

US slaps hefty tariffs on steel imports

AFP, Washington

US President George W. Bush announced Tuesday up to 30 per cent tariffs on most US steel imports for three years, provoking a swift and angry international reaction.

While the decision was warmly welcomed by US steel producers, it was roundly condemned by much of the US media, with the respected Wall Street Journal saying Bush had just had his worst day in office.

"Today I am announcing my decision to impose temporary safeguards to help give America's steel industry and its workers the chance to adapt to the large influx of foreign steel," Bush said in a statement.

"I take this action to give our domestic steel industry an opportunity to adjust to surges in foreign imports, recognizing the harm from 50 years of foreign government intervention in the global steel market, which has resulted in bankruptcies, serious dislocation and job loss."

But Tokyo immediately criticised the tariffs, which would hit Japan particularly hard while US trading partners Canada and Mexico escaped any penalty.

Japanese Trade Minister Takeo Hiranuma said Wednesday he was considering lodging a protest with the World Trade Organisation (WTO) over the US decision.

In Sydney, Australian Industry Minister Ian Macfarlane vowed to "fight this issue tooth and nail."

The European Union said in a statement it would "of course launch an immediate complaint in Geneva against this clear violation of WTO rules, and we will take whatever measures are necessary to safeguard our own market."

British Trade and Industry Secretary Patricia Hewitt also slammed the measures as "wholly unjustified and clearly in breach of WTO rules."

Brazil joined in the chorus with its minister of industry and foreign trade, Sergio Amaral, calling on Bush to reconsider his decision.

Bush insisted WTO rules specifically allowed temporary restraints on trade if imports are causing serious harm.

"This is a remedy allowed under the WTO," he told a news conference. "It also is a part of our law, and I intend to enforce our laws."

Bush's decision was taken under Section 201 of the 1974 trade law, which lets the president impose punitive tariffs on imports found to have caused injury to the domestic industry.

The measures included 30 per cent tariffs on flat steel, hot-rolled

bar and cold-finished bar and tin mill products -- accounting for the majority of imports.

Tariffs of 15 per cent were slapped on stainless steel bar, stainless steel rod, rebar and certain tubular products. Tariffs of 13 per cent were placed on carbon and alloy fittings and flanges.

An eight per cent tariff was placed on stainless steel wire.

All of the tariffs decline slightly over the three years.

The new measures exclude countries that have signed free trade agreements with the United States -- Canada, Israel, Jordan and Mexico, said US Trade Representative Robert Zoellick.

Developing countries with im-

ited exports to the United States, such as Argentina, also are exempted.

Steel makers, which had called for 40 per cent import tariffs across the board for four years, celebrated the move.

"My hat's off to the president for demonstrating strong leadership in taking this action today," USX-US Steel chairman Thomas Usher said in a statement.

But Jon Jenson, chairman of the Consuming Industries Trade Action Coalition (CITAC), representing an array of manufacturers, said Bush's decision had angered steel consumers.

World steel producers threaten reprisals

REUTERS, Brussels

The world's major steel producers threatened the United States with lawsuits and trade reprisals Tuesday after President George W. Bush announced tariffs of up to 30 per cent on steel imports.

The European Union swiftly condemned the decision, which is aimed at protecting the ailing US steel industry, and said it would file a complaint at the World Trade Organisation (WTO).

Other major producers, including Japan, Russia, South Korea and Brazil have also vowed to fight the new barriers erected by Washington, which preaches free trade.

"The US decision to go down the route of protectionism is a major setback for the world trading sys-

tem," EU Trade Commissioner Pascal Lamy said in a statement.

"The EU will of course launch an immediate complaint in Geneva (at the WTO) against this clear violation of WTO rules and we will take whatever measures are necessary to safeguard our own market," Lamy said.

Earlier, Bush announced tariffs of up to 30 per cent on a range of steel imports. They will take effect on March 20 and will stay in place for three years.

Bush exempted imports from Canada and Mexico from the protection because of their partnership with the United States in the North American Free Trade Agreement.

Also under WTO rules, Bush spared imports from developing countries. Lamy said he feared the US move

would end any hope of finding an internationally agreed solution at the Organisation for Economic Cooperation and Development (OECD) to overcapacity in the world steel industry.

The European Commission said in a statement the EU might be forced to take trade measures of its own to protect itself from a wave of steel imports from other producers it fears may now be diverted from the United States to Europe.

But the Commission, the EU's executive arm, added that any safeguard action would fully comply with WTO rules.

The EU response echoed anger in Asia and Latin America, but it is particularly crucial because the EU and the United States have the world's biggest trade relationship.

Total bilateral trade in 2000 was 430 billion euros (\$373 billion).

US steel firms and labour unions blame cheap imports for 31 bankruptcies in the past four years and had demanded a 40 per cent tariff to protect the domestic industry.

EU officials say the US woes are due to years of failure to restructure the steel sector as well as to a strong dollar, that has risen by 23 per cent against the euro in two years.

A senior EU official said the US move would be seen as part of "a trend towards unilateralism in Washington", driven by domestic politics, that was causing growing dismay to Europe.

Russia to ban US poultry

AFP, Moscow

Russia has decided to ban all imports of US poultry from Sunday on health grounds, Deputy Agriculture Minister Sergei Dankvert said on Wednesday, quoted by the Prime-TASS financial news agency.

Dankvert denied the move was in retaliation for Washington's decision to slap tariffs of up to 30 per cent on US steel imports, including from Russia.

Steel row a challenge for WTO

AFP, Geneva

The looming battle over US steel tariffs and quotas is a crucial challenge for the World Trade Organisation (WTO) with countries from Japan to Latin America promising to fight back.

The European Union announced in Brussels on Wednesday that it would take steps to safeguard its own steel industry and was co-ordinating its position with other steel producing interests.

Analysts said on Wednesday that US President George W. Bush's announcement of up to 30 per cent tariffs on most US steel imports for

three years came at a key time for the WTO which has begun navigating the world towards a new round of trade tariff-cutting talks.

After struggling to agree on the launch of a new round of trade liberalisation negotiations in Doha last November, the 144 WTO members are now in the process of getting the talks up and running.

The US' imposition of hefty tariffs sends out a negative signal especially to developing countries which make up three quarters of the WTO membership at the start of the Doha Development Round, analysts said.

Developing countries had to be reassured their concerns would be

taken into account this time after complaining they had earlier failed to see the fruits of trade liberalisation, said WTO analyst David Woods, who also heads World Trade Agenda Consultants.

"Here we have a message which says basically when the chips are down the only thing that counts is domestic politics," he added.

The confidence, albeit a shaky one built up by the success at Doha in getting the new round off the ground could be undermined by the latest trade dispute brewing over steel, he added.

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
58.5500	58.5800 USD	57.4000 57.2314 57.1629
51.4537	51.4801 EUR	49.4788 49.3335 49.2744
83.8202	83.8631 GBP	81.2267 80.9882 80.8912
30.8968	30.9127 AUD	29.3429 29.2567 29.2217
0.4455	0.4457 JPY	0.4316 0.4304 0.4200
34.6675	34.6853 CHF	33.6874 33.5885 33.5483
5.7035	5.7064 SEK	5.5964 5.4902 5.4836
37.0804	37.0994 CAD	35.9649 35.8593 35.8164
7.5145	7.5184 HKD	7.3537 7.3321 7.3233
32.1916	32.2080 SGD	31.3011 31.2092 31.1718
16.0724	16.0806 AED	15.5026 15.4571 15.4386
15.7371	15.7452 SAR	15.1848 15.1402 15.1221

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	49.3768	49.0721	48.6654	48.1978	47.6894	46.5507
GBP	81.0593	80.5591	79.8915	79.1237	78.2892	76.4199

EXCHANGE RATES OF SOME CURRENCIES AGAINST US DOLLAR	Indian Rupee	PAK Rupee	Lankan Rupee	Thai Baht	Non Kroner	NZ Dollar	AUD
	48.67	60.075	94.05	43.595	8.8288	0.4245	0.51945

US DOLLAR LIBOR	1	3	6	12	
Buy	57.1629	USD 1.88000	1.92000	2.09000	2.59000
Sell	58.5500	GBP 4.07500	4.07875	4.24375	4.64782
USD	NFCD	RFCD	NFCD	RFCD	
1M	1.19%	1.04%	1M	3.03%	2.78%
3M	1.23%	1.08%	3M	3.09%	2.84%
6M	1.32%	1.17%	6M	3.24%	2.99%
12M	1.79%	1.64%	12M	3.55%	3.30%

The local interbank foreign exchange market was active Wednesday. Demand for dollar was steady. Demand for BDT for overnight borrowing at call was high.

In the International market, dollar bounced back from a six-week low against yen on the backdrop of surge of service sector activity in February. The data boosted the market's hopes of US economic recovery. However, the dollar's gain was modest against euro.

At 1330 hrs euro traded at 0.8709/12 against dollar, pound sterling at 1.4208/13 and yen traded at 131.90/93 against US dollar.

This memorandum as issued by Standard Chartered Bank and is based on or derived from information generally available to the public from sources believed to be reliable. While all reasonable care has been taken in its preparation no responsibility or liability is accepted for errors of fact or any opinion expressed herein.

SHIPPING

Chittagong port

Berth position and performance of vessels as on 6.3.2002

Berth No.	Name of Vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import Disch
J/1	Hilda (liner)	GI	Sing	Prog	26/2	8/3	215
J/3	Banglar Doot	GI (ST.SC)	Busa	BSC	23/1	64/3	193
J/4	Banglar Mamata	Wheat(P)	Viza	BSC	13/2	6/3	1662
J/6	Jeon Jin	C Clink	Sing	OLM	25/2	12/3	1860
J/7	Jovanna	Urea (BCIC)	B. QAS	Uniship	20/2	12/3	1361
J/8	Kaghan	Ura (BCIC)	Juba	Atlantic	1/3	10/3	792
J/10	Konlink	Cont	Sing	Nol	4/3	8/3	186/53
J/11	Orient Freedom	Cont	P Kel	PSSL	2/3	6/3	260/43
J/13	Qc Lark	Cont	P Kel	Qcsl	2/3	7/3	293/3
CC/12	Konlink	Cont	Sing	Nol	4/3	8/3	304/23
CC/13	Perak	Cont	Sing	PI(BD)	2/3	6/3	276/32
TSP	Eurobulker-II	IDLE	TUTI	BSL	9/2	8/3	-
DD/J1	Sonali	Repair	Yang	Angelic	31/10	10/3	-
DD/J2	Banglar Moni	Repair	Mong	BSC	17/1	10/3	-
RM/9	Banglar Kakoli	Repair	Chimmy	BSC	24/2	10/3	-
RM/10	Banglar Shourabh	Repair	-	Bsc	R/A	9/2	-

Vessels due at outer anchorage:

Name of vessels	Date of Arvl	L Port call	Local agent	Name of cargo	Loading
Ever Gain	6/3	Mipi	CCNL	GI (Log)	-
Sara Star	6/3	Adab	Cnrl	Urea(BCIC)	-
San-1	6/3	-	Psal	C Clink	-
QC Teal (Cont) 25/2	6/3	P Kel	QCSL	Cont	Sing
Sea Auckland	7/3	Niko	Ltmond	Mop In Bulk (P)	-
Krissa	6/3	Adab	CCNL	Urea(BCIC)	-
Kota Naga (Cont) 25/2	7/3	Sing	PI (BD)	Cont	Sing
Jaguar (24/20/2)	7/3	Mumb	Everett	Spl Cargo	-
QC Dignity (Cont) 25/2	9/3	P Kel	QCSL	Cont	Sing
Ocean Pride	7/3	-	Psal	C Clink(confd)	-
Shun An (72) 26/2	8/3	Yang	RML	GI (ST.C)	-
AA Venture	8/3	Col	CLA	GI	-
Banglar Robi (Cont) 27/2	8/3	Sing	BSC	Cont	Sing
Suisen	8/3	-	Psal	Gypsum	-
Boxer Capt Cook (Cont) 28/2	10/3	-	PSSL	Cont	Sing
A She Kyae (Liner)	8/3	Yangaon	Everett	GI (St.C)	-
Pinya	9/3	Yang	Bnshii	GI (Log+Maize)	-
Jaami (Cont) 28/2	9/3	-	Everest	Cont	Col
Sinhai(cont)2/3	9/3	-	BSC	Cont	Sing
QC Honour (Cont) 28/2	9/3	P Kel	QCSL	Cont	Sing
Banga Bijo (Cont) 2/3	10/3	-	Baridhi	Cont	Col
Radant sun	10/3	Kaki	Angeli	Wheat(p)	-
Valverde	10/3	Sing	Otbl	-	-
Achiever(cont)27/2	10/3	Sing	RSL	Cont	sing
Banga Biroi (Cont)2/3	11/3	-	BD Ship	Cont	Sing
Kota Berjaya (Cont) 28/2	11/3	Sing	PI (BD)	Cont	Sing
Kuo Hsiung (Cont) 2/3	11/3	P Kel	QCSL	Cont	Sing
Banga Lanka (Cont)25/2	13/3	-	BD Ship	Cont	Sing
Jin Cheng (Liner)	13/3	-	BD Ship	GI	-
Kota Singa (Cont)3/3	13/3	Sign	PI(BD)	Cont	Sing
Artemis (Cont) 26/1	14/3	P Kel	PSSL	Cont	Sing
Jaya Mars (Cont) 2/3	14/3	Sing	RSL	Cont	Sing
Ja Aldding Rainbow(liner)	14/3	Sing	Everett	GI(SIC)	-
banga Biraj (Cont) 5/3	14/3	P.Kel	Bdship	Cont	Sing
Triumph Mumbai	15/3	Yang	Rml	GI (P/Equip)	-
Mardios (cont) 5/3	15/3	-	Rsl	cont	Sing
Cool Star (Roro)24/3/3	17/3	-	Everett	GI(SIC)	-
Sagaing (Liner)	17/3	-	Everett	GI(SIC)	-
Qc Pintail (Cont) 5/3	17/3	P.kei	Qcsl	Cont	Sing
Asian Leader (Roro)24	4/3/19/3	Sing	Jf	Vehi	-

Tanker due:

Jaladoot	6/3	Ruwa	Echl	Hsd	-
Tirta Niaga-VII	9/3	-	Seacom	Cpol	-
Doha Sun	7/3	P.Kel	Rainbow	Cpo	-

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Vessels at Kutubdia				
Dea Captain	-	-	Arafeen	R/A(28/1)

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

STOCK