

EU's Patten warns China of 'exploding' trade deficit

AFP, Beijing

EU External Affairs Commissioner Chris Patten, reviled by China when he was Hong Kong's last British governor, urged the Chinese government Monday to address an "exploding" trade surplus with the European Union.

"There is a feeling that EU exporters in China would do much better were it not for a string of informal and formal barriers to trade," Patten told a luncheon of the EU Chamber of Commerce in Beijing.

The commissioner said the EU trade deficit with China had reached 44.4 billion euros (39 billion dollars) last year, nearly half of the total trade volume between the two of 95 billion euros.

China is the fourth largest trading partner of the EU following the United States, Japan and Switzerland, Patten said on the first day of a five-day visit to China.

"For our two-way trade to continue to develop harmoniously, it is important that the Chinese government works closely

together with the EU to ensure that European goods enjoy a similar free access to the Chinese market as the free access that the Chinese goods have on the European market," he said.

"I hope that together we can work to do something about the exploding trade deficit between the European Union and China, which seems to have doubled pretty well every time I come back to China."

The EU signed a landmark market access accord with China nearly a year ago dependent on China's entry into the World Trade Organization which is still undergoing multi-lateral negotiations at WTO headquarters in Geneva.

Patten said that with the political will from the EU, the United States and China, "China's accession could come in the course of this year," but warned that Beijing's accession must make the global-based trading system stronger.

"If China's accession were to do other than strengthen or broaden the comprehensiveness of WTO and restrain its ability to

deliver rules-based free-trade, then we would all be in huge difficulties," he said.

"The question there is whether everybody wants to resolve it very quickly indeed," he said in apparent reference to Beijing's political will to join the WTO ahead of widespread leadership changes expected in China next year.

The main purpose of Patten's trip was to attend a meeting of East Asian and European Union foreign ministers on May 24-25, but Patten was also scheduled to see China's economy, education and public security ministers.

He is to discuss with senior Chinese officials cooperation on combating illegal migration and human smuggling as well as public health issues such as foot-and-mouth disease, said an EU statement.

China's health and agriculture officials deny there is any foot-and-mouth disease in mainland China, but Western experts say it is widespread and point to outbreaks in neighbouring Mongolia and Hong Kong.

Patten will also meet China's trade minister, Shi Guangsheng, to discuss China's accession to the WTO and EU assistance in helping China meet its WTO obligations.

A project aimed at promoting the development of self-governance and democratisation in China's villages was also to be launched during the visit.

Patten is to push for better implementation of EU development programs for China, now worth 70 million euros (63 million dollars), to facilitate political, economic and social reform.

Patten locked horns with China's communist government when he sought to introduce more democracy to Hong Kong's political system in the run-up to the territory's 1997 handover to Beijing.

But since he took on his current job in 1999, he has been welcomed back to China as one of the most senior representatives of European Union foreign policy.

Patten will also meet representatives from China's parliament, the National People's Congress.

Malaysia to recover by year-end or next year

AFP, Kuala Lumpur

The government expects Malaysia's economy to recover by year-end or at the latest by the middle of next year, a deputy minister said Monday.

Kerk Choo Ting, Deputy International Trade and Industry Minister, said the diversified nature of the economy would shield it from the worst effects of the global slowdown.

"The manufacturing sector contributes only 35 per cent to gross domestic product (GDP) and the current economic slowdown now involves more of the manufacturing sector," Bernama news agency quoted him as saying in the southern state of Malacca.

The effect of the slowdown, Kerk said, "is on the semiconductor sector which makes up only 20 per cent of the manufacturing sector. However, Malaysia is heading towards a recovery."

The deputy minister also played down recent layoffs in the manufacturing sector, saying some of these were caused by companies restructuring operations.

He said what was really hurting was the drop in international palm oil prices, involving

430,000 households who rely on the commodity, and the government was taking steps to push up prices.

The head of the main trade union federation gave a less optimistic view, saying about 90,000 electronics workers are expected to lose their jobs by year-end due to the US slowdown.

"Because of these economic problems, several multinational companies may shift their operations to other countries in order to reduce their costs especially labour costs," said Zainal Rampak, president of the Malaysian Trades Union Congress.

Zainal, speaking Sunday night and quoted by Bernama, said some companies had already shifted part of their operations out of Malaysia. He urged top officials to meet foreign investors to persuade them to stay.

Almost 21 per cent of all Malaysia's exports go to the United States, making it vulnerable to the downturn there.

The independent Malaysian Institute of Economic Research has cut its growth forecast for this year to 4.0 per cent from 5.0 per cent. Official first-quarter growth figures will be released Wednesday.

CURRENCY

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

Currency	Selling TT OD	Selling BC	Buying TT	Buying OD	Buying TT	Buying OD
US Dollar	54.3000	54.3300	53.8500	53.6970	53.6250	
Pound Sig	78.5504	78.5938	77.3340	77.1143	77.0109	
Deutsche Mark	24.8813	24.8951	23.8354	23.7677	23.7358	
Swiss Franc	31.3782	31.3956	30.7451	30.6577	30.6166	
Japanese Yen	0.4437	0.4439	0.4326	0.4314	0.4308	
Dutch Guilder	22.0826	22.0948	21.1543	21.0942	21.0659	
Danish Krona	6.4386	6.4422	6.3086	6.2907	6.2822	
Australian \$	29.3111	29.3273	27.9643	27.8849	27.8475	
Belgian Franc	1.2063	1.2070	1.1556	1.1523	1.1508	
Canadian \$	35.7943	35.8141	34.7868	34.6880	34.6415	
French Franc	2.4187	2.4228	2.3069	2.2987	2.2972	
Hong Kong \$	6.9753	6.9792	6.8905	6.8709	6.8617	
Italian Lira	0.0251	0.0251	0.0241	0.0240	0.0240	
Singapore \$	30.3216	30.3384	29.3973	29.3138	29.2745	
Euro	48.6637	48.6905	46.6179	46.4855	46.4232	
Saudi Rial	14.5172	14.5252	14.3195	14.2788	14.2597	

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)

TC Buying (USD)	TC Selling (USD)	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
53.6250	54.4000	USD	4.09000	4.05500	4.05000	4.16938	4.28000
Cash Buying (USD)	Cash Selling (USD)	GBP	5.20250	5.21578	5.22594	5.25750	5.30828
53.8000	54.8000	EURO	4.58688	4.55688	4.47000	4.45000	4.44000

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
46.952/46.962	61.90/61.95	45.63/45.65	3.7999/3.8001	11425/11475	3015/3101.8

Amex notes on Monday's market

Nationalised banks had to make large import payments Monday for petroleum sectors which pressured the supply of US dollar in the inter-bank USD/BDT market. The average call money rate ranged between 9-10 per cent and

Yen rose against both the dollar and the euro, boosted by a sharp rise in the Nikkei after a reweighing of global equity indices was not as damaging to Japanese companies as many analysts had feared. The benchmark Nikkei index jumped more than two per cent to its highest close in two weeks after Morgan Stanley Capital International (MSCI) cut Japan's weighting in its global equity indices by less than expected. The Swiss franc came off early highs in thin trading early, and dealers expected narrow ranges to prevail after changes to the closely watched Morgan Stanley Capital International stocks indices failed to galvanise Asia trading. The euro fell to five-month lows against sterling as the Pound was buoyed by changes in the indices.

At around 0836 GMT, the exchange rates of major currencies against USD were GBP/USD 1.4361/1.4369, USD/CHF 1.7509/1.7514, USD/JPY 123.11/123.16, EUR/USD 0.8749/0.8754.

SHIPPING

Chittagong Port

Berth position and performance of vessels as on 21.5.2001

Berth No	Name of vessels	Cargo	L port agent	Local agent	Date of arrival	Leaving
1/3	Bright Star	Wheat(P)	Momb	MSA	20/4	26/5
1/4	Bay Fortune	GI (Log)	Yang	SMSL	4/5	24/5
1/5	Ravadas(E/L)	E/L	Mong	SSLL	18/5	23/5
1/6	Mawlamyne	Rice (P)	Yang	MTA	22/4	21/5
1/7	Titanas	GI(MA)	Darb	USL	28/4	22/5
1/8	Togo Charm	C.Clink	Tanj	Uniship	10/5	24/5
1/9	Chop-2	Sugar	Bang	Seacost	9/5	30/5
1/10	Sonali	Gypsum	Krab	RML	10/5	23/5
1/11	QC Lark	Cont	P.Kel	QCSL	13/5	23/5
1/12	Abuja	Cont	Sing	RSL	15/5	21/5
1/13	Kuo Hsiung	Cont	P.Kel	QCSL	10/5	21/5
CCT/1	Banga Birol	Cont	Sing	BDShip/R/A	3/5	21/5
CCT/2	Banga Lanka	Cont	P.Kel	BDShip	18/5	21/5
CCT/3	Xpress Resolve	Cont	Sing	RSL	14/5	23/5
RM/14	Sung Ri San-9	Cement	Tube	ANCL	28/4	26/5
GSJ	Banglar Moni	Wheat(G)	Mong	SSST	11/5	4/6
TSP	Thank God	R.Phos	Hamr	Seacost	12/4	26/5
RM/3	Sceptre	CDSO	Darb	Seacom	12/5	23/5
RM/4	Olympic Falme	CPL	P.Kel	Seacom	19/5	22/5
RM/5	Nongkhai Navee	Soda Feat	Sing	Mutual	14/5	25/5
DOI	Anawan	HSD	Juba	ECSL	13/5	23/5
DD/1	Banglar Jyoti	Repair	-	BSC	R/A	23/5
SM/10	Tug Ocean Mercury	P.Items	Sing	MBL	10/5	-

Vessels due at outer anchorage

Name of vessels	Date of arrival	L port agent	Local agent	Cargo	Loading port
Banga Bonik(Cont)	10/5	21/5	CBO	Baridhi	Cont
AA Venture	21/5	-	CIA	GI	-
Chol San Bong	21/6	Mong	MBL	-	-
Brave Eagle	21/5	Hai	UMTL	Demolition	-
Dea Captain	21/5	Sing	Arafeen	P.Equip	-
Mega Hill	22/5	Sing	Farsund	-	-
Xpress Renown(Cont)	10/5	22/5	Sing	RSL	Cont
Jaya Mats(Cont)	14/5	25/5	-	RSL	Cont
Xpress Nuptse(Cont)	13/5	23/5	-	Everbest	Cont
Annas	23/5	Tilb	Uniship	Scrap	-
Sea Bright(Cont)	8/5	23/5	Sing	Pil(BD)	Cont
Banglar Robi(Cont)	15/5	23/5	Sing	BSC	Cont
Artemis(Cont)	13/5	23/5	-	TTL	Cont
Kota Cahaya(Cont)	14/5	23/5	Sing	Pil(BD)	Cont
Khaleda(E/L)	8/5	23/5	Mong	OWSL	J Goods
Huai Yang	23/5	Bang	CCNL	Sugar(TCB)	-
Wing Star	23/5	Krab	SBS	C.Clink	-
Agios Fanouros	23/5	-	Seacom	C.Clink	-
Asian Leader(Roro)	24/10/5	24/5	Sing	IF	Vehi
Jim Cheng(Liner)	24/5	Busan	Bdship	GI	-
Banglar Shikha(Cont)	2/5	25/5	-	BSC	Cont
Da Fa(Cont)	15/5	25/5	-	Everbest	Cont
Mary Nour	25/5	Lang	RSL	Cement	-
Kota Naga(Cont)	17/6	26/5	Sing	Pil(BD)	Cont
Banga Biraj(Cont)	16/5	26/5	-	Bdship	Cont

Tanker due

Unimence	21/5	Juba	ECSL	HSC	-
Chembank Traders	21/5	-	Rainbow	CDSO	-
Dagava	22/5	P.Kel	Rainbow	CP Olein	-
Belicia	23/5	-	Rainbow	CDSO	-
Danar Qatar	22/5	Rast	USS	Crude Oil	-
Gazdon	23/5	IND	MBL	-	-
Sylvan Arrow	25/5	Sing	MSTPL	SKO/ISD	-

Vessels at Kutubdia

Name of vessels	Cargo	Last port	Local agent	Date of arrival
Energy Explorer-IV	-	-	BRAL	5/4
Ismaya	-	-	Arafeen	17/8
Dea Conqueror	-	-	Arafeen	R/A(14/5)
Dea Champion	-	-	Arafeen	R/A(16/5)
Seabuck Command	-	-	IBS	R/A(4/5)

Vessels at outer anchorage

Ready on	Cargo	Last port	Local agent	Date of arrival
L. Karavelov	GI(MS.Bil)	B. Abb	Kapital	8/5
Elamini	GI(If)	Yang	SMSL	9/5
Alam Tallaing	Sheet (P)	Bhav	Rainbow	3/5
Sittwic	Rice(P)	Yang	MHA	30/4
Jurong Balam(Cont)	Cont	Sing	Nol	15/5
Salzack(Cont)	Cont	Sing	Bdship	17/5
Kota Singa(Cont)	Cont	Sing	Pil(BD)	17/5
Acturia(Cont)	Cont	P.Kel	QCSL	18/5
Boxer Capt Cook(Cont)	Cont	P.Kel	TTL	18/5
Ban Ann	C.Clink	Sing	RML	14/5
Triumph Chittagong (72)	GI (ST.C)	Sing	RML	20/5

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

UCBL holds Dhaka division managers' confce

A managers' conference of Dhaka division branches of United Commercial Bank Limited (UCBL) was held at the bank's head office on Saturday, says a press release.

Muhammad Sajid ul Haq, Managing Director of the bank at the meeting called upon the bank's managers to continue concerted efforts to further widen operational activities for ensuring the bank's greater profit.

The conference evaluated the activities of the branches and adopted new action plan.

Hamidul Haq, Addl Managing Director, Salauddin Gazi and B H Chowdhury, Deputy Managing Directors, divisional heads at the head office and in-charges of all branches in the Dhaka division attended the meeting.



Picture shows a conference of UCBL's Dhaka division branch managers held at the bank's head office in the city on Saturday.

Taiwan president to visit LatAm, seek investment

AFP, Asuncion

Taiwanese President Chen Shui-bian embarks on a five-nation tour of Latin America this week, to visit some of his country's supporters and seek investment opportunities to enter markets in North and South America.

The 14-day trip, which starts Monday with a stopover in New York, will take Chen to El Salvador, Wednesday, then to Guatemala, Panama, Paraguay and Honduras. After a weekend stopover in Houston, Texas on June 3 and 4, which required special dispensation from the US government, Chen will return to Taiwan.

Chen is "very interested in tightening alliances with the countries that still have relations with Taiwan," officially recognizing Taipei independent of Beijing and supporting its entry into the United Nations, said Luis Guillermo Solis, an expert on Central American issues at the Foundation for Democracy (Fundadem) in San Jose.

There are 29 nations that recognize Taipei over Beijing, among

them many small and weak countries in Latin America.

Chen's visit comes on the heels of a 12-day tour of Latin America in April by Chinese President Jiang Zemin.

Jiang's visit to Chile, Argentina, Uruguay, Brazil, Cuba and Venezuela aimed to boost economic links with the region.

Trade is also a central component of Chen's visit; through Central America, Taiwan can enter the all-important US market, and through Paraguay it gains access to Mercosur, the South American trading bloc that includes Brazil, Argentina and Uruguay.

Salvadoran Foreign Minister Maria Eugenia Brizuela said she hopes the visit will result in increased regional support for "(Taiwanese) business people to invest in Central America and from here export to the United States," she said.

On Friday in El Salvador, Chen is scheduled to attend the "Third Summit of Leaders from the Republic of China (Taiwan's official name) and Central America," where he will be received by

the presidents of El Salvador, Guatemala, Belize, Nicaragua, Costa Rica and Panama.

Taiwan has made millions of dollars in donations to its impoverished Latin American allies in efforts to shore up support for its independent entry in international bodies.

According to the Central American Secretariat of Economic Integration (SIECA), Taiwan for the last three years has made roughly 20 million dollars in donations annually to regional projects.

"Taiwan does this because it is interested in support (to enter) the United Nations," said Honduran analyst Oscar Avila. "Each country, regardless of how small it is, has one vote at the UN."

And Taiwan "does not place conditions on its cooperation or on the aid) because it is interested in a payback through (the country's) vote," he said.

During the visit, Latin leaders will aim to reverse their trade imbalance with Taiwan -- due mostly to imports of machinery, auto parts, plastics, shoes and bicycles.

Qatar Airways holds travel agents' workshop

Qatar Airways held its first Travel Agents' Workshop at its Senakalayan Bhaban auditorium on Saturday to apprise the travel agents of the city of its products, fares, frequent flyer programme and airport services, says a press release.

Shamshad Ahsan, Area Manager-Bangladesh, Qatar Airways, Ahmed Yusuf Walid, Managing Director, BM Tayeb, Senior Sales Officer, and Fahmid Islam, Marketing Co-ordinator of Oryx Aviation Ltd, GSA of Qatar Airways in Bangladesh, conducted the workshop.

Taufiq Uddin Ahmed, CEO, Oryx Aviation Ltd, gave away the certificates and the raffle draw prizes.

Qatar Airways was launched in 1999. A new management team headed by Chief Executive Officer Akbar Al Baker took over in 1997 and introduced new business and operational plans, focusing on customer service and profitability.

The old fleet of B474 was disposed of and A300-600s and A320-200s were introduced with new corporate identity. Its present fleet consists of seven Airbus A300-600Rs and four Airbus A320-200s. More aircraft are scheduled to join its fleet this year.

The airline has recently ordered a fleet of new Airbus A330s for long-haul flights. It is the second Middle Eastern carrier to order the all-new A330 super jumbo.

Currently, it operates to 26 destinations including Dhaka from its Doha hub. Destinations in Europe include London, Munich and Paris; Bangkok and Manila in the Far East; Colombo, Dhaka, Kathmandu, Lahore, Mumbai, Peshawar, Karachi and Trivandrum in South Asia; Cairo and Khartoum in Africa; Doha Abu Dhabi, Amman, Bahrain, Beirut, Dammam, Dubai, Jeddah, Riyadh, Kuwait, Muscat addm Damascus in Gulf and Middle East.

Royal commission to probe biggest corporate failure in Australia

AFP, Canberra

A royal commission will be appointed to investigate the collapse of the HIH Insurance company in Australia's biggest corporate failure, Prime Minister John Howard announced Monday.

The government also announced that a special 500 million (265 million US) rescue scheme set up by the government to assist victims would not cover clients of the company's overseas subsidiaries.

The failed company had extensive business interests in the United States, Britain, New