OPEC still checking rival offers before output cut decision

AFP, *Vienna*

OPEC is still waiting for details of oil production cuts from non-OPEC producers Norway and Russia before it agrees to implement an output cut agreed last month, an OPEC source told AFP on Thursday.

"We have to check on some figures first before we go ahead with the decision," said the source, from the Organisation of Petroleum Exporting Countries' headquarters in Vienna.

OPEC has said that it would not make a 1.5 million barrels a day reduction in its exports needed to boost sagging oil prices unless non-OPEC countries accepted an overall reduction of 500,000 barrels a day.

"We only have now 290,000 plus whatever Norway will be offering," the source said, explaining that Norway planned to cut between 100,000 and 200,000 barrels per day, but would probably not go above 150,000. A decision was expected "any time," he said.

But the cut from Norway, the world's third-biggest oil exporter, is unlikely to hike the total reduction to the 500,000 barrels a day OPEC demanded.

"We have not discussed that scenario yet," the OPEC source admitted. "When we have all the numbers on the deck then we can decide on the next move."

Oil prices in London continued to rise Thursday, after a rally Wednesday after Russia finally offered a 150,000-bpd cut, significantly higher than its previous proposal of 50,000 bpd.

OPEC was also waiting for more details from Russia on how long it planned to implement the output cut, the OPEC source said.

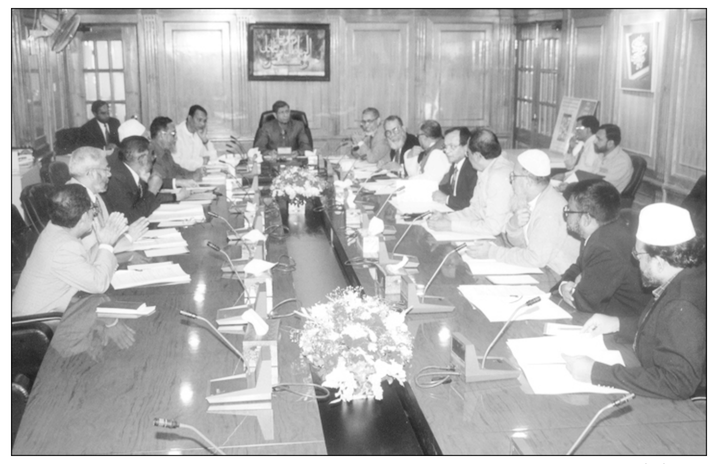

PHOTO: IBBL

Shah Abdul Hannan, Chairman of the Islami Bank Bangladesh Limited, presides over a meeting of the Board of Directors of the bank held in the city on Thursday.

Oil price perks up again

AFP, *London*

The price of oil perked up on Thursday after a rally the previous day had run out of steam, despite growing signs of a deal by global crude producers to limit output.

A barrel of Brent North Sea reference crude for January delivery rose 47 cents to 19.69 dollars, as the market continued to digest news of a significant Russian output cut that raised expectations of a broad deal by crude producers to trim two million barrels per day (bpd) off supply from January 1.

But overnight in New York, the light sweet crude January contract fell 16 cents to 19.49 dollars a barrel, because markets remain unsure of whether producers will adhere faithfully to their promised cuts.

The Organisation of Petroleum Exporting Countries (OPEC) had offered to cut its output by 1.5 million bpd from January -- but only if rivals outside the club reduced their volumes by 500,000 bpd.

Russia on Wednesday finally offered a 150,000-bpd cut, which brings non-OPEC close to the required figure. But initial euphoria after the Moscow announcement, which drove prices above 20 dollars a barrel, gave way for greater scepticism.

"Non-OPEC countries are clearly pretty close to achieving the goal set by OPEC, but it is possible that they will have to get together to thrash out the last part of this deal," said Lawrence Eagles, an analyst with the GNI brokerage.

"It (is) hard to see how it (OPEC) can resolutely accept this offer," he added. "After all there are only pledges of maximum possible cuts by Mexico and Norway on the table. They surely have to firm up their offers before a deal can be said to have been reached."

US Chamber of Commerce warns HK not to hike taxes

AFP, *Hong Kong*

The American Chamber of Commerce in Hong Kong warned the Hong Kong government Thursday that increasing taxes to reduce the ballooning budget deficit would do more harm than good.

The chamber's chairman Frank Martin said financial secretary Antony Leung was faced with a difficult problem in plugging the expected deficit and the Basic Law -- Hong Kong's mini constitution -- which requires the territory to maintain a balanced budget.

Leung said Wednesday that Hong Kong's fiscal deficit could rise to as much as 60 billion dollars (7.7 billion US) in the current fiscal year to March, compared to its March estimate of 3.0 billion dollars.

The global economic slowdown would lead to reduced revenue, with investment income on fiscal reserves expected to slump to 12 billion dollars from earlier estimates of 35.5 billion dollars.

Japan non-life insurers still in danger: S and P

AFP, *okyo*

Japanese non-life insurers remain on shaky ground after the collapse last month of Taisei Fire and Marine Insurance Co. Ltd. on claims related to the terror attacks in the US, Standard and Poor's said Thursday.

Medium-sized insurer Taisei Fire filed for bankruptcy protection late November after suffering a reinsurance loss of 74.4 billion yen (604.3 million dollars) due largely to payouts from the terror blitz in New York and Washington on September 11.

While most other non-life insurers were left relatively unscathed by the attacks, other dangers loom, the global risk evaluator said.

Japan's sagging stock market, weak economy and the uncertain outcome of ongoing consolidation within the industry led S and P to maintain a negative outlook on the insurers.

"Japan's non-life sector will continue to face operational and financial challenges in the short term, amid increasing competition with no sign of recovery in the domestic economy," S and P said.

A total of 132 billion yen in losses from the terror attacks was shared by Taisei, Nissan Fire and Marine Insurance Co. Ltd. and Aioi Insurance Co. Ltd. (formerly Chiyoda Fire and Marine Insurance Co. Ltd.), said the rating agency.

But it "does not expect losses related to the terrorist attacks to increase further."

Share price falls have knocked 30-60 per cent of the unrealised gains on securities for the top 11 firms. Also, "drastic restructuring" and consolidation of the industry into five mega-players have yet to prove positive, S and P said.

"These mergers and alliances do not guarantee immediate success. It remains to be seen whether consolidation will bring about real benefits."

The five groups are Aioi, Mitsui Sumitomo Insurance Co. Ltd and Nipponkoa Insurance Co. Ltd. -- which have already completed their mergers -- the group to be formed by Nissan Fire and Yasuda Fire and Marine Insurance Co. Ltd., and the group to be formed by Tokio Marine and Fir Insurance Co. Ltd., Nichido Fire nd Marine Insurance Co. Ltd. and Kyoei Mutual Fire and Marine Insurance Co.

WTO to review US duties on Canadian wood

AFP, *Ottawa*

The World Trade Organization will review US import duties on Canadian softwood lumber, the Canadian government said Wednesday.

"The import duties are unfounded and unjust," Trade Minister Pierre Pettigrew said.

Canada asked the WTO to determine if the US duty conforms with rules allowing countries to levy compensatory import duties on products that enjoy government subsidies. The United States contends that growing wood on Canadian public lands amounts to a subsidy.

"We hope to settle the matter through negotiations but we are continuing to study the legal route under our rights before the WTO," said Pettigrew.

Pettigrew had previously said discussions between the two countries were making progress, to the point of declaring Monday that they had reached a "framework agreement."

In October, the United States imposed "anti-dumping" tariffs of 19.31 per cent on Canadian construction softwoods, causing layoffs of Canadian workers in the thousands.

Globalisation a powerful tool to reduce poverty: WB

REUTERS, *Washington*

The World Bank said Wednesday globalisation was a powerful poverty reduction tool in developing countries, but the process needed to be adjusted to better help some of the world's poorest countries.

A study by the bank showed that globalization had already helped reduce poverty in many developing countries and said integration would be ever more crucial in the unsure global economic environment following the Sept. 11 attacks on the United States.

Poverty in developing countries rose steadily from the 1820s to the 1980s, when it began to recede as globalization stepped up.

"It might be a blip, but it might also be a turning point," Paul Collier a co-author of the report, said at a news briefing. "If it is a turning point, the engine will be the ability that these countries have to break into global markets."

The bank cautioned that gaining access to global markets remains difficult for many developing economies and that not all countries would benefit from globalisation.

"Globalisation is a very powerful force for poverty reduction, that helps to generate higher growth," said Nicholas Stern, the bank's chief economist. "But billions of people are being left out of this process."

The report showed that 24 developing countries that welcomed greater integration into the global economy in the past 20 years, including China, India and Mexico, have achieved rates of growth of about 5 per cent in the 1990s, compared to an average of 2 per cent for rich economies.

These "more globalised" countries, as the bank dubbed them with some 3 billion inhabitants accounted for about half of the world's population.

In contrast, countries like Algeria, Egypt, Iran and Pakistan, categorized as "less globalized" economies, saw their economies stagnate or decline.

"For the two billion people in the non-integrating countries, globalization is not working as well as it should," report co-author Devid Dollar said. "Some of these countries have been handicapped by weak policies, institutions and governance, or by civil unrest and even civil war."

Dollar said other hindrances included unfavorable geography, although he added that some countries, such as Uganda and Bangladesh, profited from globalisation despite geographical challenges.

The bank presented a seven-point action plan intended to maximize the benefits of globalisation. Stern, however, stressed that there was no fixed recipe for success.

The top items on the bank's list were increasing developing economies' access to global markets and instituting favourable investment environments inside those countries.

"Globalisation alone will never be sufficient to reduce poverty," Collier said. "We're not saying, 'If you open you grow.' If you improve your investment climate and open, then you will grow."

Stern said the recent global trade talks in Qatar showed movement in the right direction in terms of increasing market access for developing economies.

Low-paid foreign workers keep Singapore running

REUTERS, *Singapore*

Habibullah has slept in containers at Singapore construction sites for the past four years. But the Bangladeshi labourer is not unhappy.

Like many of his peers, Habibullah, who fits pipes in buildings, lives on S$200 ($110) a month in an affluent city state where many people spend that much on a trip to the supermarket.

But it's a good sum for the 25-year-old, who saves the bulk of his monthly net income of S$600 to S$800 for his family in Dhaka.

After a day working under the tropical sun, he rests and chats with friends at a parking lot.

"I like Singapore. There is no fighting. It is safe and clean," Habibullah said, sitting in sight of glamorous shops lined with expensive brands.

He is one of about 500,000 low-paid foreign workers existing on the boundaries of society who have become an economic pillar and an essential social service for a clean, green and efficient city of four million people.

There are about 140,000 foreign women working as maids alone, up form about 50,000 in 1990. Almost every seventh household in Singapore has live-in domestic help.

Despite Singapore's deepest recession in more than 30 years and growing job losses, the island's citizens are not exactly queuing up to take on the sort of manual jobs that Habibullah does, meaning his savings should keep flowing home.

Unemployment is likely to hit 4.5 per cent by the end of this year and some economists say it could rise as high as five per cent in 2002.

Singaporeans, used to years of high employment when job hopping was common, have been told to brace for a long, deep recession.

At the other end of the employment ladder, the Singapore government's foreign talent policy of wooing the best and the brightest has come under scrutiny.

Under the scheme, there are about 300,000 foreign professionals to supplement Singapore's local workforce of just 1.5 million people.

Many high-paid foreign workers are losing their jobs at banks and brokerages. In this environment, it can be more secure to be on the lower end of the wage scale but few Singaporeans are willing to take the hard and dirty jobs that foreign labourers now do.

In fact, in the years after Asia's 1997/1998 financial crisis, more households hired foreign maids as they became double-income families.

"Despite the economic slowdown, the number of foreign domestic workers has actually increased by 19 per cent between 1998 and 2001," Jean Tan of the Ministry of Manpower said in a letter to a local newspaper.

"This shows that foreign domestic workers have remained affordable in Singapore."

For a monthly wage of about S$300 -- plus simple lodgings and food -- maids cook, wash, clean and look after babies or the elderly almost round the clock. Some act as quasi-parents.

To limit the number of domestic workers, the government charges employers a monthly levy of $350.

The top employer of foreign man -- mostly from Bangladesh, Pakistan, India, Sri Lanka China and Malaysia -- is the construction industry, followed by the manufacturing and service sectors.

The dirty, dangerous image of construction has not helped to lure pampered young Singaporeans who often grow up playing on computers in air-conditioned rooms.

But for many foreigners, the money means a lot at home.

"It is nice to earn more money, though the exchange rate is not as good as in the early 1990s," said Shi Yi Xiang, a qualified construction worker from southern China.

In his 30s, Shi makes about S$1,200 per month for a seven-day week of 10-hour days. In China, he was paid a sixth of that for the same work.

Like five of his friends from China, Shi plans to work in Singapore for two years to finance university education for his two children.

The marine industry, which also suffers from an image problem among young locals, depends on foreign labourers for about 60 per cent of its 30,000-strong workforce.

Heng Chiang Gnee, president of the Association of Singapore Marine Industries, said the sector, which was enjoying a thick order book despite the recession, hoped to use the downturn to recruit more Singaporeans.

It ran a second job fair last month to fill more than 4,000 vacancies with monthly salaries ranging from S$1,100 to S$3,900. Its first attempt only attracted 580 applications.

CURRENCY

Following is yesterday's foreign exchange rate statement by **Standard Chartered Bank**

Selling		Currency	Buying		
TT/OD	BC		TT Clean	OD Sight Doc	OD Transfer
57.6500	57.6800	USD	56.5000	56.3314	56.2629
51.6198	51.6467	EUR	49.6805	49.5322	49.4720
82.0821	82.1248	GBP	79.4955	79.2582	79.1620
30.2951	30.3108	AUD	28.7585	28.6727	28.6378
0.4681	0.4683	JPY	0.4529	0.4516	0.4510
34.8760	34.8941	CHF	33.8729	33.7718	33.7308
5.4970	5.4999	SEK	5.3083	5.2925	5.2860
36.7971	36.8162	CAD	35.6759	35.5695	35.5263
7.3986	7.4025	HKD	7.2367	7.2151	7.2064
31.5890	31.6055	SGD	30.7065	30.6149	30.5777
15.8253	15.8335	AED	15.2595	15.2140	15.1955
15.4956	15.5037	SAR	14.9471	14.9025	14.8844

Usance bill

	TT Doc	30 days	60 days	90 days	120 days	180 days
USD	56.3835	56.0356	55.5712	55.0372	54.4567	53.1564
EUR	49.5780	49.2721	48.8638	48.3942	47.8838	46.7405
GBP	79.3316	78.8421	78.1887	77.4373	76.6206	74.7911

The local foreign exchange market was active Thursday. Demand for dollar was steady. The call money market was tight due to withdrawals of funds ahead of Eid-ul-Fitr.The call money rate was as high as 8.5 per cent.

In the international market, the US dollar maintained its overall bullish tone agaisn thte yen despite concerns about US economic recovery. The dollar also gained ground against the euro. The developments in Afghanistan is giving growing hops of faster US economic recovery. The US stock market surged 2 per cent and yield on US Treasury notes also climed by 30 basis points to 3.06 per cent. The tighter monetary conditions in US is givng rise to apprehension of easing interest rate by US Federal Reserve.

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SHIPPING

Chittagong port

Berth position and performance of vessels as on 6.12. 2001.

Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Leaving	Import Disch
J/1	Mergui	GI (Y Ma)	Yang	Bnsship	30/11	7/12	987
J/2	Spica	Gi (Log)	Yang	Royal	4/12	9/12	1693
J/4	Shun An (Linea)	Gi	Mong	RML	4/12	7/12	708
J/5	Iron-B	WT(P)/Copra	Sing	MSA	19/11	12/12	730
J/6	Bright Hope (Liner)	GI	Kore	Porg	5/12	12/12	805
J/7	Danjelion	Wheat(P)	Sing	Litmond	12/11	6/12	942
J/9	Da Cheng (Liner)	GI	P Kel	Bdship	5/12	13/12	234
J/10	Banga Bonik(Flag)	Cont	Col	Baridh	5/12	8/12	111/X
J/12	Kota Naga	Cont	Sing	Pil (Bd)	2/12	8/12	362/95
J/13	Hai Xiong	Cont	Sing	Pil(BD)	30/11	6/12	
CCT/1	Uni Wealth	Cont	P Kel	RSL	3/12	7/12	
CCT/2	Banga Robi(Flag)	Cont	Sing	BSC	4/12	8/12	250/X
CCT/3	QC Dignity	Cont	P Kel	QCSL	3/12	8/12	168/40
RM/14	Baglar Gourab	Repair	Viza	BSC	2/11	11/12	
TSP	Balikesir	R Phos	Tiaz	Atlantic	30/11	15/12	
DD	Bangla Birol	Repair	-	Bdship	R/A	10/12	
DDJ/2	Dea Captain	O	K.Dia	Arafeen	R/A	-	
RM/9	Banglar Shourabh	Repair	-	BSC	R/A	11/12	
TM Compound: Tug Kandari-10		-	Suez	CPA	29/11	-	

Vessels due at outer anchorage

Name of Vessels	Date of Arrival	L Port Call	Local Agent	Cargo	Loading Port
Estella Eterna	6/12	Sing	Everett	Vehi	-
Banglar Mookh	6/12	Pipa	BSC	GI(S Ash)	-
Banglar Urmi	6/12	Yangon	Royal	GI(Y Maize)	-
Pacific Emerald	6/12	Tara	Limtmond	GI(Copra)	
Banga Biraj (Cont)	7/12	Sing	Bdship	Cont	Sing
Star Glory	8/12	Sing	Rkship	-	-
Tug Britoil-9	6/12	Sing	Rkship	-	-
Well Prescadores	6/12	-	Rainbow	HR Coil	-
Jubilee	7/12	Yang	Rkship	GI (R Log)	-
QC Honour(Cont)	7/12	P.Kel	QCSL	Cont	Sing
Lofoten	8/12	-	JG	-	-
Gihock(Cont)	8/12	Sing	RSL	Cont	Sing
Oriental Queen	7/12	Krab	RML	C Clink	
Kuo Hsiung (Cont)	8/12	P Kel	QCSL	Cont	Sing
Kota Berjaya (Cont)	8/12	Sing	Pil (Bd)	Cont	Sing
Banglar Shikha (Cont)	10/12	Sing	BSC	Cont	Sing
Eliki	8/12	Uae	OTBL	-	-
Purple Star	8/12	Sing	OTL	Ballast	-
Millennia Jewel	9/12	-	JF	Scraping	-
Goreme	8/12	-	Rkship	Scraping	-
Yong Jiang	8/12	Sing	Bdship	GI	-
Athlos	9/12	Mong	RML	J Goods	-
Xpress Padma (Cont)	9/12	Sing	RSL	Cont	Sing
Jaami (Cont)	9/12	Sing	Everest	Cont	Col
Banga Barta(Cont)	10/12	Col	Baridhi	Cont	Col
Banga Bijoy (Cont)	11/12	-	Bdship	Cont	Sing
Aya	10/12	Indo	OTBL	-	-
Ava	10/12	Yang	Bnsship	Gi	-
Xpress Resolve (Cont)	10/12	-	RSL	Cont	Sing
Jurong Balsam (Cont)	11/12	Sing	Nol	Cont	Sing
Kota Singa (Cont)	12/12	Sing	Pil(BD)	Cont	Sing
Jaya Mars	12/12	-	Everbest	Cont	Col
Fu Wen Shan (Liner)	13/12	Shanghai	Bdship	GI	-
Kota Agung (Cont)	13/12	Sing	Pil (Bd)	Cont	Sing
Boxer Capt Cook(Cont)	12/12	-	PSSL	Cont	Col
QC Lark (Cont)	14/12	P. Kel	QCSLl	Cont	P Kel
QC Teal (Cont)	15/12	P. Kel	QCSL	Cont	P Kel
Banglar Moni (Cont)	15/12	Sing	BSC	Cont	Sing
Dolisie	16/12	P Said	Anotent	Wheat(G)	-
Nobleza	16/12	-	JF	Vehi	-
Banga Lanka(Cont)	18/12	-	Bdship	Cont	Sing
Tanker Due					
Taipan	7/12	-	Bdship	CDSO	-
Audhika Adhiraksha	7/12	P Kel	USL	Cop	-
Wan Ning Hai	9/12	Sin	TTL`	Bitumen	-

Vessels at Kutubdia

Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival
Energy Explorer-IV	-	-	BBAL	5/4
Vessels at outer anchorage				
Vessels ready				
Aftemis	Cont	P Kel	PSSL	4/12
Qc Pintail	Cont	P Kel	QCSL	3/12
Kmakmur Bahagia	TSP (P)	Sing	Unique	5/12
Vessels awaiting instruction				
Sonali	Ballast	Yang	Angelic	31/10
Banglar Jyoti	-	-	BSC	R/A (28/11)
Vessels not entering				
Pearl of Bahrain	C Clink	Koshi	SBS	21/11
Matrix	GTSP(P)	Turi	SSST	-
Fu Yun Shan	Mop(P)	Nik	Litmond	29/11
Alam Sentosa	C Clink	Kosh	ASLL	30/11
Radiant Star	C Clink	Sing	RCL	1/12
Diana	C Clink/GYP	Krab	OLM	1/12
K S Prince	C Clink	Pada	SBS	5/12
Athenian Theodore	Scraping	Dubai	OTBL	29/11
Kapitan Ivanchuk	Scraping	Mong	AHZ	17/11
Riza	Scraping	Fuji	Rsship	26/11
Hythira	Scraping	Fuja	JF	28/11
Pira	Idle	Tamp	Litmond	3/11
Accord	Cement	Sing	Viking	5/4

Movement of vessels for 7/12/01 & 8/12/01

Outgoing	Incoming	Shifting
J/1 Mergui	Qc Pintail CCT-1	J/2 Spica J/1
J/3 E. Eterna	B. Mookh J/2	Dd: B. Birol DDI-1
CCT/-1 Uni Wealth	Well PascadoralJ/3	
	A. Adhirakha RM/4	
8/12/01		
J/4 Shun An	B: Biraj CCT-3	
J/11 B. Bonik	Qc Honour J/12	
J/12 K. Jaga	K. Berjaya CCT-2	
CCT-2 B. Robi	Gihock J/11	
CCT-3 Qc Dignity	Sami Frontier J/4	
RM/4 A. Adhirakha	Young Jiang NB	

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