Tokyo, KL to announce forex swap deal

REUTERS, *Tokyo*

Japan and Malaysia are expected to announce details of a bilateral currency swap agreement next week, part of a planned Asia-wide currency safety net, Japanese Finance Minister officials said today.

Agreement between the two countries would be a big step forward because Malaysia had long objected to giving any role in the so-called Chiang Mai Initiative to the International Monetary Fund (IMF).

"I think Malaysia has made a realistic judgement," said a senior Finance Ministry official, adding that details were likely to be announced when 10 members of the Association of South East Asian Nations (ASEAN) plus Japan, South Korea and China (ASEAN plus 3) meet in Honolulu, Hawaii, on May 9.

The agreement to create a bilateral swap deal with Malaysia would be a relief to Japanese officials who have long tried to convince Malaysia to drop its serious reservations about the role envisaged for the IMF in the plan.

Tokyo has long stressed bilateral swap agreements under the plan would supplement IMF facilities, but Malaysia, which had criticised the Washington-based diagnoses and management of Asia's 1997 financial crisis, has only recently said it would bow to a majority decision and tie disbursements to conditions set by the IMF.

The Chiang Mai Initiative, named after the Thai city where the plan was hatched last May, aims to avert a repeat of Asia's 1997 financial crisis by creating a network of currency swaps among the ASEAN+3 countries and is seen as an important step on the long road to Asian monetary integration.

Kyodo news agency reported this week that Japan and Malaysia had reached an agreement in principle to sign a $1 billion swap deal, citing sources in Southeast Asia, but Japanese finance officials declined to comment.

The Finance Ministry officials said the initial term for the swap agreements will be three months, with the interest rate set at 150 basis point above dollar-LIBOR (the London interbank offered rate).

But any swap deal can be rolled over up to two years with additional 50 basis points interest rates every six months, he added.

Finance Ministry officials have recently said that Japan should be ready to announce details of bilateral currency swap deals with Thailand and South Korea at the Honolulu meeting.

They said that although they have been holding talks with China and the Philippines, they would not be ready to sign swap deals by the Honolulu meeting because more discussions are needed to finalise details.

Malaysia lifts last capital control over stock market

10pc exit levy on foreign investment goes

AFP, *Kuala Lumpur*

Malaysia yesterday lifted the last remaining capital controls over foreign investment in its stock market.

The flat 10 per cent exit levy on profits from portfolio investments which are repatriated within one year has been scrapped with immediate effect, the finance ministry said in a statement.

The stock market rose in early trade and analysts and investors welcomed the move as positive. But they said an immediate major inflow of foreign investment was unlikely.

Malaysia must work on its fundamentals including improving corporate governance standards, they said.

"The abolition of the levy today is the culmination of a series of gradual steps towards full liberalisation which began in February 1999," the ministry added.

Malaysia announced selective capital controls on September 1, 1998 to defend its ringgit during the regional financial crisis.

In a highly unpopular move it initially announced it was banning the repatriation of stock market investments for a year.

Authorities replaced this in February 1999 with a graduated exit levy and had further eased the rules since then.

The ringgit remains pegged at 3.80 to the dollar and is not convertible outside the country.

"It is positive news for the market," said Yuen Chak, analyst with Merrill Lynch.

"But there are some lingering concerns among foreign investors – a slowing economy and the perception of weak corporate governance."

Nizam Idris, Singapore-based regional economist with IDEA Global.com, said the decision was taken to reverse an outflow of funds which has seen Malaysia's foreign exchange reserves dwindle.

He called the announcement a "pleasant surprise" but did not expect an immediate major inflow of funds.

"At least it will put Malaysia in the good books of foreign investors if regional sentiment improves," said Nizam, who described the exit levy as "the last reminder of persecution against foreign investors."

An investment officer with a Singapore-based Japanese asset management company said the decision would not necessarily bring its fund back to Malaysia after a two-year absence.

Anything that removes any barriers is a good move... but we would still look at fundamentals of the company and issues such as corporate governance (before deciding to invest)," the official said.

Phua Lee Kerk, fund manager with Singapore-based APS Asset Management, said the move would cut tedious red tape but would not spark the rapid or mass return of foreign funds.

Long-term funds might be drawn back but this would take time.

Phua said Malaysian companies will have to improve their competitiveness.

"The key issue is how attractive are Malaysian-listed companies from the global perspective. Actually, there are only a few attractive companies," he said.

Song Seng Wun, regional economist with Singapore-based GK Goh Research, said the move was positive "but whether it will be the catalyst to bring money in is debatable.'

Song said Malaysia continues to be undermined by political risk and the possibility that the ringgit may be devalued.

He said he still does not think Malaysia will scrap the fixed exchange rate regime or revise the ringgit's peg this year.

But the threat was there if foreign exchange reserves kept falling.

"Malaysia cannot continue to tolerate two billion dollars (forex outflows) every month," Song said.

As of mid-April the reserves stood at 26.285 billion dollars.

ABM Hasan Mahmood, Centre Head, Axiom Technologies Ltd, speaks at a seminar of Axiom Technologies jointly organised with Deptt.of Civil Engineering, BUET, recently. Dr Md Mafizur Rahman, Asstt. Prof, Deptt of Civil Engineering, BUET, and Rizwan Bin Farouq, Executive Director, Axiom Technologies Ltd,are also seen.

Axiom holds jt seminar with BUET

The Dhanmondi Centre of Axiom Technologies Ltd, master franchisee of APTECH Ltd, jointly organised a seminar with Department of Civil Engineering, BUET, at the seminar room of BUET, says a press release.

The seminar was titled "Join IT Revolution. Re-invent Your Career: 100% jobs@asset."

Speaking on the occasion, Rizwan Bin Farouq, Executive Director, Axiom Technologies Ltd, stressed the need of BUET students to actively participate in IT revolution since they are the creme-de-la-creme of the Bangladesh student community.

Dr Md Mafizur Rahman, Assistant Professor of the Department of Civil Engineering, BUET, also called upon the engineering students to upgrade themselves on IT. ABM Hasan Mahmood, Centre Head, Axiom Technologies Ltd, (Dhanmondi Centre), dwelt upon the course offerings.

India's merchandise exports up 20pc

REUTERS, *New Delhi*

India's merchandise exports leapt 19.83 per cent in 2000/01 to $44.1 billion, topping an 18 per cent target set by the government but analysts said a slowdown in the United States could drag exports down in the future.

Export growth in March slowed for the second month in a row on the back of the demand downturn in the United States and Japan.

CURRENCY

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to major clients

Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	54.2800	54.3100	53.8150	53.6970	53.6250
Pound Stg	78.2609	78.3042	76.9985	76.8297	76.7267
Deutsche Mark	25.2468	25.2608	24.1913	24.1383	24.1059
Swiss Franc	31.6723	31.6898	31.0209	30.9528	30.9113
Japanese Yen	0.4462	0.4464	0.4386	0.4376	0.4370
Dutch Guilder	22.4070	22.4194	21.4702	21.4231	21.3944
Danish Krona	6.5328	6.5364	6.3979	6.3839	6.3754
Australian $	28.8173	28.8332	27.4672	27.4069	27.3702
Belgian Franc	1.2241	1.2247	1.1729	1.1703	1.1687
Canadian $	35.7953	35.8151	34.7777	34.7014	34.6549
French Franc	7.5277	7.5319	7.2130	7.1972	7.1875
Hong Kong $	6.9735	6.9774	6.8864	6.8713	6.8621
Italian Lira	0.0255	0.0255	0.0244	0.0244	0.0243
Singapore $	30.1891	30.2058	29.2632	29.1990	29.1599
Euro	49.3785	49.4058	47.3141	47.2104	47.1471
Saudi Rial	14.5122	14.5202	14.3106	14.2792	14.2601

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	54.2800	USD	4.43375	4.31375	4.23000	4.27000	4.33000
76.7267	78.2609	GBP	5.40031	5.33672	5.24125	5.20109	5.18844
Cash/TC	Cash/TC	EURO	4.81625	4.76250	4.66875	4.60625	4.57688

Exchange rates of some Asian currencies against US dollar

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
46.82/46.83	61.42/61.50	45.46/45.50	3.7995/3.8005	11125/11200	1301/1303

Amex notes on Thursday's market

The USD/BDT rate ranged between 54.25 and 54.30 level Wednesday. The average call rates ranged from 7.5 to 8.0 per cent.

The euro was hit after data showed manufacturing activity in Euro-zone's three largest countries – Germany, France, and Italy – contracted for the first time in around two years. The euro fell, losing nearly half a per cent against dollar after the data was released. The dollar extended this week's two per cent losses against the yen and hit one-week lows on optimism that Japan's new Prime Minister Junichiro Koizumi's popularity would give him the clout to carry out reforms. The pound was steady against the dollar as the market waited for the Confederation of British Industry's retail survey to provide new clues on the scale of any future interest rate cuts.

At around 0910 GMT, the exchange rates of major currencies against USD were GBP/USD 1.4300/1.4305, USD/CHF 1.7328/1.7338, USD/JPY 121.72/121.77, EUR/USD 0.8889/0.8893.

SHIPPING

Chittagong port

Berth position and performance of vessels as on 2.5.2001

Berth No	Name of vessels	Cargo	L.Port call	Local agent	Date of arrival	Leaving
J/2	Orient Lilac (72)	GI(ST.C)	Sing	Everett	27/4	2/5
J/3	Pacific Emerald	GI(Copra)	Damya	Allseas	R/A(15/4)	6/5
J/4	Dewan-1	Rice(P)	Kara	OWSL	5/4	43/5
J/5	Mergui	Rice(P)	Yang	MTA	7/4	4/4
J/6	Leona (Liner)	GI	Sing	Prog	26/4	7/5
J/7	Zara	GI(Y.Ma)	Sanlo	Angelic	12/4	5/5
J/8	Wood Link	Wheat(P)/GI	Vanc	Mutual	17/4	10/5
J/9	Alam Selar	P.Seed	Kemb	Litmond	4/4	3/5
J/10	Asian Splendor	GI(STC)	Sing	Everett	24/4	7/5
J/11	Xpress Resolve	Cont	P.Kel	RSL	24/4	2/5
J/12	Qc Lark	Cont	P.Kel	QCSL	23/4	3/5
J/13	Banga Lanka	Cont	Col	Bdship	28/4	4/5
CCT/1	Qc Teal	Cont	P.Kel	QCSL	29/4	2/5
CCT/2	Abuja	Cont	Col	Everbest	24/4	3/5
CCT/3	Apl Colombo	cont	Sing	NOL	24/4	3/5
RM/14	Huang Yun	Gi	Kawa	Jaycee	17/4	3/5
RM/15	Bright Star	Wheat(P)	Momb	MSA	20/4	2/5
GSJ	Le Cheng Ling	C.Clink	Koshi	RML	14/2	3/5
TSP	Bombay	R.Phos	Mali	RML	14/2	30/4
RM/4	Olympic Flame	Cpo	Belw	Rainbow	28/4	4/5
RM/5	Commuter	Hsd	Jube	ECSL	27/4	3/5
RM/6	Dailing	Sko/Hsd	Sing	MSTPL	1/5	5/5
DOJ	Var	-	Mad	JF	2/5	7/5
DDJ/1	Banglar Jyoti	Repair	-	BSC	R/A	10/5
RM/9	Banglar Shourabh	Repair	-	BSC	R/A	7/5
CUFLJ	Mary Nour	Cement	Lang	BSL	29/4	12/5

Vessels due at outer anchorage

Name of vessels	Date of arrival	L.Port call	Local agent	Cargo	Loading port
Sea Bright(Cont)22/4	2/5	-	Pil(BD)	Cont	Sing
Xpress Nuptse(Cont)22/4	2/5	-	RSL	Cont	Sing
Yong Jiang (Liner)	2/5	-	Bdship	GI	-
Leo Qing Ho	2/5	Mong	MBL	-	-
Brave Eagle	2/5	Hal	UMTL	Demolition	-
Florita	3/5	Sing	OTBL	Demolition	-
St.Aubin	2/5	-	Evertt	(W/LD Urea) Austri	-
Triumph Hong Kong (48) 26/4	4/5	Viza	RML	GI(St.Plate)	-
Danau Toba (48)26/4	6/5	-	Everett	GI(St.C)	-
Banga Bonik (cont) 25/4	3/5	P.Kel	Bdship	Cont	Sing
Dafa (cont) 25/4	3/5	Sing	RSL	Cont	Sing
Xpress Renown (cont) 29/4	3/5	Col	Everebest	Cont	Col
Dea Conqueror	2/5	-	Arafeen	P.Meterials	-
Jaya Mars (cont) ¾	6/5	Sing	RSL	Cont	Sing
Banglar Robi(cont) 17/4	5/5	Sing	BSC	Coint	Sing
Artemis (cont) 25/4	4/5	-	Til	Cont	Sing
Philia 4/5	-	Seacom	C.Clin	-	
Chief of Cerokee (72)30/4	4/5	St.Vin	ASA	St.Coil	-
Kota Cahaya (cont) 25/4	6/5	Sing	Pil(BD)	Cont	Sing
L.Karavelov	7/5	-	Kaptai	GI(M.S.Bilets)	-
Kykladesk	5/5	P Kova	Uniship	C Clink	-
Bay Fortune	5/5	Yang	SMSL	GI(Log)	-
Eltanin	7/5	Yang	SMSL	GI+Rice(P)	-
Banga Biraj(Cont)26/4	6/5	-	Bdship	Cont	Sing
Arabella(Cont)28/4	7/5	P Kel	QCSL	Cont	Sing
Kota Naga(Cont)29/4	8/5	Sing	Pil(BD)	Cont	Sing
Kota Berjay(Cont)	9/5	Sing	Pil(BD)	Cont	Sing
Orient Independence(Cont)29/4	8/5	-	TH	Cont	Sing
Tanker due					
Macler	3/5	-	Seacom	CDSO	-
Al Badiah	3/5	Shua	ECSL	HSD	-

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Vessels at Kutubdia				
Energy Explorer-IV	-	-	BBAL	5/4
Ismaya	-	-	Arafeen	17/8
Dea Champion	-	-	Arafeen	R/A (12/4)
Dea Captain	-	-	Arafeen	R/A(26/4)
Seabulk Command	-	-	IBS	R/A (20/3)
Vessels at outer anchorage				
Ready on				
Banglar Kakoli	Rice(P)	Kara	BSC	11/4
Thank God	R.Phos	Hamr	Seacoast	12/4
Exceed-2(24)	GI(St.C)	Yang	Everett	26/4
Acturia(Cont)	Cont	P Kel	QCSL	27/4
Jurong Balsam(Cont)	Cont	Sing	NOL	27/4
Kota Singa(Cont)	Cont	Sing	Pil(BD)	28/4
Xuan Cheng(Linr)	GI	S Hai	Bdship	30/4
Banga Bijoy(Cont)	Cont	Col	Baridhi	1/5
Salzach(Cont)	Cont	Sing	Bdship	1/5
B Capt Kook(Cont)	Cont	P Kel	TIL	1/5

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