economy.

He said the bank's assessment was that there was considerable resilience in the economy.

"We've always said that the extremely high growth in consumer demand through 1997, 1998, 1999 would come off," he said. "But a lot of Australia's growth is now switching into exports."

China may become second biggest economy in 20yrs

REUTER, Hong Kong

China could become the world's second biggest economy after the United States in 15 to 20 years if it presses on with reforms after its expected entry into the WTO, investment bank Morgan Stanley Dean Witter (MSDW) said.

The US economy crossed the US\$10 trillion mark last year while the Chinese economy hit US\$10 trillion last year while the Chinese economy hit US\$1 trillion, making it the sixth largest in the world, said MSDW chief economist Any Xie in a note to clients dated February 6.

China will be the next economy to reach US\$10 trillion in current dollar terms probably within two decades though it could happen in 15 years, Xie said.

"The key to China's rapid growth is aggressive restructuring to improve capital allocation efficiency and to remove institutional barriers to growth," said Xie.

"We believe that it is now the

time to upgrade our view on China's prospects and to raise substantially the probability that a take-off to a middle-income economy is about to occur," he said.

The world's most populous nation is expected to win membership in the World Trade Organisation later this year after a 14-year quest.

Xie said his firm's most optimistic scenario for mainland China ahead of its entry was that it moved more aggressively on its restructuring than dictated by the WTO framework for internal and external reasons. Other countries, eyeing the size and potential clout of China, were likely to pressure Beijing fairly quickly to conform to global trading and financial norms, he noted.

As it opened up, China was also likely to come under more internal pressure to restructure its command economy and separate it from the government, he said.

As a result, China's economy was likely to grow by 10 per cent a

year during 2006-15 before slowing to seven percent annually from 2016-20.

Its yuan currency, now kept in a tight range of around 8.277 to 8.28 to the US dollar, was likely to appreciate by 10 per cent a year during 2006-15, Xie said. China has pledged to adopt a more flexible exchange rate policy after joining the WTO.

China's State Statistics Bureau has estimated the economy will expand by seven to eight per cent this year from 2000. Gross domestic product last year grew by a provisional eight per cent from 1999 on healthy exports, massive government spending and higher domestic consumption.

Even if China does not aggressively restructure its economy, a growth rate of around seven per cent a year is likely for the foreseeable future if its sticks to its WTO commitments and transits to a market economy by 2005, Xie said.

CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank Central bank buying and selling band of USD: BDT 53.85/BDT 54.15

Selling		Currency	Buying		
TT/OD	BC		TT Clean	OD Sight	OD Transfer
54.2500	54.2800	USD	53.8150	53.6464	53.5779
50.7693	50.8562	EUR	49.5575	49.3741	49.2975
79.5323	79.5743	GBP	78.0666	77.8001	77.7455
30.1782	30.2027	AUD	29.1175	29.0250	28.9449
0.4763	0.4764	JPY	0.4640	0.4638	0.4628
32.8601	32.8846	CHF	32.3085	32.2140	32.1295
5.6786	5.6838	SEK	5.5837	5.5661	5.5501
36.0688	36.0934	CAD	35.4943	35.4007	35.3175
6.9593	6.9606	HKD	6.8980	6.8803	6.8629
31.195	31.2165	SGD	30.7161	30.7161	30.6014
14.8919	14.9095	AED	14.5023	14.5242	14.4838
14.5811	14.5995	SAR	14.2440	14.2073	14.1891

Usance export bills

TT Doc	30 Days	60 Days	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	US Dollar	Indo Rupiah	NZ Dollar
46.36/46.42	59.10/59.20	42.50/42.55	86.50/87.50	9675/9585	0.4415/0.4422

US dollar

Buying	Selling	Months	1	3	6	9	12	
Cash notes	53.6150	54.2800	USD	5.57250%	5.41000%	5.27000%	5.20000%	5.20000%
TC	53.5650	54.2600	GBP	5.91500%	5.80000%	6.67469%	5.62500%	5.60000%

SHIPPING

Chittagong port

Berth position and performance of vessels as on 06.02.2001

Berth no	Name of vessels	Cargo	L Port	Local agent	Date of arrival	Leaving
J/1	Southern Queen	GI	Sing	Aeka	28/11	-
J/2	Millennium Falcon	GI	Yang	Everett	4/2	9/2
J/3	Pacific Emerald	GI	P Kel	Allseas	21/1	9/2
J/4	Feng Kang Shan	GI	Yang	BD Ship	1/2	7/2
J/5	Leona	GI	Sing	Prog	4/2	12/2
J/6	Bac Yun Shan	GI (ST.C)	Yang	RML	4/2	7/2
J/7	Andhika Rainbow	GI (ST.C)	Kach	ASA	4/2	7/2
J/8	Jasmine	Wheat(P)	MCM	SMSL	15/1	10/2
J/9	Xiang Jiang	GI	Sing	BD Ship	01/2	8/2
J/10	Topaz	GI (Maize)	Yang	Prog	22/1	9/2
J/11	Kota Naga	Cont	Sing	Pil (BD)	30/1	10/2
J/12	Kota Cahaya	Cont	Sing	Pil (BD)	28/1	8/2
J/13	Bangla Lanka	Cont	Mong	Baridhi	4/2	10/2
CCT/1	Da Fa	Cont	Sing	RSL	24/1	6/2
CCT/2	Banglar Shikha	Cont	Sing	BSC	3/2	9/2
CCT/3	X-Press Remown	Cont	Col	Everest	26/1	6/2
RM-14	Banglar Kallol	IDLE	K. Dia	MSC	27/1	8/2
CCJ	Agios Fanourios	Gypsum	Krab	BLS	01/2	10/2
GSI	Marande	Wheat(G)	P Said	Ancient	30/1	7/2
TSP	Piran	R Phos	Sing	Seacoast	29/1	13/2
RM/6	Haustrum	HSD	Mina	ECSL	2/2	7/2
DOJ	Banglar Robi	Cont/IDLE	Sing	BSC	31/1	6/2
DD	Banglar Shourabh	Repair	-	BSC	R/A	8/2
RM/8	Banglar Jyoti	Repair	-	BSC	R/A	7/2

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port	Local agent	Cargo	Loadig pot
Banga Bijoy (Cont) 31/1	6/2	Col	Baridhi	Cont	L/Col
Arabella (Cont) 28/1	6/2	PKL	QCSL	Cont	Lt: Sing
Viva Treasure	6/2	Bela	UMTL	In Ballast	-
Triumph Kaoshiung (72) 1/2	7/2	Sing	RML	GI (ST.C)	-
Emma Oldendorf (48) 25/1	7/2	Russ	RSA	GI (ST-ST)	-
Ocean Pride	8/2	Yang	PSAL	GI	-
B. Moni (Cont) 21/1	7/2	Sing	BSC	Cont	L/Sing
K. Singa (Cont) 28/1	7/2	Sing	Pil (BD)	Cont	L/Sing
Jin Jin	7/2	Tanj	NWCLC	Clink(Aramit)	-
QC Teal (Cont) 18/1	8/2	PKL	QCSL	Cont	L/Sing
Haran (72) 01/2	8/2	Yang	MTA	GI(Y Ma)	-
Ganga Nagra	8/2	Sing	USL	Y. Pe	-
Svendbord Guardian (72) 31/1 2/2	N Port	Everett	Proj. Mt	Cont	-
Triumph Hong ng (72) 4/2	9/2	Hald	RMI/Proj. Mat & Mac	-	-
AA Venture	10/2	Kara	CLARICE/PI+GI	-	-
Jaami (Cont) 31/1	10/2	Sing	Cross	Cont	L/Sing
Dannau Toba (72) 28/1	11/2	-	Everett	GI(ST.C)	-
B. Birol (Cont) 01/2	12/2	-	BD Ship	Cont	L/Sing
Kuo Hsiung (Cont) 5/2	13/2	-	QCSL	Cont	L/Sing
Pathen	15/2	Yang	Mta	Rice(P)	-
B. Biraj (Cont)	14/2	-	BD Ship	Cont	L/Sing
Banga Bonik (Cont) 5/2	11/2	-	BD Ship	Cont	L/Sing
QC Pintal (Cont) 5/2	18/2	-	QCSL	Cont	L/Sing
San Mateo (Roro) 24/1	4/2	Sing	JF	Vehi	-

Tanker due

Damat Qatar	9/2	Jebe	USS	Crude	Oil
-------------	-----	------	-----	-------	-----

Vessels at Kutubdia

Name of vessels	Cargo	L port	Local agent	Date of arrival
Tia Estela	Wheat(G)	K.Oia	Lams	R/A (29/1)
Jaya Mars (Cont)	Cont	Col	Everest	30/1
K. Binting (Cont)	Cont	Sing	Pil (BD)	31/1
OSG Alpha (Cont)	Cont	Sing	RSL	1/2
O. Independence (Cont)	Cont	P Kel	BD Ship	2/2
K. Berjaya (Cont)	Cont	Sing	Pil (BD)	3/2
J. Balsam (Cont)	Cont	Sing	NOL	4/2
T. River (Cont)	Cont	Sing	NOL	5/2
A. Adikarya (72)	GI (ST.C)	Hald	ASA	5/2
Conti Glory(E/L)	Ballast	Coch	MMI	31/1
Wei Ehan	Urea	NANK	Apex	1/2

Vessels not ready

Century	GI	Bang	Rainbow	1/2
Orient Queen	C.Clink	Mant	RMI	2/2
City of Houston	GI/Rice	Yang	OWSL	4/2
Shun Yi	Wheat(P)	Tuti	PSAL	4/2
Kithira	CDSO	IURB	Realbow	4/2
Mary Nour	Comment	Lamg	BSL	4/12
Shun Cheng	GI	Sing	Scuglory	5/2
Eminence	HSD	Juba	ECSL	5/2

Vessels awaiting employment/instruction

Samara	-	SMSL	3/12
B. Urmi	-	BSC	R/A (24/1)
Olympic Pride	-	ECSL	23/1

Vessels not entering

Leopard	C.Clink	Koshi	ASLL	31/1
Samm Frontier	C.Clink	Kushi <td>ANCL</td> <td>4/2</td>	ANCL	4/2
Belga	Scraping	Hoda	OTBL	31/1
Yong Kong	Scraping	UMTL	3/2	
Salvinia	Scraping	PASS	3/2	
Accord (Att: 7/6/2000)	Cement	Sing	Viking	5/4
Revenge (Att: 19/8/99)	-	-	Sunshine	3/8/99
Xing Ye (Att: 24/6/99)	Rice(G)	-	Pana	20/2/99
Karya Sentosa	Rice(G)	-	USTC	10/8/98

Movement of vessels for 07.2.2001

Outgoing	Incoming	Shifting
J/4	Feng Keng Shan	