

Developing nations to help prop up global growth: IMF

AFP, Tokyo

Solid growth in developing countries will help the global economy expand in 2002 despite a worldwide slump aggravated by the September 11 terror attacks, a senior official from the International Monetary Fund said Wednesday.

"Our projections for world growth of 2.4 per cent points is in fact higher than our projection for growth in all the major industrial countries," said Charles Adams, assistant director of the fund's regional office for Asia and the Pacific.

"Essentially the world growth number is being kept up by a somewhat more rapid growth in the developing rather than the advanced parts of the world," he told a news conference in Tokyo.

The IMF weights the growth of individual countries according to their share in world gross domestic product (GDP) based on purchasing power parity exchange rates.

"That tends to give a large weight to developing countries, particularly to countries like China," said Adams, explaining a revised version of the IMF's semi-annual World Economic Outlook report written in the wake of the terrorist blitz in New York and Washington.

While GDP in the United States -- the world's

largest economy -- is projected to slow to 0.7 per cent in 2002 from 1.0 per cent last year, growth in developing countries was seen up 0.4 per cent to 4.4 per cent.

Difficulties experienced in a number of Latin American economies, particularly Argentina, dampened growth prospects for developing nations in the western hemisphere seen at 1.7 per cent in 2002 from 1.0 per cent in 2001.

But sustained domestic demand in the face of a global slump, which has hurt export-reliant nations like Japan, helped developing Asia to maintain a steady growth projection of 5.6 per cent for 2002 and 2001, down from 6.8 per cent two years ago at the height of the technology boom.

"(The weaker growth pace) for developing Asia as a whole... is not actually a very large slowdown," said Adams.

"Growth for China in particular, and a lesser extent India, has actually held out quite well and that is keeping up the numbers for developing Asia," he said, adding the pair account for about two thirds of developing Asia's GDP.

China's economy is seen growing 6.8 per cent in 2002, down from 7.3 per cent last calendar

year, while India's GDP is forecast up 0.8 per cent to 5.2 per cent.

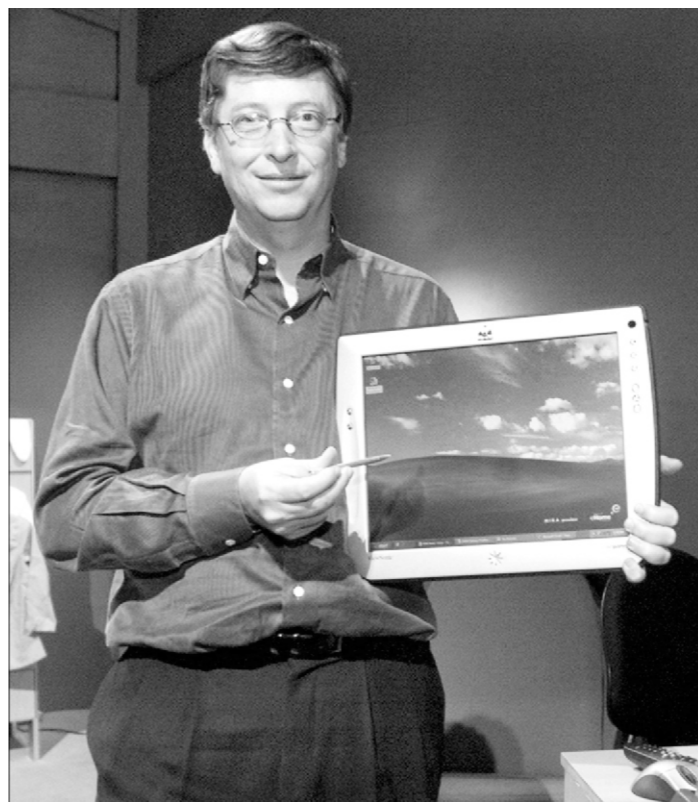
The terrorist attacks, superimposed on a global economy already left reeling after the technology bubble burst in 2000, pushed overall recovery prospects back six months to the middle of this year, the IMF report said.

But fourth quarter GDP was seen gathering momentum in the US -- at 2.6 per cent -- and other member countries of the Group of Seven richest nations.

"The fourth-on-fourth numbers give you more of a flavour of the notion that we are projecting, subject to some risk, of a pick up during the course of this year. And that pick up will become evident next year when we produce numbers for 2003," said Adams.

"There are several indicators from recent data from the US, from the euro area and from parts of Asia which I think do point to the possibility that we are starting to see things bottoming out."

The current slowdown has dealt a painful blow to larger economies. "But because we have the developing countries and particularly China, which has a large weight, continuing to grow rapidly that holds up our numbers."



Bill Gates, chairman and chief software architect of Microsoft, holds the Mira wireless smart monitor at the Microsoft booth on the floor of the Consumer Electronic Show in Las Vegas Monday. Mira will allow consumers to have access to their PCs from any room in the house.

Russia set to join WTO within a year: Moore

AFP, Oslo

Russia could join the World Trade Organisation (WTO) as a fully-fledged member within a year, the head of the global trade body Mike Moore said on Tuesday.

"It's within our grasp within a year," Moore told reporters in Oslo on the sidelines of a globalisation seminar, adding that "dramatic changes have been made" in Russia.

"They've passed a number of laws. There is a group of ministers who have the willpower, the horsepower and the firepower to make this happen," he said.

Russia remains the last major power outside the 144-member

trade body after China's entry in December.

Moore said Russian President Vladimir Putin was "very aware of the importance of the issue" and was "very well briefed about it."

Russia first applied to join the global trade body in 1993 when it was still called the General Agreement on Tariffs and Trade but negotiations began seriously in 1995.

During informal talks with Russian delegates at WTO headquarters in Geneva one month ago, Moore had said that Russia could be seated around the WTO negotiating table as a fully-fledged member by the next ministerial conference in two years' time

CURRENCY

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

Selling	Currency	Buying	TT Clean	OD Sight Doc	OD Transfer
58.5500	58.5800	USD	57.4000	57.2314	57.1661
52.7301	52.7571	EUR	50.9769	50.8272	50.7693
84.7570	84.8004	GBP	82.1451	81.9039	81.8105
31.1720	31.1880	AUD	29.6127	29.5257	29.4920
0.4437	0.4439	JPY	0.4301	0.4288	0.4283
35.5387	35.5569	CHF	34.5139	34.4125	34.3732
5.6728	5.6757	SEK	5.4768	5.4608	5.4545
36.9075	36.9264	CAD	35.7989	35.6938	35.6531
7.5152	7.5190	HKD	7.3529	7.3313	7.3230
31.7654	31.7817	SGD	30.8901	30.7994	30.7643
16.0724	16.0806	AED	15.5026	15.4571	15.4395
15.7367	15.7448	SAR	15.1856	15.1410	15.1237

Usance export 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	50.8718	50.5580	50.1390	49.6571	49.1334	47.9602
GBP	81.9758	81.4700	80.7948	80.0184	79.1744	77.2839

The Local interbank foreign exchange market was slightly subdued Wednesday. Demand for dollar was high. Demand for BDT for overnight borrowing at call was also high and the call rate ranged between 9 and 9.5 per cent.

In the international market, yen fell to a three-year low against the dollar for the second straight day as the market players took advantage of apparent indifference on the part of the Japanese and US officials. The dollar gained ground against yen after Japan's top financial diplomat Kuroda commented that the country's foreign exchange policy remained unchanged.

At 1600 hrs on Wednesday euro traded at 0.8927/32, pound sterling at 1.4401/03 and yen traded at 132.60/65 against US dollar.

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PHOTO: CITY BANK

Deen Mohammad, Chairman of The City Bank Limited, delivers the inaugural speech at the bank's three-day annual managers' conference-2002 at Dhaka Sheraton Hotel yesterday. Directors of the bank Anwar Hossain, Azizul Haque Chowdhury, Ahmed Rajib Samdani, Rafiqul Islam Khan, General Manager-IBD of Bangladesh Bank Mahfuzur Rashid and Managing Director of The City Bank Ltd Abbas Uddin Ahmed are also seen in the picture.

City Bank earns Tk 41.01 cr operating profit

The City Bank Limited earned an operating profit of Tk 41.01 crore during the year 2001, registering a rise of 117.79 per cent over the previous year, says a press release.

This was disclosed by Managing Director Abbas Uddin Ahmed at the inaugural function of the bank's three-day annual managers' conference held at Dhaka Sheraton Hotel yesterday.

The bank procured deposits of Tk 1718 crore during the year as against Tk 1380 crore in the previous year, an increase of 24.48 per cent. Total loans and advances stood Tk 1273.00 crore which was Tk 996.00 crore in 2000, showing a rise of 27.75 per cent.

During the year 2001, the bank handled foreign exchange business of Tk 1748.00 crore as against Tk 1083.00 crore in 2000, registering an increase of 61.31 per cent.

Deen Mohammad, Chairman of the bank, presided over the inaugural ceremony of the conference. He congratulated the branch manager for performance of the bank.

Vice Chairman of the bank Aziz Al-Kaiser, Directors Anwar Hossain, Azizul Haque Chowdhury, Manwar Hossain, Ahmed Rajib Samdani and General Manager-International Banking Division of Bangladesh Bank Mahfuzur Rashid also spoke on the occasion.

US firms bid for Enron trading arm

AFP, Washington

The collapsed US energy group Enron has received formal bids for control of its energy-trading arm from Citigroup, UBS and BP, The Wall Street Journal reported Tuesday.

Initial bids were submitted confidentially and would be used in an auction on Thursday, when Enron advisers were expected to press for higher offers, it said, quoting people familiar with the matter.

Iran, India to finalise gas pipeline study by June: Pakistan

AFP, Abu Dhabi

Iran and India will conclude by mid-2002 a feasibility study for a gas pipeline linking the two countries, a project dogged by New Delhi's security concerns of the pipeline traversing Pakistan, Pakistan's energy minister said Wednesday.

"Iran and India have jointly initiated a study for a sub-sea gas pipeline and an onshore pipeline simultaneously to meet India's security concerns. The study will be ready by June this year," Usman Aminuddin told AFP.

Aminuddin was talking in the Emirati capital of Abu Dhabi where he met with his counterpart Obeid bin Seif al-Nasser for talks on bilateral energy cooperation and possible investment in Pakistan's energy sector.

Iran and India signed a memorandum of understanding in April 2001 for the 3.5-billion-dollar project that envisages the running of a gas pipeline from Iran to India through Pakistan.

The plan envisaged a foreign consortium buying gas from Iran and selling it to India for 30 years.

The project, first proposed by Iran in 1994, would go some way to meet the needs of energy-deficient India and bring cash-strapped Pakistan billions of dollars in transit fees.

But New Delhi has voiced concerns over security in Pakistan, which is plagued by sectarian and political violence as well as neighbouring Afghanistan, the target for US-led strikes for allegedly harbouring chief terror suspect Osama bin Laden.

India and Pakistan have since moved to the brink of war following last month's deadly attack on the New Delhi parliament, which India blames on Islamic militant groups with links to Pakistan.

Aminuddin said his regional tour would also take in Qatar where he was due to hold talks on the multi-million-dollar direct gas pipeline project -- the Gulf South Asia (Gusa) project -- between the two countries.

The Sharjah-based Crescent Petroleum has completed feasibility and engineering studies, the minister said.

Aminuddin added that Pakistan was in talks with three Chinese groups to develop the country's coal fields.

"Coal accounts for only five per cent of the country's energy needs and our policy now is to focus on coal so that it accounts for 20 per cent of the energy needs by 2012. Our aim is to reduce energy imports drastically," he said.

The cost of Pakistan's current oil imports total 3.5 billion dollars.

China Petrochemical Corp., which has been advised to crop 6,000 jobs, or 35 per cent of its current workforce, after its privatisation scheduled later this year, he added.

Taiwan's state-run firms already cut a total of 5,461 jobs last year, of which 2,342 were trimmed by the debt-ridden China Shipbuilding Corp.

China Shipbuilding was on the verge of bankruptcy last year after losing some 10 billion dollars (285.71 million US) over the past few years. It posted 2.54 billion dollars in pre-tax losses in the 11 months to November.

Under the latest reform efforts, the company is required to lay off another 2,400 workers and the rest to take a 35-per cent salary cut over the next two years.



PHOTO: BTI

Building Technology and Ideas Ltd (BTI), an ISO 9001 certified real estate developer in the country, recently launched a new project, Tribute Homes, in Gulshan. Deputy Managing Director of BTI Engineer FR Khan and other senior officials of BTI were present at the launching ceremony.

Experts warn against dual Argentine exchange rate

AFP, Washington

Argentina is set to launch a dual exchange rate system in a desperate move that is doomed to failure and in the meantime will feed corruption and speculation, experts said.

"I do not think it is going to be useful," said Morris Goldstein, currency regime expert at the Washington-based Institute for International Economics.

"To make it effective requires very significant administrative machinery and lends itself to corruption and other things," he said.

President Eduardo Duhalde, who came to power January 2 amid political and economic turmoil, abandoned the peso's 11-year-old parity link, or convertibility, with the dollar.

The government then announced a dual exchange rate regime to last 90 days, floating the

peso but setting a fixed rate of 1.40 to the dollar for international transactions.

Foreign exchange trading in Argentina had been set to re-open Wednesday after several delays since being closed down December 21, but in an apparent sign of nerves the government postponed the move yet again on the eve of the big day.

Experts say the dual rate system is condemned even before its birth.

"I do not think it can last very long," said Caroline Atkinson, senior fellow at the private think tank Council on Foreign Relations and a former IMF and US Treasury Department official.

"I think it will tend to encourage distortions and corruption and to penalize exporters who are just the sector that Argentina needs to encourage," she added.

"The dual exchange rate gives a less attractive exchange rate for

them than the so-called free or parallel rate."

The Argentine government's desire to limit the scale of the peso's depreciation was understandable but its attempt to do so through controls was misguided, she added.

"It was impossible for them to hold the peg and it is likely to prove impossible that they can hold what will be essentially a different, more depreciated peg."

On the street, Atkinson forecast, prices would simply adjust to the free exchange rate level of the peso, squashing any prospect of hoped-for price stability.

In Buenos Aires, some shops are already offering steep discounts to people willing to pay in dollars. Black market traders are offering dollar rates of 1.30 to 1.50 pesos.

Cato Institute economist Ian Vasquez agreed.

"I do not think it will last," he said.

SHIPPING

Chittagong Port

Berth position and performance of vessels as on 9.1.2002

Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import Disch
J1	Cosmic Challenger (72) GI (SLC)	Yang	Everest	8/1	12/1		
J2	Eltanin GI(Ma/Log)	Yang	Royal	1/01	13/1	1423	
J4	Angelina the Great-N GI(Y/Ma)	Sing	Rainbow	18/12	10/1	1512	
J5	Altair-SS GI(S/As)h	Sing	AMBL	27/12	10/1	2992	
J6	Pacific Emerald GI(Cop/Log)	Kara	Litmond	23/12	15/1	303	
J7	An Lu Jiang Urea (BCIC)	Sing	Uniship	6/01	14/1	1215	
J8	Xiang Jiang (Liner)	GI	Bdship	8/1	13/1	1097	
J9	Chang Ping Urea(BCIC)	Sing	PSAL	30/12	11/1	725	
J11	Jurong Balsam	Cont	Sing	Nol	9/1	13/1 (479/673)	
J12	Qc Honour	Cont	Pkel	QCSSL	9/1	12/1 (352/700)	
J13	Artemis	Cont	Pkel	PSSL	6/1	10/1 234/X	
CCT/1	Banga Birol	Cont	Pkel	Bdship	6/1	10/1 212X	
CCT/2	QC Dignity	Cont	Pkel	QCSSL	5/1	9/1	
CCT/3	Jaya Mars	Cont	Pkel	RSL	8/1	11/1 173/179	
RM/14	Banglar Robi	Idle	-	BSC	R/A	12/1	
RM/6	Eagle Aries	Hsd	Sing	MSTPL	6/1	10/1 11021	
DDJ:	Banglar Jyoti	C.Oil	K.Dia	BSC	R/A	10/1 13155	
DDJ-1	Sonali	Repair	Yang	Angelic	3/1/10	12/1	
RM/9	Banglar Broom	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
Da Tian	8/1	Yang	Litmond	Urea(BCIC)BAG (M.J)	
Jat Na Mu	9/1	-	PSAL	Urea (BCIC? M. Jetty	
Power	9/1	-	PSAL	C.Clink (Diamond)Vavonis	
Jaami (cont) 2/1	9/1	Col	Everbest	Cont	L/Col
Ocean Hope	9/1	-	Rsship	For Demolition	
Amazon	10/1	Bont	Uniship	Urea (Bcic) M.j	
Cristal Queen	10/01	Thai	RML	C.Clink(Cont/S Alam)	
Jin Cheng	10/1	Busa	GI	-	
Virginia	10/1	-	Prog	GI(St.Paper)	
Maersk Constellation	10/1	Jaci	Lams	Wheat(G)	Bag
Makmur Perka	10/1	Sing	Unique	(TSP) (P) bag (M.JE)	
Kuo.Hsiung (cont) 31/12	11/1	P.kel	QCSSL	Cont	L/Sing
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	SSLL	GI(SL.C)	
Xpress Resolve (cont) 5/1	15/1	-	Everbest	Cont	L/Col
Sentosa	12/1	Kosh	ANCL	C.Clink(demex)	
Ghock (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.Shikha (Cont) 3/1	13/1	sing	BSC	Cont	L/Sing
B.Bijoy(cont) 5/1	13/1	-	Baridhi	Cont	L/Col
B.C Cook (cont) 6/1	14/1	-	PSSL	Cont	L/Sing
Ocean Blue (Roro)24/8?1	12/1	Sing	Evert	Vehi	-
Puma (24)8/1	14/1	Bombay	Everest	SPI.Cargo	-
State of Nagaland (E/L)6/1	15/1	-	SSLL	E/L/Ant Dundee	
Qc Teal Cont 3/1	16/1	-	QCSSL	Cont	-
Qc Pintail (cont) 3/1	16/1	-	QCSSL	Cont	L/Sing
K.Agung (cont) 7/1	16/1	Sing	Pil(BD)	Cont	L/Sing
B.Barta (Cont) 7/1	16/1	-	Bdship	Cont	L/Sing
B.Lanka (Cont) 5/1	16/1	-	Bdship	Cont	L/Sing
Qc Lark(Cont) 5/1	18/1	-	QCSSL	Cont	L/P.Kel
Uni Wealth (cont) 8/1	18/1	-	RSL	Cont	L/Sing
Commandant Ducong	24/1	Cochin	JF	Naval Ship For Visit	

Tanker due

Al Fios	11/1	Sing	MSTPL	HSD(RM)
Chembulk Trader	20/1	-	Bdship	CDSO(RM/4)

V