

## Businessmen urge APEC to expedite free trade

AFP, Shanghai

Business leaders urged Asia-Pacific economies Monday to speed up progress to achieve their goal of free trade among the region's developed countries by 2010.

Business leaders say the Asia-Pacific Economic Cooperation (APEC) forum needs to hasten trade and investment liberalisation to achieve free trade for developed members by the end of the decade and for less developed ones by 2020.

The so-called Bogor goals, named after the Indonesian hill resort where APEC leaders met in 1994, are the centrepiece of the grouping's strategy.

"We encourage leaders to instill the necessary sense of urgency and commitment to liberalise trade and investment in accordance with the Bogor goals," Qin Xiao, chairman of the APEC Business Advisory Council (ABAC), told a press conference on the sidelines of the APEC annual meetings.

ABAC is due to hold a dialogue

with the APEC leaders, including US President George W. Bush, on Saturday.

Qin, chairman of China Merchants Holding Co., said leaders needed to act firmly during the present economic slowdown, which has been aggravated by last month's terrorist attacks against the United States.

"APEC should counter the current economic uncertainty with decisive measures to stimulate economic growth and accelerate financial reform," Qin said.

## Japan's current account surplus falls 27.1pc

AFP, Tokyo

Japan's current account surplus fell in August for the ninth straight month, down 27.1 per cent from a year earlier as the global economic slump continued to depress trade, the government said Monday.

The current account surplus, which measures the flow of goods, services and investment income plus other financial transfers, came to 708.6 billion yen (5.86 billion dollars), the finance ministry said.

Over August, the trade surplus dropped 37.3 per cent to 482.8 billion yen, with exports skidding 9.5 per cent to 3,640.0 billion yen and imports down 2.9 per cent to

3,157.3 billion yen.

The figures also included a 47.2-billion yen deficit in trade of goods and services, which fell into red ink for the first time since May.

The drop was in line with a sustained fall in the trade surplus, as exports declined more rapidly than imports, said an official from the Ministry of Finance.

"Imports dropped as the negative impact of falling exports offset the positive impact of a weaker yen. This fact indicates that domestic demand is currently slowing," the official said.

Financial income in August stood at 851.4 billion yen while

monetary transfers hit a deficit of 95.6 billion yen.

In August, the dollar averaged 121.61 yen, compared with 108.07 yen a year earlier, according to the government. A weak Japanese currency contributes to exporters' profits in yen terms by making Japanese products more competitive overseas but renders imports more expensive.

"The global economic downturn, stemming from weak demand for IT-related (information technology) products, continues to depress current account figures," said Makoto Ishikawa, economist at Japan Research Institute.



PHOTO: AFP

Senior economic officials from 21 Pacific Rim economies meet at the International Convention Centre ahead of the APEC forum in Shanghai Monday. Officials started their annual talks amid tight security to lay the ground for a summit of their leaders later this week expected to address global terrorism at the Asia-Pacific Economic Cooperation (APEC) forum.

## Most Asian stocks decline on Wall Street fall, anthrax scare

AFP, Tokyo

Asian shares ended mostly lower Monday, dragged lower by declines on Wall Street and caution among investors over possible bio-terror attacks in the United States.

Share prices in Tokyo fell 1.7 per cent, hit by a slack performance on Wall Street and selling to lock in profits on the previous week's gains.

The Nikkei 225 average of the Tokyo Stock Exchange declined 179.81 points to 10,452.54. The Topix of all issues on the first section of the stock exchange fell 15.70 points to 1,071.78.

Trading was thin with volume estimated at 502 million shares against 966 million on Friday.

The Tokyo market lost ground due to a halt in the advances of United States stocks, Nikko Securities broker Hiroichi Nishi said.

On Wall Street Friday, the blue-chip Dow Jones industrials closed down 0.70 per cent at 9,344.16, while the tech-heavy Nasdaq composite ended with a small gain of 1.93 points at 1,703.40.

HONG KONG: Hong Kong share prices slipped 1.4 per cent after a weaker performance on Wall Street.

The key Hang Seng index lost 143.54 points to close at 10,130.59.

Dealers said sentiment turned cautious over the anthrax scare in the United States, with investors also sidelined ahead of Tuesday's land auction here.

SINGAPORE: Singapore share prices closed marginally firmer amid thin interest in selected blue chip stocks.

The Straits Times Index finished up 4.54 points, or 0.3 per cent, at 1,420.78.

KUALA LUMPUR: Malaysian stocks closed 1.2 per cent higher as investors remain upbeat that the upcoming 2002 budget will offer more incentives to stimulate business.

The Kuala Lumpur Stock Exchange's composite index rose 7.58 points to finish at 618.90.

SEOUL: South Korean share prices fell half a per cent with sentiment tempered by fears of additional terrorist attacks and the anthrax scare in the US.

The composite index closed down 2.41 points at 513.99.

MANILA: Philippine share prices rose 2.3 per cent on follow-through buying of blue chips after the key index fell to 10-year lows last week.

The Philippine Stock Exchange composite index gained 22.93 points to close at 1,040.80.

TAIPEI: Taiwan share prices closed 2.3 per cent lower on profit-taking after strong gains in the previous sessions.

The Taiwan Stock Exchange weighted price index fell 88.68 points to 3,712.82.

BOMBAY: Indian share prices closed half-a-per cent higher on the Bombay Stock Exchange (BSE) in lacklustre trade led by a few old economy stocks amid regional weakness and ahead of key corporate results due this week.

The benchmark 30-share BSE sensitive index closed up 16.91 points at 2,976.30.

Dealers said volumes were very low, with institutional as well as retail investors making few fresh purchases ahead of corporate results and a visit to India by United States Secretary of State Colin Powell.

BANGKOK: Thai stocks lost one per cent, led by communications and electronic stocks amid concerns over biological warfare attacks against the US.

The Stock Exchange of Thailand (SET) composite index shed 2.91 points to close at 282.06 points, and the SET 50 index was off 0.23 points to 18.38.

SHANGHAI: Shanghai B-shares closed 0.9 per cent higher with gains almost across the board while thin turnover pointed out underlying cautious sentiment.

The Shanghai Stock Exchange's B-share index edged up 1.4 points to 156.43 on low turnover of 47.97 million dollars while the A-share index eased 4.66 points, or 0.3 per cent, to 1,760.32.



Project handover ceremony of 'Suvastu Taj Villa' was held on Saturday at a city hotel. Chairman of Suvastu Development Ltd Muhammad Abidur Rahman, among others, was present on the occasion.

## Project handover ceremony of Suvastu Taj Villa held

Project handover ceremony of 'Suvastu Taj Villa' was held on Saturday at a city hotel, says a press release.

Chairman of Suvastu Development Limited Muhammad Abidur Rahman, Managing Director Akhil Akhter Chowdhury, Executive Directors Mahbul Alam and Salahuddin Ahmed, Project Director Engr. Ranajit Kumar Basu and flat owners were present on the occasion.

Suvastu Taj Villa, comprising 36 modern apartments, is located at 73 Segun Bagicha in the city.

The flat owners thanked the management as the apartments were handed over properly.

An ad-hoc committee of the flat owners' association was also announced in the programme.

Suvastu has so far handed over 13 successful projects to its clients and the developer is now developing 14 attractive projects in different city areas.

## Japan bankruptcies increase as economy falters

AFP, Tokyo

Bankruptcies in Japan over April-September rose to their third highest level since World War II as an economic slump caused many firms to bleed, a research centre said Monday.

Total major failures rose 2.0 per cent from a year earlier to 9,665, the largest number of collapses over the six-month period since 10,034 marked in 1998, said private credit research firm Teikoku Databank Ltd.

But combined liabilities fell 33.6 per cent to 7,244.0 billion yen (59.9 billion dollars) in the absence of huge bankruptcies until September when supermarket Mycal Corp. went bust, it said.

In September alone, the number of corporate failures soared 4.4 per cent from a year earlier to 1,568 -- a record since the bursting of the "bubble" economy, driven by specu-

lation in stocks and real estate, at the end of the eighties.

Remaining liabilities surged 287.7 per cent to 3,001.3 billion yen due largely to debts left by Mycal.

The troubled supermarket operator filed for court protection from creditors on September 14 under the weight of estimated group debts of 1.7 trillion yen in Japan's second biggest retail collapse after Sogo Co. Ltd. crumbled in July 2000.

"It is obvious that Japan has entered deflation-induced recession," Teikoku Databank said in a report. It noted April-June gross domestic product shrank 0.8 per cent from the previous quarter and the jobless rate hit a record 5.0 per cent high in July.

"The uncertainty over the future of the economy has been growing (since the September 11 terrorist attacks on New York and Washington)," it said, adding the

Tokyo stock market was also in a critical situation.

The Tokyo Stock Exchange's key Nikkei-225 index shed around 25 per cent of its value over April-September, further depressing company profits as, under new mark-to-market accounting rules, firms must evaluate shareholdings at face value and not at the price they were bought.

"Under these circumstances... Mycal finally went bust in September," rekindling concern over similar big companies, the research firm said.

A cut in public works spending by the government coupled with weak consumer spending, a drop in exports and reduction in capital expenditure, pointed to a further rise in bankruptcies in the months ahead, it warned.

## US praises Russian economic progress

AFP, Moscow

US Secretary of Commerce Donald Evans praised on Monday Russia's economic progress, saying that Washington aimed to encourage US investment in the formerly turbulent economy.

Evans said at a news conference marking the first loading of oil transported by the Caspian Pipeline Consortium, that Russian "reforms and actions demonstrate that they are serious about developing a market-based economy and democracy here."

"This project, US companies' largest investment in Russia so far, will send a powerful signal back to America that the time is right to invest in Russia," he added.

The success of the new 2.5-billion-dollar (2.75-billion-euro) pipeline, a 1,580-kilometer (950-mile) link between the oilfields of western Kazakhstan and the Russian Black Sea port of Novorossiisk, also had major investors, like US oil giant ChevronTexaco, in high spirits.

"Once the pipeline builds up to its designed capacity (of 28 million tonnes a year), there will be dividends for everyone -- governments as well as owners. It will be a very profitable venture for all," ChevronTexaco's vice chairman Richard Matzke said.

Not even the escalating conflict in Afghanistan, where US-led air strikes against the ruling Taliban militia continue, would put projects

to develop the oil-rich Caspian Sea area on hold, Matzke said.

"I think this has heightened our awareness and concern, but it won't slow anything down," he said, adding that projects currently in the works would take investors "north and west" of the Caspian rather than "south and east" toward war-torn Afghanistan.

Those projects include the controversial 1,730-kilometer pipeline link between Baku, the Azerbaijan capital, and Ceyhan, Turkey, which the United States has proposed as the main export route for oil from the Caspian Sea.

According to Deputy Energy Minister Vladimir Stanev, Russia would make no objections if oil companies chose to build the Baku-Ceyhan pipeline to boost their profits, but warned against using the project to further political ends.

Russian oil giant LUKoil, also a CPC investor, might consider joining in the Baku-Ceyhan project, LUKoil's vice president Jevan Cheloyants said, adding however that no definite decision on that had been reached yet.

The first shipment of crude oil from Kazakhstan's giant Tengiz oilfield was loaded onto a tanker in the port of Novorossiisk on Sunday.

Russia is the largest shareholder with 24 per cent of the CPC shares while Kazakhstan and Oman have 19 per cent and seven per cent, respectively. Chevron owns a 15-per cent stake.