

Qatar for single Gulf bourse, economic union

AFP, Dubai

Oil-rich Gulf monarchies should create a single stock market to attract capital and support the wider goal of economic integration of the six states, a Qatari official said in comments published Monday.

"Creation of a unified GCC bourse capable of attracting funds on the local, regional and international levels should now be a priority given the fact that most GCC countries have small stock markets which make them less competitive," Ghanem al-Hammadi said, quoted by Gulf News.

Hammadi, director of Doha Securities Market, said a bourse serving the Gulf Cooperation Council should be "open for all and free from any obstacles or restrictions."

"It should constitute a main channel for the movement of capital within the region and attracting foreign investment which is needed to support our economies," he told a capital market conference in Abu Dhabi on Sunday.

It "should support efforts to achieve economic development, increase trading, facilitate the flow of capital among member states, develop investment products and services in the region and lay the foundation for a financial and economic merger in the GCC."

A number of stock exchanges in the region currently offer cross-listing of shares, but this remains unpopular, while other bourses confine share ownership only to nationals, which analysts say accounts for low trading levels.

There also exist significant differences between corporate and trade laws of the six GCC members.

Gulf leaders signed an agreement last month to unite their economies, starting with a joint five-per cent customs tariff for 2003 and a single market by the end of the decade.

Argentina devalues currency, adopts dual exchange rate

AFP, Buenos Aires

Embattled Argentines faced the bitter reality Monday that the value of their currency had been deflated by almost one-third -- one of several emergency measures undertaken by President Eduardo Duhalde to revive the moribund economy.

On Sunday the Argentine congress granted Duhalde sweeping powers for two years to revive the moribund economy, with legislation declaring "a public emergency in social, economic, administrative, financial and exchange rate legislation matters."

Upon approval the government announced a dual exchange rate system, floating the peso but setting a fixed rate of 1.40 to the dollar for international transactions.

The measure ends a decade-old system tying the Argentine peso to the dollar at a one-to-one rate.

Economy Minister Jorge Remes Lenicov said

the set rate eventually would be abolished. He also said currency markets, shuttered since December 21, would reopen on Wednesday.

The law was adopted only five days after Congress elected Duhalde for a two-year term, following the collapse of two governments in December amid violent protests.

It has drawn criticism from multinational companies whose earnings could be affected, and from Argentines who stand to lose purchasing power as a result of the change in the currency system.

On Sunday, huge crowds descended on stores, mainly-buying big-ticket items, such as washing machines or computers, before the loss of value of the currency.

Banks and other businesses were worried about the effect the measures would have on repayments of loans.

The legislation seeks to cushion the impact on Argentines already hit hard by austerity policies that failed to end recession.

Under the new law, debts of up to 100,000 dollars owed by individuals and small companies will be converted into pesos at a one-to-one rate.

The legislation scraps the system that based utility rates on the value of the dollar and US inflation, and authorizes renegotiation of contracts with providers.

That measure has angered foreign companies that invested in Argentina when state-run enterprises were privatized in the 1990s.

Remes Lenicov said that in the coming days, the government would hold talks with leaders of the privatized companies. He expressed confidence there would be "solidarity agreements" with European nations, Canada and the United States as well as companies from those countries that invested in Argentina.

He also said negotiations with the International Monetary Fund would start in early February, and confirmed that Argentina would seek between 15 billion and 20 billion dollars in aid from the fund.

Oil prices jump to 3-month high

AFP, London

Oil prices bobbed up to three-month high points on Monday, consolidating strong gains at the end of last week, with technical factors continuing to dominate the market.

A barrel of Brent North Sea crude for February delivery moved ahead 10 cents to 22.28 dollars, a level not seen since October 12. In New York, the February light sweet crude contract gained 1.25 dollars on Friday to 21.62 dollars a barrel.

The market is currently finding support from signs of good compliance by key members of the Organisation of Petroleum Exporting Countries (OPEC) with a commitment to cut output by 1.5 million barrels a day.

OPEC's own basket price of seven world crudes picked up Friday to 19.64 dollars a barrel from 18.82 dollars on Thursday, according to the OPECNA information agency.

Taiwan consumer prices suffer first fall in 16 years

AFP, Taipei

Taiwan's consumer price index (CPI) for 2001 suffered its first contraction of 0.01 per cent in 16 years largely due to lower food and clothing prices, official data showed Monday.

The CPI in December also posted the biggest year-on-year fall of 1.69 per cent since November 1965, said the Directorate General of Budget, Accounting and Statistics (DGBAS).

"More than 60 per cent of the decline (for December) was accounted for by year-on-year falls in vegetable and fruit prices as they were adversely affected by a typhoon (in December 2000)," said DGBAS bureau of statistics director Chen Chang-shang.

The December CPI was also 1.18 per cent lower from the previous month mainly due to a higher supply of fruit and vegetables and discount offers by department stores, the DGBAS said.

Taiwan's wholesale price index (WPI) for 2001 was down 1.32 per cent as a result of slowing domestic and overseas demand, the DGBAS said.

The December WPI fell 5.16 per cent from a year earlier and was down 0.63 per cent month-on-month given the raw material price declines in the world markets, it added.

Despite the steep falls, Chen shrugged off concerns over the possibility of the country entering deflation as it continued to enjoy relatively stable consumer prices.

"Taiwan is expected to report a 1.28 per cent increase in private consumption for 2001, with data for the fourth quarter yet to be finalised," he said.

The DGBAS has yet to determine the impact on consumer prices of Taiwan's entry into the World Trade Organization, which is likely to be felt in the coming months, Chen said.

Following WTO entry January 1, Taiwan saw its nominal tariff rates on some 5,300 import items reduced to an average 7.08 per cent from 8.20 per cent previously, he said.

Japan's new auto sales drop 0.9pc

AFP, Tokyo

Japan's new vehicle sales fell 0.9 per cent year-on-year to 4,059,046 autos in 2001 as the lingering economic slowdown hit consumer spending, an industry association said Monday.

"The delayed recovery of the domestic economy has resulted in prolonged weakness in consumption," said Takayuki Kato, spokesman for the Japan Automobile Dealers Association.

"The September terrorist attacks in the United States also hit the consumer mentality in Japan," Kato said.

Annual car sales in 2001 edged up 1.3 per cent to 3,016,485 units from the previous year, while truck sales fell 6.7 per cent to 1,026,629 autos, the association said.

Bus sales also fell 3.9 per cent in 2001 to 15,932 units.

In December, car sales fell 1.5 per cent to 233,259 autos from the same month a year ago.

Monthly truck sales plunged 25.1 per cent to 62,579 units in December while bus sales rose 22.0 per cent to 1,043 units, the association said.

"The sharp fall of truck sales suggests that the current economic environment has become so bad that small and medium-sized firms have not been able to replace their old trucks with new ones," Kato said.

"The overall auto sales figures will not improve unless the economy improves."

In 2001, Toyota Motor Corp., the nation's leading automaker, sold 1,713,273 autos, down 2.9 per cent from the previous year. In December alone, Toyota sold 122,003 autos, down 3.9 per cent year-on-year.

Afghanistan calls for foreign investment

AFP, Tehran

Afghan Trade Minister Mostafa Kazemi called Monday on foreign investors and Afghans in exile to participate in the reconstruction of his war-shattered country.

"This is a very good occasion for foreign investors in the public and private sectors to help rebuild and develop Afghanistan", Kazemi said at the opening of a conference in Tehran organized by the United Nations Development Program (UNDP).

"The Afghan interim government guarantees the freedom aimed at achieving democracy, and we are capable of creating trust for attracting investments" he said.

However he stressed that Afghan reconstruction must be based on "a national approach", and "in the framework of an integrated economy".

"We want the reconstruction to be carried out through consultations and cooperation with the government and the Loya Jirga," he said, referring to a traditional assembly of all groups which has yet to meet.

He also warned without specifying against "interference and sabotage operations from other countries" against Afghanistan, adding, "We don't want the Afghan people to be the victims of rivalry among foreign powers."

For his part, Iranian Deputy Foreign Minister Javad Zarif stressed "Iran's determination to join in the reconstruction of Afghanistan", but said it must stem from that country's national resources and potential.

Zarif called on Iran's public and private sectors to "share their experiences with Afghanistan and help the Afghan people".

CURRENCY									
Following is yesterday's forex trading statement by Standard Chartered Bank									
Selling		Currency		Buying					
TT/OD	BC		TT Clean	OD Sight Doc	OD Transfer				
58.5500	58.5800	USD	57.4000	57.2314	57.1661				
52.9526	52.9798	EUR	50.9655	50.8158	50.7578				
85.0380	85.0816	GBP	82.4034	81.1614	82.0677				
30.8734	30.8892	AUD	29.3199	29.2338	29.2005				
0.4505	0.4507	JPY	0.4364	0.4351	0.4346				
35.6838	35.7021	CHF	34.6597	34.5579	34.5185				
5.7346	5.7376	SEK	5.5365	5.5202	5.5139				
36.8935	36.9124	CAD	35.7855	35.6804	35.6397				
7.5152	7.5190	HKD	7.3544	7.3328	7.3244				
31.9369	31.9533	SGD	31.0556	30.9643	30.9290				
16.0724	16.0806	AED	15.5026	15.4571	15.4385				
15.7371	15.7452	SAR	15.1844	15.1398	15.1225				
Usance bills									
	TT Doc	30 days	60 days	90 days	120 days	180 days			
USD	57.2817	56.9282	56.4564	55.9139	55.3242	54.0032			
EUR	50.8604	50.5466	50.1277	49.6459	49.1223	47.9494			
GBP	82.2336	81.7262	81.0489	80.2700	79.4234	77.5270			
The local interbank foreign exchange market was active. Demand for dollar was high. Demand for BDT for overnight borrowing at call was substantially higher and the call rate ranged between 9 and 10 per cent.									
Dollar became stronger and reached its highest level against Yen. Yen suffered the loss against the dollar as the market harbored pessimistic view about the Japanese economy. Worries about possible corporate failures before the end of March, the season when the Japanese corporate close their accounting year, pulled the yen against the majors. The Japanese Ministry of Finance also supports a weaker yen as the believe it will help to boost the ailing Japanese economy. Euro also gained the Japanese currency. The market analysts opined that euro was aided by Chinese Finance Minister's comment the China should increase euro in the reserve. Meanwhile, Europe's view bullish view was marred by Argentina's economic woes. Spanish banks had significant exposure in the financial sector of Argentina.									
At 1600 hours on Monday, euro traded at 0.8967/70 against dollar, pound sterling at 1.4420/25 and yen traded at 130.65/68 against US dollar.									
This memorandum is issued by Standard Chartered Bank and is based on or derived from information generally available to the public from sources believed to be reliable.									

SHIPPING									
Chittagong port									
Berth position and performance of vessels as on 7.1.2002									
Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import	Disch	
J/1	Ocean Sampaguita(72)	GI(St/C)	Yang	Everett	6/1	8/1	882		
J/2	Eltanin	GI(MA/Log)	Yang	Royal	1/1	11/1	414		
J/4	Angelina the Great-N	GI(YMa)	Sing	Rainbow	18/12	10/1	865		
J/5	Altair-SS	GI(S.Ash)	Sing	AMBL	27/12	9/1	2474		
J/6	Pacific Emerald	GI(Cop/Log)	Kara	Litmond	23/12	12/1	428		
J/7	Gangga Nagara	GT(St/P)	Sing	Multiport	28/12	7/1	1120/x		
J/9	Chang Ping	Urea(BCIC)	Sing	PSAL	30/12	10/1	1465		
J/11	X-Press Padma	Cont	P.Kel	RSL	2/1	8/1	94/131		
J/12	Kota Naga	Sing	Cont	Pil(Bd)	5/1	9/1	179/379		
J/13	QC Lark	Cont	P.Kel	QC SL	2/1	7/1			
CCT/1	Sinhai	Cont	Sing	BSC	3/1	7/1			
CCT/2	QC Dignity	Cont	Sing	BdShip	5/1	9/1	188/201		
CCT/3	Uni Wealth	Cont	P.Kel	RSL	4/1	8/1	208/x		
RM/6	Banglar Robi	Idle	-	BSC	R/A	11/1			
DD:	Haminea	Sko/Jet-1	Sing	EC SL	4/1	7/1	13755		
RM/8	Sonali	Repair	Yang	Angelic	31/10	-			
RM/8	Banglar Shourabh	Repair	-	BSC	R/A	9/1			
RM/9	Banglar Mookh	Idle	-	BSC	R/A	15/1			
C/Jetty	Tug SBM-1	Ballast	Sing	OTBL	9/12	-			
	Tug Jubilee Dua	Ballast	Sing	OTBL	9/12	-			
Vessels due at outer anchorage									
Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading	Port			
Arl of Baharain	7/1	Kosh	Uniship	C.Clink	(M/MTC)				
Tian	8/1	Yang	Litmond	Urea (Boic)	Bag M	-			
Ang Jiang	7/1	Busa	BdShip	Cont					
NGA Biraj(Cont)	29/12	Sing	Bdship	GI		L/Sing			
ND Srishiti	7/1	Sing	Unique	Clympic					
Petan Leeteris	8/1	Sing	Tainbow	GI(DSY Peas)					
Ya Mars(Cont)	22/12	P.Kel	RSL	Cont		L/Sing			
Vonis	8/1	Bel	PSL	Salt(Boic)					
Smic Challenger (72)	29/12	Yang	Everett	GI(St/C)					
T.Na Mu	9/1	-	PSAL	Urea(Boic)		M.Jetty			
Wer	9/1	-	PSAL	C.Clink					
Honour (Cont)	30/12	P.Kel	QC SL	Cont		L/Sing			
Balsam(Cont)	1/1	Sing	Nol	Cont		L/Sing			
Ami(Cont)	2/1	Col	Everbest	Cont		L/Col			
Nlosa	12/1	Kosh	ANCL	C.Clink (Cemex)					
Hsiung (Cont)	31/12	P.Kel	QC SL	Cont		L/Sing			
Azon	10/1	Bont	Uniship	Urea(Boic)		M.J			
N Cheng	10/1	Busa	Bdship	GI		-			
Rginia	10/1	-	Prog	GI(St.Paper)					
Shikha (Cont)	3/1	Sing	BSC	Cont		L/Sing			
Ersk Constellation	10/1	Jaci	Lams	Wheat(G)Bag					
Ta Berjaya (Cont)	21/12	Sing	Pil(BD)	Cont		L/Sing			
Banglar Moni(Cont)	29/12	Sing	BSC	Cont		L/Sing			
Y World (72)	29/12	Jaka	SSLL	GI(St.C)					
Bijoy (Cont)	5/1	-	Baridhi	Cont		L/Col			
Ress Resolve(Cont)	5/1	-	Everbest	Cont		L/Col			
Hock(Cont)	31/12	-	RSL	Cont		L/Sing			
Ona	12/1	-	Prog	GI(St.Paper)					
N Pablo(Roro)	24/23/12	12/1	-	JF	Vehi				
N Mateo(Roro)	24/23/12	12/1	-	JF	Vehi	-			
Lanka(Cont)	5/1	17/1	-	Bdship	Cont	L/Sing			
C.Cook (Cont)	6/1	14/1	-	PSSL	Cont	L/Sing			
Ate of Nagaland/E/L	6/1	15/1	-	SSLL	E/L/ant.Dundee				
Pintail(Cont)	3/1	16/1	-	QC SL	Cont				
Pintail(Cont)	3/1	16/1	-	QC SL	Cont	L/Sing			
Kmur Perkasa	9/1	Sing	Unique	TSP Fert(Bag)M	Jetty				
Tanker due									
Ong Hua-1	7/1	Sing	USL	RBD PS/Coko(RM/3)					
Rini	8/1	Rast	Unique	C.Oil					
Embulk Trader	20/1	-	Bdship	CDSO(RM/4)					
Vessels at Kutubdia									
Name of vessels	Cargo	Last Port call	Local agent	Date of arrival					
Vessels at outer anchorage									
Vessels ready									
Artemis (Cont)	Cont	P.Kel	PSSL	6/1					
An Lu Jiang	Urea(Boic)	Sing	Uniship	6/1					
Eagle Aries	Hsd	Sing	MSTPL	6/1					

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