

Indian exports register 5.5pc growth in Apr

AFP, New Delhi
Indian exports during April 2001 registered growth of 5.51 per cent, in line with domestic expectations following the economic slowdown in the US, the Business Line reported Saturday.

Quoting provisional figures compiled by the Director General of Commercial Intelligence and Statistics, the report said India's exports for the first month of the fiscal year ending March 2002 was worth 3.49 billion dollars.

Exports during April 2000 stood at 3.3 billion dollars. In April 2001, India imported goods worth 3.9 billion dollars, a decline of 9.88 per cent over the same period last year, when imports stood at 4.4 billion dollars, the report said.

The trade deficit for April this year was estimated at 473.6 million dollars which is lower than the deficit of 1 billion dollars during the same period last year, the report noted.

This was due to a "moderate decline in the oil import bill and a steep fall in non-oil imports," the paper said.

Quoting official figures, the report said oil imports had registered negative growth of 7.6 per cent during April 2001, standing at 1.19 billion dollars against 1.29 billion dollars for the same period last year.

Metals end week weaker

AFP, London
Gold prices fell back to earth with a thud this week after last week's feverish rally fizzled out.

By Friday afternoon, an ounce of gold was fixed at 265.65 dollars, against 276.25 dollars the previous week.

"Quite clearly, the bullish fever that we saw a week or so ago has ended and something more sedate is more likely," said Macquarie Bank metals expert Kamal Naqvi. Gold has now turned full year circle over the past few weeks, after spiking briefly above 290 dollars.

Silver: Slipper. Silver fell back in line with gold and the base metals complex.

An ounce of the metal was fixed at 4.395 dollars on Friday afternoon from 4.5675 dollars the previous week.

Palladium and Platinum: Calm. Platinum group metals also weakened but there was little activity in the market, dealers said.

By Friday, palladium stood at 637 dollars an ounce on the London Platinum and Palladium Market (LPPM), from 660 dollars a week before.

Platinum fell to a one-month low point of 594 dollars an ounce on Friday, from 616 dollars the previous week.

Base Metals: Tarnished. Base metals slouched lower as concerns over the global economy and rising dollar gnawed at demand for the complex.

A deterioration in economic indicators in the second quarter of the year, and possibly the third as well, would also bear down on prices, he added.

Three-month copper prices fell to 1673 dollars a tonne from 1,730 dollars the previous week.

Aluminium back to 1,505 dollars a tonne by Friday afternoon from 1,534 dollars the previous week.

Elsewhere, nickel eased to 6,930 dollars a tonne from 7,135 dollars, tin shed 40 dollars to 4,890 dollars a tonne, zinc fell eight dollars a tonne to 938 dollars, while lead eased 13 dollars a tonne to 466 dollars.

Malaysian finance minister resigns

AFP, Kuala Lumpur
Malaysia's Finance Minister, Daim Zaimuddin, has resigned. Prime Minister Mahathir Mohamad said Saturday in an announcement that ended months of speculation about the powerful minister's future.

Mahathir told reporters that Daim tendered his resignation letter Friday but had given no reasons for quitting. There has been strong speculation of a rift between the two men, who have been close associates for two decades.

"Two months ago he asked to resign but I told him to go on leave first and reconsider his decision," Bernama news agency quoted the premier as saying.

Mahathir announced on April 19 that Daim was taking two months' leave because he may be fired.

The finance minister had been going into his office during his leave and attending some official functions. But he skipped meetings of the cabinet and those of the ruling party -- fuelling the rumours of a falling-out.

Mahathir said he had not thought about a successor yet, jokingly he added: "If anyone wants (the job)..."

UNSC agrees in principle to reform Iraq sanctions

AFP, United Nations
Ignoring a threat by Iraq to disrupt its oil-for-food programme, the Security Council on Friday formally endorsed the principle of reforming the 11-year-old UN Iraq sanctions regime.

The council adopted a resolution to extend the programme by one month instead of the usual six months, and said that by July 3 it would "consider new arrangements" for the trade embargo on Iraq.

The resolution "expressed its intention to adopt and implement such new arrangements" on July 4 for an initial period of 190 days.

All 15 council members voted for the resolution.

The text said the new arrangements would "improve significantly" Iraq's ability to import civilian goods, while tightening controls on prohibited arms sales. They would also "prevent the flow of revenues to Iraq" from smuggling outside the oil-for-food programme.

Iraq, which is believed to earn about 1.5 billion dollars a year from illegal oil sales, said earlier Friday that it rejected the resolution, and described it as "still-born".

Deputy Prime Minister Jareq Aziz said the sanctions reforms proposed by Britain and the United States would "harm not only Iraq but all the partners of Baghdad among its friends and

brothers". The official news agency INA said Aziz met the Chinese, Russian and Tunisian ambassadors in Baghdad to inform them of Iraq's stand.

Aziz, who is also Iraq's acting foreign minister, did not spell out when Iraq might retaliate by cutting its crude oil exports under the oil-for-food programme.

On Thursday, Iraq's ambassador to the United Nations, Mohamed Al-Douri, told reporters that "Iraq will not conclude any oil contracts" based on the one-month extension.

But he said it would "honour all existing contracts" -- a rider that took the sting out of the threat, since Iraq has outstanding

commitments to ship almost 300 million barrels of crude, equivalent to about 135 days exports at last week's rate of just over 2.2 million barrels a day.

Despite the Iraqi statements, the price of crude oil fell slightly on international markets Friday.

In London, a barrel of Brent North Sea crude for July delivery slipped to 29.07 dollars from 29.34 at the close on Thursday. New York's light sweet crude July contract closed the session on Thursday down 18 cents at 28.37 dollars a barrel.

There is some concern about Iraq withdrawing its exports," said ABN Amro oil broker Richard Bend in London. "But I think it's going to be sorted out."

Baghdad to cut oil exports to fight 'smart sanctions'

AFP, Baghdad
Iraq on Saturday announced a halt in oil exports from June 4, tossing out the UN's extension of an oil-for-food programme as it battles to head off British and US proposals for "smart" sanctions.

"Iraq has decided to stop its crude exports from ports in the Gulf and the Mediterranean from 8 a.m. (0400 GMT) Monday, June 4, and until further notice," an oil ministry spokesman said, quoted by the official news agency INA.

The timing coincides with the end of the current phase of the UN oil-for-food deal and will wipe around 2.2 million barrels per day off the world oil market.

Ahead of an OPEC meeting in Vienna next week, Saudi Arabia stepped in swiftly after the Iraqi announcement with an offer to

compensate for any shortfall on the world market.

Iraq's exports under the oil-for-food deal pass through Turkey's Mediterranean port of Ceyhan and Mina al-Bakr terminal in the northern Gulf.

The decision to suspend exports came a day after the UN Security Council extended the programme by one month to give the 15-member organisation more time to reform the 11-year-old sanctions regime against Baghdad.

Iraq had warned in advance it would reject an extension rather than a regular six-month term of the programme, which allows Baghdad to export crude under UN supervision to finance imports of humanitarian goods.

The suspension was decided because the Security Council had failed "to respect, in spirit or in

letter," a memorandum of understanding which launched the programme in December 1996, the oil ministry spokesman said.

On Thursday, Iraq's ambassador in New York, Mohammad al-Douri, said Baghdad would not sign any new export contracts if the Security Council accepted the "manoeuvre" of a limited oil-for-food extension.

But Iraq, which has outstanding commitments to ship almost 300 million barrels of oil, or around 135 days of exports at the current rate, will "honour all existing contracts", he said, easing market fears of a shortfall.

A Western diplomat in Baghdad said that Iraq's tougher reaction was "motivated by the reference made by the Security Council to the US-British project" of smart sanctions.

Bush extends Vietnam's trade privileges

Historic pact goes to Congress next week

AFP, Washington
President George W. Bush granted a one-year renewal of trade privileges to Vietnam on Friday, as expectations mounted that he would soon ask Congress to ratify a historic trade bill with Hanoi.

The White House released two letters in which Bush granted the so-called Jackson-Vanik waiver to Vietnam -- a dispensation Congress has 60 days to challenge.

Such is the broad support for free trade and for commercial links with Vietnam in particular, however, that any challenge is expected to fail.

The United States denies Vietnam normal trade relations, but US businesses in Vietnam can claim export guarantees or government credits under an amendment to a 1974 Trade Act designed to encourage freedom of emigration.

Former president Bill Clinton's administration last year signed a historic trade bill with Vietnam that will extend normal trading privileges subject to yearly review.

Another report says: President George W. Bush will send a historic US-Vietnam trade pact to Congress for ratification next week, ending months of delays which have frustrated Hanoi and US free-traders. Congressional aides said Friday.

The pact is expected to be sent to Congress on June 4th, and work to push it through both the House of Representatives and the Senate will begin almost immediately, a Democratic aide said on condition of anonymity.

The agreement, signed last year, had been held up while the new administration set priorities under new US Trade Representa-

tive (USTR) Robert Zoellick, prompting regular warnings of the dangers of delay by Vietnam.

The lack of action on the pact coincided with mounting criticism in the United States over Vietnam's human rights record, and a souring of ties between the two countries following former president Bill Clinton's visit to Hanoi and Ho Chi Minh City last year.

A decision to move on the trade pact is understood to have followed a verbal agreement between Zoellick and influential Democratic Party Senator John Kerry.

Under the deal, Kerry agreed to drop opposition to several nominees for deputy posts in the USTR in return for action on the trade deal, of which he is a strong supporter.

Turkish stocks greet minister's resignation

AFP, Ankara
The Turkish stock market rallied Friday after a top minister resigned for openly criticising an IMF-backed reform plan, a departure seen as evidence of the government's political maturity.

The Istanbul exchange's IMKB index closed 3.6-per cent higher at 11,270 points, with investors heartened by prospects for greater governmental harmony after former privatisation minister Yuksel Yalova quit.

"This resignation is not bad, on the contrary it is a positive sign for the future," said Kentbank director of capital markets Tefvik Eraslan.

"Now the ministers will have to hold their tongues and the government will speak with one voice, which is essential to instilling confidence."

Yalova resigned on Thursday after comments he made about the International Monetary Fund-agreed austerity program briefly sent the stock market into a tail-spin.

Yalova had come out against what he described as "rushed" drafting of a law liberalising Turkey's tobacco industry -- crucial to his native western region of Aydin -- a key part of the IMF reforms.

His comments triggered a plunge of almost six per cent in the Istanbul stock market on Thursday, although the market later recovered and finally closed slightly higher.

"I was misunderstood and my remarks were misinterpreted. I have resigned," Yalova told the NTV television news channel.

Turkish Economy Minister Kemal Dervis, at whom Yalova directed his comments, said late Thursday in Rome that the resignation did not herald yet another government crisis, and that he would not interrupt his visit.

"The situation was bad this morning, but now there is no more problem," Dervis had said in an apparent reference to the stock market bounce.

Turkish and foreign analysts said that while the affair would encourage ministers to hold their tongues and toe the government's line, more dissent lay below the surface and could eventually lead to a cabinet shake-up.



South Korean riot police chase KCTU (Korean Confederation of Trade Unions) members during an anti-government rally in Seoul yesterday. The protest was against the proposed sale of South Korea's Daewoo Motors Co. to US auto giant General Motors Corp.

US automakers post healthier than expected May sales

AFP, Detroit
May was a banner month for US automakers, despite increased competition from imports, though some analysts warned of tougher times ahead at General Motors, Ford and Chrysler.

"There are a lot of sales being pulled forward, particularly this year," said Robert Schnorbus, auto analyst with California-based JD Power and Associates, which measures consumer preferences in vehicles.

"The economy is slowing, but I don't think we have felt quite the full effect of that. It will be even slower for the remainder of this

year, but not at recessionary levels," he said.

US consumers bought 1.605 million foreign and domestic-made vehicles, down just 1.2 per cent from a strong May a year ago, giving the industry a seasonally adjusted annual rate of about 16.6 million units.

Special promotions at GM boosted sales by one per cent, though analyst Haig Stoddard, with the industry publication Ward's Reports, said the annual rate probably would have been in the 16.1 million range if GM had not added a programme letting consumers end their leases early if

they signed up for a new vehicle. US consumers in May grappled with higher fuel prices, which exceeded two dollars a gallon in some markets.

Sales of both European luxury vehicles like BMW and smaller, fuel-efficient cars from South Korean automakers such as Kia and Hyundai stabilized in May. Kia's year-to-year sales rose 46 per cent, and those at Hyundai were up 34.5 per cent.

Imports seemed to be the gold standard for Americans in May, with Toyota of Japan reporting its best month since it began doing business in the United States 44 years ago.



M Aminuzzaman, Managing Director of Uttara Bank Ltd, opens the "Executive Computer Training" organised by Old Dhaka Centre of Grameen Star Education for the managers of Dhaka zone of the bank in the city recently. Sohail Sharif, Managing Director of Grameen Software Ltd and Grameen IT Park, was present as special guest. Major (Rtd) Manzurul Haque, Chief Operating Officer, GSE, was also present on the occasion. Hasanul Islam Tipu, Managing Director of Star Software Ltd, presided over it.

Argentina's debt swap offer brings \$32b

AFP, Buenos Aires
Argentina's debt-swap program is a resounding success, the government said Friday after tallying offers worth 32 billion dollars.

Minutes after the close of bidding Friday, Economy Minister Domingo Cavallo called the program a resounding success and boasted the debt swap program set a world record.

But some analysts caution the nation paid too dear, increasing the risk of defaulting on debt payments in the long term by offering interest rates of seven to 15 per cent on newly-issued bonds.

More than two-thirds of the offers were non-competitive, Deputy Economy Minister Daniel Marx said, suggesting the final volume will be around 20 billion dollars, in line with market estimates. Final numbers will be available Sunday or Monday, Cavallo said.

Argentina launched the program May 24, offering holders of public debt a limited opportunity to exchange short-term bonds for bonds to reach maturity between 2006 and 2031.

The operation will allow Argentina to postpone payment on parts of its massive 128 billion-dollar debt burden over the next five years.

Cavallo denied charges that hefty interests rates Argentina announced earlier in the day would come back to haunt the

country in the long term, insisting the program would enable the economy to grow and provide jobs after three years of recession.

Alarms sounded earlier Friday on Wall Street when Argentina announced it was offering interest rates of between seven and 15.5 per cent on the bonds, which mature in 2006, 2008, 2018 and 2031.

"If successful, as we think and hope it will be, the swap is a step in the right direction," said Michael Gavin, an expert in sovereign debt at UPS Warburg, adding "the real problem is economic growth."

"The Argentine government needs to focus more on the fundamentals if it is going to push for a recovery," Gavin said.

"This is a ruinous operation for Argentina," said a more pessimistic Walter Molano, an analyst with BCP, who called the rates "exorbitant" and warned the swap "increases the probability that Argentina will declare a moratorium on debt repayments."

"The government likes the deal, because it gives them a breathing space until the end of (President Fernando) de la Rúa's mandate," -- a very short-term view, Molano added.

"But for investors, it is different. If I have a bond that ends in the year 2019, or in the year 2031, I care about the prospects beyond the next four years... and this swap deteriorates those prospects."

Legal Notice

Notice of Caution To Whom it may Concern

It is hereby notified that my client **Feroza Amin**, House No. 55, Block-E, Road No. 13, Banani, P.S. Gulshan, Dhaka and **M/S Smart Apparels (Pte) Ltd**, 239, Auchpara, Tongi, Gazipur are the owner's of below schedule property. The said property is now under unauthorized and illegal occupation of Renaissance Hospital & Research Institute Ltd. The agreement which my clients had with said Renaissance Hospital & Research Institute Ltd. was revoked and cancelled long before about which my client asserted and communicated through a Legal Notice dated 27th December, 2000 addressed to Dr. Mosaddeque Hossain Biswas the Managing Director of Renaissance Hospital & Research Institute Ltd. Necessary legal proceedings have been instituted for recovery of the possession of the said property of my clients and damage being sustained by my clients. All parties and persons are hereby notified not to make any transactions relating to above-mentioned property of my clients with M/S Renaissance Hospital & Research Institute LTD. and its Managing Director Dr. Mosaddeque Hossain Biswas. It is gathered that, he is trying to create charge and/or mortgage or sell the aforesaid property by falsely and fraudulently posing to be to the owner's of the property. Anybody or institution making any transaction will be illegal void and not binding upon my clients. Whoever does so will do so at own risk and responsibility and this legal notice and notice of caution is published for general information of all.

Schedule of property

All that piece and parcel of land situated on Old Plot No. 150f, New Plot No. 60 and Old Road No. 13/2, New Road No. 4A, in Dhanmondi Residential Area, Police Station-Dhanmondi, District-Dhaka including building, fittings and fixtures thereof which is covered by the above-mentioned agreements.

Mahbubur Rahman, Advocate, Supreme Court
9-K, United Nations Road, Baridhara,
Dhaka-1212, Tel : 872566, 605414

Advanced Chemical Industries Limited
 BRAC Centre, 10th & 11th Floor, 75 Mohakhali, Dhaka 1212

Notice of Extra-ordinary General Meeting

Notice is hereby given that Extra-ordinary General Meeting of Advanced Chemical Industries Limited will be held on Tuesday, 26 June 2001 at 12:30 p.m. at Officers' Club, 26 Bay Road, Dhaka following the 28th Annual General Meeting to pass the following Resolution :

"That the following articles be inserted after article 9 of the object clause of the Memorandum of Association of Advanced Chemical Industries Limited:

- 9A. To carry on the business of processing, packing, canning and marketing of any agricultural products including, but not limited to, potato, sweet potato, tea, wheat, paddy, corn, tobacco, oilseeds, oil refining, milk, fish, meat, fruits of all types, herbs, herbal plants, vegetables of all kinds, spices of all types and other agro-based products, wastes, by-products, etc.
- 9B. To carry on the business of manufacturing, production or marketing of goods and services relating to oil, gas and other minerals, oil refining, petro-chemicals, aircrafts, spacecrafts, satellite, space equipments, telecommunication system, equipment, cables, information technology system, equipment, facilities etc.
- 9C. To carry on the business of tourism by establishing or otherwise acquiring hotels, motels, restaurants, picnic spots, wonderlands, amusement centers, sports centers, clubs, cinema halls, waterways, waterfalls, forests, safari, reserves etc.
- 9D. To setup textile mills for spinning, weaving, knitting, finishing of fabrics of all kinds & types and engage in production and marketing of readymade garments of any type or kind.
- 9E. To carry on the business of any type of processing and manufacturing of basic chemicals, ceramics, porcelain, dyes, pigments, intermediary agents, articles, equipments, products, articles that are direct consumables or usable by industrial processors; producers or manufacturers of any type for local or export market deemed beneficial to the Company and its shareholders."

By order of the Board

Sd/-
Sheema Huq
Company Secretary

Dhaka
2 June 2001