CURRENCY

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

56.5000

28.3378

0.4463

33.8012

35 6642

7.2397

55.0372

48.2896

78.2189

55.5712

Local foreign exchange market remained subdued due to weekend in the international market. Trading

An New York closing on Friday, euro traded at 0.8894/99, pound sterling at 1.4332/40 against dollar and

This memorandum is issued by Standard Chartered Bank and is derived from reliable public information

sources. The bank does not provide any representation or warranty for accuracy of this memorandum.

49.1656 48.7582

78.6378 78.9778

28.2453

0.4461

33.7067

35 5706

7.2220

49.3054

79.9836

28.1652

0.4451

33.6222

35 4874

7.2046

30.5296

14.8979

46.6395

BUSINESS

budget, but he acknowledged that some develop-

The new budget includes 28 billion rivals in

The balance of payments surplus for 2001 was

The cabinet issued a freeze on new jobs for

Unemployment in Saudi Arabia stands at

The government was planning to employ some

estimated at 31.3 billion riyals, down from last

next year to various government agencies, but

jobs already in the pipleline would be maintainted.

between 15 and 20 per cent and foreigners consti-

817,300 Saudi job seekers in the current five-year

plan which began in 2001, by replacing 488,600

foreigners and creating 328,000 new jobs mostly

Current expenditure normally accounts for

Government wages, which in 2000 reached 30

more than 85 per cent of total expenditures, with

capital spending taking the remaining 15 per cent,

a major structural distortion in the Saudi economy.

billion dollars, consume about 53 per cent of the

wages estimated to account for more 70 per cent of the budget and almost all projected oil reve-

budget and as much as two-thirds of oil revenues. Next year the picture will be even worse with

year's 53.7 billion riyals (each dollar is 3.75 riyals).

allocations for new projects, in addition to 54.3

billion riyals for education, higher education and

mental projects will be delayed

manpower training, the minister said.

tute 65 per cent of the work force.

in the private sector.

Saudi Arabia unveils \$12b budget deficit for 2002

Foreign borrowing ruled out

Saudi Finance Minister Ibrahim al-Assaf ruled out Sunday any foreign borrowing as the world's leading oil producer and exporter announced a 12-billion-dollar budget deficit for 2002, the largest since 1998.

"Saudi financial establishments and national reserves are capable of meeting the shortfall. We will not resort to foreign borrowing to meet the deficit. The position of our banks is excellent," Assaf told a press conference early Sunday after the cabinet approved the 2002 budget.

Revenues were projected at 157 billion riyals (41.9 billion dollars) and expenditures at 202

billion riyals (53.9 billion dollars). The deficit is the largest since the kingdom boasted a 13-billion-dollar shortfall in 1998 when average price for Saudi oil was just over 12 dollars

a barrel and output was 8.3 million barrels per day. The sharp drop in revenues from a projected 215 billion riyals (57.3 billion dollars) for 2001 follows a major decline in oil prices after the September 11 terror attacks in the United States and cuts in production

Saudi crude output stands at 7.541 million barrels per day (bpd) and its oil price is about two dollars less than the Brent crude which closed Friday at 18.10 dollars a barrel. Production is expected to be slashed to around seven million bpd in January.

The kingdom does not disclose the breakdown of revenues, but local economic reports had

IMF unlikely to release \$1.26b

AFP, Washington

loan to Argentina

Argentine Economy Minister

Domingo Cavallo is to return to

Buenos Aires Sunday, apparently

having failed to convince the IMF to

release 1.26 billion dollars in previ-

ously approved loans desperately

needed to avoid defauting on the

country's 132-billion dollar foreign

returns with no cash, but does have

new instructions from the

International Monetary Fund on

measures his government needs to

staff of the Fund on the numbers, so

now we have to adopt decisions on

Argentina," Cavallo told reporters at

to adopt unspecified "decisions"

with regard to the 2002 budget,

Cavallo said, and "show that there is

political backing and support for the

The decision to block the loans were made after an IMF team visited Argentina on Wednesday.

Argentina's debt alone is about

one seventh of all foreign debt held

by third world countries. Servicing

the massive debt payments already

costs nearly half of Argentina's

annual gross domestic product, and

has kept the country in recession for

21.6 billion-dollar line of credit

Argentina, as it goes into the sec-

ond phase of a delicate debt swap

operation, exchanging its existing

The operation is already consid-

ered a technical default by Wall

Street, because investors are

getting less than they had been

But that could turn into a full-

scale meltdown if Argentina is

unable to come up with the neces-

sary 1.26 billion dollars in debt

and industrialists were organizing a

national protest against the govern-

ment's economic policies, which

according to retailers has resulted

in a 70 per cent drop in sales in one

In Argentina, small business folk

payments later this month.

high-yield bonds for new bonds with

lower yields and longer maturities.

approved for Argentina earlier.

The held-up tranche is part of a

This is a critical moment for

The Argentine government had

"We completely agreed with the

implement for aid to resume.

the end of talks Saturday.

budget of the year 2002.

nearly four years.

After two days of talks Cavallo

forecast non-oil revenues at around 40 billion riyals (10.7 billion dollars) leaving the remaining 31.2 billion dollars for oil.

Assaf estimated that Saudi internal debt at the end of 2001 topped 630 billion rivals (168 billion dollars), just under the kingdom's Gross Domestic Product (GDP) of 668 billion riyals (178 billion

The debt, obtained from local Saudi banks and financial institutions, is tipped to rise next year as the deficit increases

The minister said the kingdom would continue with privatisation plans especially for electricity, telecommunications, Saudi Airlines, sewage, water desalination and other sectors.

Assaf said there was sufficient capacity "to cover the budget deficit either through issuing

bonds or through (internal) borrowing. The Saudi finance ministry estimated the budget deficit would reach 25 billion rivals (6.7 billion dollars) at the end of 2001 after projecting a zero budget deficit for 2001

Revenues are estimated at 230 billion rivals (61.3 billion dollars), seven per cent more than the projected 215 billion riyals. Expenditures are estimated at 255 billion rivals (68 billion dollars) about 18.6 per cent higher than the projected 215 billion rivals.

Last year, Saudi Arabia boasted a budget surplus of 22.7 billion riyals (6.1 billion dollars), the only surplus since 1982.

Assaf said the government was very careful to avoid burdening Saudi citizens through the new

HP-Compaq merger open to doubt

AFP, San Francisco

The planned multi-billion dollar merger between technology giants Hewlett-Packard and Compaq was in doubt Saturday, after the foundation that is the biggest shareholder in Hewlett-Packard voiced its opposition to the union.

On Friday, the David and Lucile Packard Foundation dealt a severe blow to the high-tech giant's plans to merge with computer maker Compaq, saying, after a closeddoor meeting Friday that it has "preliminarily determined" to vote its HP shares against the deal.

The foundation created by family members of the company's founders owns approximately 10.4 per cent of HP stock, said foundation spokesman John Walker.

Susan Packard Orr, chairwoman of the foundation and daughter of founder David Packard, said that despite an understanding by the board of trustees of the "strategic considerations," the board has decided for now that "the best interests of the Foundation would be better served by Hewlett-Packard not proceeding with the proposed transaction."

The HP and Compaq boards responded with a statement saving the two companies were "disappointed" in the foundation's move to

"Nevertheless, our responsibility to shareowners, customers and employees requires that we maintain a pragmatic view of the business and a focus on the future," said the two companies

57.6500

0.4624

35.0133

36 8242

7.3993

15 4954

52.0923

30.3947

0.4626

35.0378

36 8488

7.4006

31.6214

15.5138

80.1323

en traded at 125.50/58 against US dollar,

CAD

-HKD

per cent. Bangladesh Bank auction for treasury bills took place of Sunday

"Over the coming weeks and months, we intend to continue communicating its merits to our

broad shareowner base." Hewlett heir Walter Hewlett praised the Packard foundation's

"I am pleased that after completing its analysis, the Packard Foundation has preliminarily decided to vote its shares against the proposed merger of Hewlett-Packard and Compaq," he said in a

"Hewlett-Packard can create greater value for stockholders as a stand alone company than as a company combined with Compaq.

Added Hewlett: I believe there is a sizable and widespread opposition to this transaction. Hewlett said he would launch a

shareholders revolt if HP decides to take the matter up with investors

"I intend to solicit proxies against the transaction," Hewlett vowed if HP decides to appeal to its general shareholders for an approval of the

SHIPPING

Berth position and performance of vessels as on 9.12. 2001.							
J/1	Spica	GI (Log)	Yang	Royal	4/12	11/12	1
J/2	Banglar Mookh	GI(S.Ash)	Pipa	BSC	6/12	12/12	1
J/3	Jubilee	GI(R.Log)	Yang	Rkship	7/12	17/12	
J/4	Shun An (Liner)	Gi	Mong	RML	4/12	11/12	
J/5	Iron-B Wt(P)	/GI(Copra)	Sing	MSA	19/11	12/12	
J/6	Bright Hope	Gi	Kore	Prog	5/12	12/12	1
J/7	Alam Teladan	GI(Y.Ma)	Sing	Sunshine	1/12	15/12	1
J/8	Makmur Bahagia	TSP(P)	Sing	Unique	5/12	13/12	3
J/9	Da Cheng	GI	P.Kel	Bdship	5/12	13/12	
J/11	Gihock	Cont	Sing	RSL	8/12	11/12	13
J/12	Kota Berjaya	Cont	Sing	Pil (BD)	8/12	13/12	(59
J/13	Artemis	Cont	P. Kel	PSSL	4/12	10/12	164
CCT/1	Banga Biraj	Cont	P. Kel	Bdship	7/12	12/12	203
CCT/2	QC Pintail	Cont	P. Kel	QCSL	3/12	9/12	14
CCT/3	QC Honour	Cont	P. Kel	QCSL	7/12	12/12	20
RM/14	Banglar Gourab	Repair	Viza	BSC	2/11	11/12	
TSP	Balikesir	R.Phos	Tiaz	Atlantic	30/11	15/12	
DDJ/1	Banga Birol	Repair	-	Bdship	R/A	12/12	
DDJ/2	Dea Captain		K.Dia	Arafeen	R/A	-	
RM/9	Banglar Shourabh	Repair	-	BSC	R/A	11/12	

Vessels due at outer anchorage Local Name of vessels agent Jammi (Cont)1/12 Col Xpress Padma (Cont)6/11 10/12 Sing Cont Athlos (E/L)5/12 10/12 Mong RML J. Goods Banglar Shikha (Cont)1/12 BSC continue Star Glory Sing Rkship For Demolition Tug Britoil-9 Rkship 9/12

Sing Pil (BD) 18/2 Cont UNI Wealth (Cont) 8/12 18/12 Cont **RSL** 19/12 **BDShip** Cont Sing Cont Sing MSTPI 12/12 Rast SSST Crude Oil

including technical, reasons.

imports into Iraq.

Loading Sing UAE OTBL Demoliton INDO 10/12 Demoliton KOSH Sentosa 10/12 ANCL GI(Y Maize) 13/12 Fu Weng Shan (Liner) S Hai 10/12 10/12 Dali GI(Y Maize) Monthika Naree 11/12 GI (Y Peas) Sing 11/12 Scraping Millennia Jewel 11/12 Scraping Banga Bijoy (Cont) 29/11 11/12 HII (RD Jaya Mars (Cont) 5/12 CBO Everbest Conf Dawei (72)6/12 Chen GI(StC) Everet Wheat(G) P Kel **RSL** Xpress Resolve(Cont)2/12 13/12 Kota Agung(Cont) 29/11 13/12 Sing Pil (Bd) Boxer Capt Cook (Cont)4/12 13/12 PŠSĹ Cont Ruaha 13/12 Yant Limond Urea in Bags 14/12 **RKShip** Goreme Ocean Reyna (72)6/12 14/12 Sing GI(ST C) Everet QC Lark (Cont)4/12 14/12 P Kel QCSL Cont P Kel GI(Copra) Pacific Emerald 15/12 Tara Limond P Kel QC Teal (Cont)1/12 13/12 P Kel QCSL Cont Banglar Moni (Cont) 4/12 15/12 Sing BSC Conf Sing Orange Sky (Roro/24)6/12 15/12 **Everett** Vehi Sing Dolisie 16/12 P said ASCL Wheat(G) Nobleza (Roro/24)5/12 16/12 Vehi Banga Lanka (Cont) 5/12 **BDShir** Sing 18/12 Cont Kota Naga (Con) 18/12 Banga Bonik (Cont) 8/12 QC Dignity (Cont) 8/12 Tanker due:

Kent Monalisa 12/12 Seacom CPOL Sing TTL Bitumen in Bulk Wan Ning Hai 12/12 Gaz Master 13/12 VizamBL Vessels at Kutubdia BBAL Energy Explorer-I Cargo L Port Local Date of Name of vessels agent Vessels at outer anchorage Vessels ready Rainbov Well Prescadore HR Coi

arrival 6/12 Sea Sky Line GI Kaba Seacom 6/12 GI **BDShip** 8/12 Yong Jiang Kuo Hsiung (Cont) Cont Vessels not ready Sammi Frontier 4/12 Oriental Queen C Clin Krab RML 7/12 Banglar Urmi GI (Y Ma) Royal 8/12 CDSO **BDShip** 8/12 Vessels awaiting instruction Sonali Angelic BSC 31/10 R/A(28/11) Banglar Jyoti BSC R/A(07/12) Banglar Robi Vessels not entering

Pada

Dubai

Fuja

Kuo Hsiung

B Shikha

SSST

OTBL

Rsship

Litmond

Sunshine

Viking

Ahz

CTL

Litmond

21/11

29/11

29/11

17/11

26/11

28/11

8/12

Shifting

RM/14 B Gourab to GSJ

J/14 Shun An to J/13

5/12

The unit stood at 34.465 on

Matrix

Riza

Pira

Accord

Revenge

Outgoing

Karya Sentosa

J/13 Artemis

Movement of vessels for 10-12-2001

Kvthira

Purle Star

Fu Yun Shan

Athenian Theodore

Kapitan Ivanchuk

KS Prince

Monday and rose to 34.461 on Tuesday. It edged up to 34.460 Wednesday before it fell to 34.462 on Thursday.

local stock market.

China to create 50 competitive SOEs overseas stock markets, which will

AFP, Beijing

China is to nurture up to 50 giant state-owned enterprises (SOEs) into internationally competitive companies within four years to increase the competitiveness of Chinese industry after its entry to the World Trade Organization (WTO), state media said Saturday.

Vice Premier Wu Bangguo made the announcement at a national conference on economic and trade Friday, China Daily said. He did not, however, detail the

nterprises to be targeted. Wu said China already has fostered a tribe of SOEs which are

"In sectors such as metallurgy, petrochemical and telecommunica

The government will encourage these companies to seek capital in help them improve corporate gover-The government's measures are

in line with economic trend, according to an economic think-tank.

The number of international companies soared from 7,267 in 1968 to approximately 60,000 in 1998, China Daily said.

Statistics showed more than two-thirds of world trade volume has been earned by international com-WTO rules allow China to pro-

vide some small-scale subsidy for specific industries to help enterprises shake off losses. The government can also allo-

cate money to support infrastructure construction, industrial restructuring, education and scientific research in the less-developed western regions.

China is due to officially join the

Amir Koshru Mahmud Chowdhury, Minister for Commerce, inaugurated the Design and Technology Centre (DTC), a project of the Dhaka Chamber of Commerce & Industry (DCCI) and German Technical Co-operation (GTZ), recently. Picture shows (from L to R) Benajir Ahmed, President of DCCI, Franz Bauer, team leader of DTC, Amir Koshru Mahmud Chowdhury, Dietrich Andreas, Ambassador of Germany, and Suhel Ahmed, Secretary of the Ministry of Commerce at the inauguartion.

Broadband to make Internet as \$1.2b oil equipment ubiquitous as electricity: Gurus | delivered to Iraq: UN

Broadband, the high-speed Internet connection that technology gurus promised would make the Internet as ubiquitous as electricity, is starting to go the way of other high-tech promises: nowhere.

ExciteAtHome, North America's largest broadband provider, announced this month it was going out of business in February. Excite provides high-speed access to the Internet over cable television hookups for 4.1 million users.

It is not clear how many ExciteAtHome users will be transferred to other high-speed connections as the company's assets are supervised by a bankruptcy

With computer sales slumping and the last of the dotcom companies selling off their bankrupt assets at grim auctions in Silicon Valley, tech investors had been betting that a high-speed, always on connection to the Internet would the road to revival. But the Excite trevails have brought to a forefront the shakiness of this savior.

'It certainly hasn't been the cure-all everyone thought it would be," said Dylan Brooks, a senior analyst with technology consultancy Jupiter Media Metrix. "Broadband has a lot of potential, but first someone has to Broadband, which pumps data to users at a rate of 50

to 100 times that of regular telephone modems, has the potential of carrying movies, music and even telephone calls into homes and businesses. Though it was initially a hit, enthusiasm for the ser-

vice has been flattening. According to analysts, new US broadband subscrib-

ers had slowed to a 14 per cent growth per quarter, down

from a 34 per cent growth rate seen last year.

Europe, by contrast, has been an enthusiastic broadband adopter, especially Sweden and Denmark, where more than 13 per cent of Internet users are using broadband connections. According to a recent study by the European Commission, broadband will soon be the leading method of connections to the Internet.

But in the US, financial difficulties have plagued broadband providers. Excite and other broadband companies like NorthPoint Communications, Covad and others have either shut their doors or sought refuge from their creditors in bankruptcy court.

According to a Parks Associates survey of 2,500 US households in July 2001, almost 75 per cent of the 46 million dial-up Internet subscribers in the United States are content with the quality of their Internet service.

Besides the financial woes, analyst believe US households are, generally, satisfied with their slower dial-up connections, especially when it costs half of

"Broadband service providers are banking on an increasing number of these subscribers becoming frustrated with dial-up service, which makes broadband seem more compelling," said Parks analyst Michael

"But if dial-up customers remain pleased with the quality of Internet service at 15 to 25 dollars per month, providers are going to have a tough time selling broadband at 45 to 50 dollars per month.

Broadband can come from cable hookups, from DSL attachments to telephone lines or from satellite. But they all cost significantly more than the traditional dial-up

AFP, Baghdad

Iraq has placed orders for 1.8 billion dollars worth of oil-related equipment over the past five years, twothirds of which have been delivered. the UN humanitarian coordinator for Iraq said Saturday.

Iraq has taken delivery of oilrelated equipment worth around 1.2 billion dollars, while equipment worth about 500 million dollars "is still on hold," Tun Myat told a news conference on his return from New York, where he took part in deliberations on the extension of Irag's "oilfor-food" program with the UN.

The program, which went into effect in December 1996, allows Iraq to sell oil under UN supervision to meet the humanitarian needs of its people, who have been hard hit by the sanctions imposed on the country since Baghdad's 1990 nvasion of Kuwait.

Myat said that by the end of November, Iraq had exported 49.45 billion dollars worth of oil within the framework of the program, whose 11th six-month phase began on December 1, and he praised the "initiative and courage" shown by Iraqi engineers to keep up produc-

Iraq is exporting around 2.2 million barrels of oil a day from its Gulf port of Mina al-Bakr and the Turkish Mediterranean port of Ceyhan, the only export outlets authorized under the sanctions

The UN official said a total of 30.5 billion dollars worth of contracts had been approved by the UN sanctions committee since the "oilfor-food" arrangement took effect.

Supplies worth 16.5 billion dollars purchased under these contracts had reached Iraq, while other contracts were in the process of being executed, he said.

Iraqi Trade Minister Mohammad Mehdi Saleh on Wednesday accused the UN sanctions committee of blocking six billion dollars worth of contracts concluded within the framework of "oil-for-food."

But Myat put at 4.3 billion dollars the value of contracts held up in the sanctions committee "for various,

Baghdad regularly accuses US and British representatives on the committee of blocking contracts for

Weekly currency roundup

Yen hits 4-month low, other Asian units mixed

A mixed bag in the performance of Asian currencies against the greenback, with the Aussie and the Kiwi showing small gains and the Japanese Yen hitting a four-month low amid gloomy forecasts for

immediate economic prospects. JAPANESE YEN: The yen continued a downslide to hit a fourmonth low against the dollar amid gloomy prospects for Japan's economy, compounded by the collapse of a construction firm and the official confirmation of its reces-

The Japanese unit touched 125.00 yen at one point on Friday, dipping to that level for the first time since August 1. It stood at 124.90-93 to the dollar late Friday, down from 123.97-123.99 a week earlier.

It took a major blow from Fridav's release of Japan's July-September

which fell 0.5 per cent for the second straight guarter-to-guarter decline. meaning that the economy was in recession.

The news was as bad as expected, said Kenneth Landon, senior currency strategist at Deutsche Bank. He added that sentiment for the yen was already on tenterhooks following Thursday's collapse of mid-sized general constructor Aoki Corp.

"What's really of concern is what it may indicate about other companies in the sector." Landon said. "It's very difficult to be positive towards the yen in this kind of environment."

Speculation the Bank of Japan might buy foreign assets to help weaken the yen also supported the dollar, said Dresdner Bank head of foreign exchange Marito Ueda. Finance Minister Masajuro

Shiokawa said Friday the govern-

ment was considering buying new US government bonds. "People are thinking about

foreign-currency bond purchases by Japan, so they could find no reason to buy the ven." Ueda said. adding that the comments saw a breach of resistance at 124.30-50 ven per dollar and provided a new target of 125.30 yen.

AUSTRALIAN DOLLAR: Anticipated weakness in US payroll data could boost the Australian dollar higher, dealers said. The local dollar ended local

trading for the week at 51.89 cents against its US counterpart. Westpac Banking Corporation

currency strategist Adam Myers said payroll data in the US was expected to be relatively weak now that the world's biggest economy has slipped into recession. "If that is the case ... the bond

market will rally, equity markets in

come under pressure -- which is all good for the Australian dollar,' Mvers said. But Commonwealth Securities chief economist Craig James said

forecast range for the Australian dollar of 51-54 US cents over the coming month "Seasonal influences could see the Aussie at the upper end of our target band in late December/early

he saw little reason to change his

NEW ZEALAND DOLLAR: The New Zealand dollar closed Friday worth 41.71 US cents, little changed from the week before but climbing during the week on strength in the Australian unit.

"Kiwi has been relatively bid again, largely due to the aussie dollar's strength really and also the euro strength overnight," one local currency dealer said.

SINGAPORE DOLLAR: In late Singapore trade Friday, the US dollar traded at 1.8312 Singapore dollars, unchanged from 1.8312 Singapore dollars the previous HONG KONG DOLLAR: The

Hong Kong dollar closed Friday at 7.7995-7998 against the greenback, little changed from last week's INDONESIAN RUPIAH: The rupiah closed stronger on Friday at 10,370 against the dollar compared

to the previous week's close of

10,430 against the dollar. PHILIPPINE PESO: The Philippine unit closed higher at 51.935 pesos to the dollar on December 7 from 52 to the dollar on November 30

SOUTH KOREAN WON: The won weakened slightly to 1,274 won per dollar on Friday from 1,273.0 won to the greenback a week ear-

A dealer at Korea First Bank said the won could further weaken as South Korean banks need dollars for provisions to cover their bad

TAIWAN DOLLAR: The Taiwan dollar rose slightly over the week to close at 34.455 against the greenback Friday on the back of a bullish bourse, dealers said.

THAI BAHT: The Thai baht continued to appreciate against the dollar, pushed up by liquidity in the

The unit closed Friday at 43.79 81 baht to the dollar compared to the previous week's 43.90-95

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

Grsp(P)

Mop(P)

C Clink

Scraping

Scraping

Scrapino

Scraping

Scrapino

IDLĚ

Cement

Rice(G)

J/13

NB

RM/4

Incoming