

Japan braces for record high bankruptcies this year

AFP, Tokyo

Japan Inc. can expect another tough year in 2002 as the number of bankruptcies threatens to break record highs amid a deep economic slump, analysts warned Tuesday.

"Since there is no clear prospect for an immediate economic recovery, it is likely that bankruptcies and their liabilities will increase further this year," said Hitoshi Suzuki, an analyst at Daiwa Research Institute.

"Oversupply of workforce, mounting bad debts and a reduction in public works will continue to pressure ailing sectors such as construction, wholesale and certain services," he said.

Last year, 14 companies listed on the Tokyo Stock Exchange folded in Japan with combined liabilities of a record 2,881 billion yen (22 billion dollars), a credit research agency said Monday.

Liabilities rose 205 billion yen from the previous year, while the number of bankruptcies matched the postwar record registered in 1997, Teikoku Databank Ltd. said.

Among last year's failures, Mycal Corp., Japan's fourth-largest supermarket chain, went under with debts of 1.7 trillion yen in the nation's biggest retail bankruptcy since Sogo Co. Ltd. collapsed in 2000.

Non-life insurer Taisei Fire filed for bankruptcy protection late November after suffering a reinsurance loss of 74.4 billion yen due to payouts from the terror blitz in New York and Washington on September 11.

Mid-sized builder Aoki Corp. collapsed on December 6 due to slack demand and mounting debts, reviving fears of a chain-collapse in Japan's deteriorating construction sector.

"In many industries, a number of troubled companies are on the waiting list (for failure)," Teikoku Databank said.

"It is unavoidable that the number of bankruptcies of listed companies will increase further," the research agency said. "The weeding-out of companies will accelerate."

Some analysts warned Japan would face a financial crisis as early as February ahead of the introduction of a cap on government guarantees on bank deposits in April.

The so-called "pay-off" cap has sparked fears depositors will withdraw money from weaker lenders, destabilizing the financial system.

"Japanese banks, which are being urged to reduce their non-performing loans, are giving up their easy money-lending policies, which is a serious blow to troubled firms," said Junji Ota, an analyst at Okasan Research Institute.

"It would be no wonder if a big name firm

collapses at any time, depending on its financial condition," Ota said.

"But a real problem is that one collapse may hit healthier firms. Therefore, public funds aimed at preventing a domino-effect of failures are inevitable to avoid such a scenario."

Prime Minister Junichiro Koizumi said Friday he would take "every possible measure" against a financial crisis as part of a drastic structural reform drive aimed at boosting the country's beleaguered economy as it wallows in its third recession in a decade.

Debt-ridden firms are speeding up restructuring efforts ahead of the pay-off cap when Tokyo will limit its guarantee on individuals' bank time deposits to 10 million yen.

A news report said troubled retailer Daiel Inc. will sell a security service arm to US equity investment firm Carlyle Group for 10 billion yen to help pay-off debts.

Daiel's share price, which has lost nearly 30 per cent in the past month, closed the day up 1.4 per cent or one yen to 75 yen, while the Nikkei-225 average ended down 2.3 per cent at 10,695.60.

Japan's largest retail store operator has been forced to sell assets in a frantic bid to reduce crippling interest-bearing debts, which totaled 2.3 trillion yen at the end of August.



Annie Watson, Director of Commonwealth Trade Union Council (CTUC), called on Labour and Employment Minister Abdullah Al Noman yesterday at the latter's secretariat office in the city.

Afghanistan reconstruction needs \$15b: WB

AFP, Islamabad

The World Bank has estimated that 15 billion dollars will be needed over the next 10 years for the reconstruction of Afghanistan, a report said Tuesday.

Acting head of the World Bank, Abid Hassan, told a conference in Islamabad Monday that health, agriculture and education sectors were the most important investment areas.

Lanka hopes for 5pc growth in 2002

AFP, Colombo

Sri Lanka Prime Minister Ranil Wickremesinghe said Monday his government hoped to achieve an economic growth rate of five per cent in 2002.

Wickremesinghe called for a concerted effort from ministers to achieve the target and to then work towards a growth of 10 per cent over a period of 10 years from 2003, a statement from his office said.

The Sri Lanka economy contracted by 3.7 per cent in the third quarter of 2001, sending the country into its first ever recession, the central bank said last month, partly blaming the fallout from an attack by Tamil Tiger rebels on the country's international airport.

The bank said the growth rate in its first nine months of the calendar year 2001 was a negative 0.7 per cent compared to an economic expansion of 6.4 per cent in the same period the

previous year.

Deputy finance minister Bandula Gunawardena has already said the growth rate for the whole of 2001 is estimated at a negative 0.5 per cent, sharply lower than the 6.0 per cent positive growth seen the previous year.

The Sri Lanka economy has never before shrunk over a full year, even during the oil crisis of the early 1970s.

The previous low for the economy was in 1971 when economic growth slowed to a mere 0.2 per cent.

Wickremesinghe's United National Party (UNP) came to power at a December election promising an economic revival and an end to the island's long running Tamil separatist war.

Government revenue last year was down by 30 billion rupees (326 million dollars) widening the budget deficit to 10.5 per cent of gross domestic product (GDP) compared to the original estimate of 8.5 per cent of GDP.

C'wealth TU body director meets Noman

Director of Commonwealth Trade Union Council (CTUC) Annie Watson called on Labour and Employment Minister Abdullah Al Noman yesterday at his office, says a press release.

Annie discussed different aspects of CTUC project with Bangladesh Institute of Labour Studies (BILS) and future activities in Bangladesh for the capacity building of trade union.

Labour Minister thanked CTUC Director and assured all cooperation from the ministry for the successful implementation of the project.

BILS Secretary General Nazrul Islam Khan, BILS Secretary Shirin Akther, Project Manager of BILS/LO-FTF Project Hans Kastrop Andersen, were also present during the discussion.

Singer opens showroom at Magura

Singer Bangladesh Limited has opened a new showroom-cum-sales centre at Magura, says a press release.

With this, the total number of such centres comes to 75.

The Deputy Commissioner of Magura, Mohammad Shafiq Alam, inaugurated the showroom at Magura on Monday.

Manufacturing Manager Mosharrif Hossain, Marketing Manager, M. A. Siddiqui, and Finance Manager, Sajidur Rahman Khan of Singer Bangladesh Limited, were also present on the occasion.

After the inauguration ceremony, formal selling of Singer products started with Singer Sewing Machine, Refrigerator, Color Television, B/W Television, Radio Cassette Recorder & Rice Cooker.

China's WTO entry a 'wake up call' for Southeast Asia

AFP, Singapore

China's World Trade Organization entry is a reminder for Southeast Asian countries to continue with economic reforms or risk being left behind in the global marketplace, incoming WTO chief Supachai Panitchpakdi said Tuesday.

Supachai, speaking at the Institute of Southeast Asian Studies forum here, said he saw "China's entry as more or less as a wake up call" for the region's countries to implement economic reforms as quickly as possible.

Such reforms would allow

Southeast Asian countries to forge closer economic partnerships with the world's most populous country fast emerging as an important export market, said Supachai.

Closer economic partnerships with Beijing would mean the region "will be less dependent on outside trading forces in major trading areas around the world," Supachai said.

While China is still a long way off from overtaking the United States as the region's most important export market, preparing the groundwork for closer cooperation will ready the region for its inevitable growing clout.



Mohammad Shafiq Alam, Deputy Commissioner of Magura, inaugurates a showroom-cum-sales centre of Singer Bangladesh Limited at Magura on Monday.

Taiwan's foreign trade hits record low in 2001

AFP, Taipei

Taiwan's exports and imports posted their largest falls in 2001 amid global economic slowdown, official data showed Tuesday.

Exports in 2001 declined 17.1 per cent year-on-year to 122.90 billion dollars while imports dropped 23.4 per cent to 107.24 billion dollars, the finance ministry said.

But the island's trade surplus last year stood at 15.66 billion dollars, the highest level since 1987, mainly due to the large contraction in imports, the ministry said.

Exports in December alone moved down 14.9 per cent from a year earlier to 10.29 billion dollars and imports fell 18.2 per cent year-on-year to 8.51 billion dollars, it said.

The trade surplus for the month was 1.78 billion dollars, up 4.9 per cent year-on-year, it added.

Taiwan's exports to the United States, the largest buyer of Taiwan-made products, dropped 20.5 per cent year-on-year to 27.67 billion dollars in 2001.

Hong Kong came in second, importing 26.97 billion dollars worth of goods from Taiwan, down 13.9 per cent from a year earlier.

Outward shipment to Europe fell 16.5 per cent year-on-year to 19.81 billion dollars.

The ministry expected exports to increase by about four per cent in 2002 and imports to grow more than four per cent, said Hsu Kuo-chung, director of the ministry's statistics department.

CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank

Selling	Currency	Buying
TT/OD	BC	TT Clean
58.5500	58.5800	USD
52.6891	52.7161	EUR
84.7336	84.7770	GBP
30.8441	30.8599	AUD
0.4466	0.4469	JPY
35.6252	35.6434	CHF
5.7037	5.7067	SEK
36.8471	36.8660	CAD
7.5148	7.5186	HKD
31.8068	31.8231	SGD
16.0724	16.0806	AED
15.7371	15.7452	SAR
OD Sight Doc	57.2314	57.1661
50.9597	50.8100	50.7521
81.8523	81.7590	81.7590
29.2052	29.1719	29.1719
0.4316	0.4311	0.4311
34.5079	34.4686	34.4686
5.4920	5.4858	5.4858
35.6360	35.5954	35.5954
7.3314	7.3231	7.3231
30.8392	30.8040	30.8040
15.4571	15.4395	15.4395
15.1402	15.1229	15.1229

Usage bills	TT Doc	30 days	60 days	90 days	120 days	180 days
-USD	57.2817	56.9282	56.4564	55.9139	55.3242	54.9032
-EUR	50.8547	50.5409	50.1220	49.6404	49.1168	47.9446
-GBP	81.9242	81.4187	80.7440	79.9680	79.1246	77.2353

The local interbank foreign exchange market was active yesterday. Demand for dollar was high. Demand for BDT for overnight borrowing at call was high and the call rate ranged between 9 and 10 per cent.

In the international market, yen fell to a three-year low against the dollar as Japanese officials appeared to support the depreciation of currency. In Tokyo, Deputy Finance Minister Haruhito Kuroda told Jiji news agency that he still saw the yen's weakness as a correction to reflect the Japanese economy. While many Japanese officials made no secret of their satisfaction with the yen's fall, bank of Japan Governor Masaru Hamami is fighting a lone battle against it. The governor commented that bank of Japan could not accept the yen's recent depreciation. The market analysts opined that Hamami is not the main voice of authority on foreign exchange of Japan.

At 1600 hrs on Tuesday, euro traded at 0.8896/98 against dollar, pound sterling at 1.4406/12 and yen traded at 132.59/62 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 8.1.2002

Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import Disch
J/2	Eltanin	GI(Ma/Log)	Yang	Royal	1/01	11/1	809
J/4	Angelina the Great-N	GI(YMa)	Sing	Rainbow	10/12	10/1	2174
J/5	Altair-SS	GI(S As)h	Sing	AMBL	27/12	9/1	2579
J/6	Pacific Emerald	GI(Cop/Log)	Kara	Litmond	23/12	12/1	364
J/7	An Lu Jiang	Urea (BCIC)	Sing	Uniship	6/01	14/1	
J/8	Xiang Jiang (Liner)	GI	Busa	Bdship	8/1	13/1	
J/9	Chang Ping	Urea(BCIC)	Sing	PSAL	30/12	10/1	815
J/11	Banga Bonik (Flag)	Cont	Col	Bandhi	6/1	9/1	92/100
J/12	Kota Naga	Cont	Sing	Pil(BD)	5/1	9/1	359/20
J/13	Artemis	Cont	Pkel	PSSL	6/1	10/1	167/234
CCT/1	Banga Birol	Cont	Pkel	Bdship	6/1	10/1	138/212
CCT/2	QC Dignity	Cont	Pkel	QCSL	5/1	9/1	201/x
CCT/3	Uni Wealth	Cont	Pkel	RSL	4/1	8/1	
RM/14	Banglar Robi	Idle	-	BSC	R/A	11/1	
RM/3	Zhong Hua-1	RSD	Sing	USL	7/1	-	
RM/6	Eagle Aries	Hsd	Sing	MSTPL	6/1	10/1	
DDJ/1	Sonali	Repair	Yang	Angelic	31/10	12/1	
RM/8	Banglar Shourab	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
Cosmic Challenger (72)29/12	8/1	Yang	Everett	GI(STC)	
Da Tian	8/1	Yang	Litmond/Urea(BCIC)BAG (M.J)		
Vavonis	8/1	Bedi	PSL Salt (BCIC S. Ash)		
Ocean Hope	8/1	-	Rsship	For Demolition	
Ryujin Maru	8/1	-	Rsship	For Demolition	
Jat Na Mu	9/1	-	PSAL Urea (BCIC? M. Jetty		
Power	9/1	-	PSAL C.Clink (Diamond)		
Qc Honour (Cont) 30/12	9/1	-	PSAL C.Clink (Diamond)		
Qc Honour (cont) 30/12	9/1	Pkel	QCSL	Cont	L/Sing
J.Balsam (Cont) 1/1	9/1	Sing	Nol	Cont	L/Sing
Jaami (cont) 2/1	9/1	Col	Everbest	Cont	L/Col
K.Hsiung (cont) 31/12	11/1	Pkel	QCSL	Cont	L/Sing
Amazon	10/1	Bont	Uniship	Urea (Bcic) M.J	
Jin Cheng	10/1	Busa	GI		
Virginia	10/1	-	Prog	GI(St.Paper)	
Maersk constellation	10/1	Jaci	Lams	Wheat(G)	Bag
K. Berjaya (cont) 31/12	11/1	Sing	Pil(BD)	Cont	L/Sing
B.Moni (cont) 29/12	11/1	Sing	BSC	Cont	L/Sing
Joy World (72) 29/12	11/1	Jaka	SSL	GI(STC)	
Xpress Resolve (cont) 5/1	11/1	-	Everbest	Cont	L/Col
Sentosa	12/1	Kosh	ANCL	C.Clink(demex)	
B.Shikha (Cont) 3/1	13/1	sing	BSC	Cont	L/Sing
Gihook (cont) 31/12	12/1	-	RSL	Cont	L/Sing
Leona	12/1	-	Prog	GI(St.Paper)	
San Pablo (Roro)24/23/12	12/1	Pki	JF	Vehi	
San Mateo (roro)24/ 23/12	12/1	sin	JF	Vehi	
B.Bijoy(cont) 5/1	13/1	-	Bandhi	Cont	L/Col
B.C Cook (cont) 6/1	14/1	-	Pssl	Cont	L/Sing
Makmur Perkasa	10/1	Sing	Unique	Tsp(P)	Bag (M.J)
State of Nagaland (E/L)6/1	15/1	-	SSL	E/L/Ant Dundee	
Qc Teal Cont 3/1	16/1	-	QCSL	Cont	-
Qc Pmtail (cont) 3/1	16/1	-	QCSL	Cont	L/Sing
K.Agung (cont) 7/1	16/1	Sing	Pil(BD)	Cont	L/Sing
B.Baeta (Cont) 7/1	16/1	-	Bdship	Cont	L/Sing
B.Lanka (Cont) 5/1	16/1	-	bdship	Cont	L/Sing

Tanker due

Ertis	8/1	Rast	Unique	C.Oil
Al Fios	11/1	Sing	MSTPL	HSD(RM)
Chembulk Trader	20/1	-	Bdship	CDSO(RM/4)

Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
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Vessels at outer anchorage

Jaya Mars (cont)	Cont	P. Kel	RSL	8/1
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Vessels ready

Capetan Leeteris	GI	Sing	Rainbow	8/1
Banga Biraj (Cont)	Cont	Sing	Bdship	8/1

Vessels awaiting instruction

Banglar Jyoti	-	-	BSC	R/A(5/1)
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Vessels not entering

Fiorealis	Urea(BCIC)	Basu	Uniship	30/12
IST	Mop(P)	Eligh	PSL	26/12
Athens of the North	C.Clink	Kant	CLM	31/12
Nand Srishti	C.Clink	Kant	Unique	7/1
Matrix	Idle	Tuni	SSST	21/11