

US rebound positive for Asian banks

AFP, Hong Kong

The recent US economic rebound will be positive for banks in Asia but those in some countries will continue to suffer due to missed reform opportunities, a ratings agency report said Thursday.

Standard and Poor's said those countries in which banks, government and regulators had avoided taking difficult reform measures were likely to see their banking system continue to struggle with asset quality problems into the medium term.

A year ago S and P warned that if Asia's economic slowdown was worse than expected, many of the region's weaker banks would be severely tested.

"Fortunately, the US economic rebound has been quicker and stronger than expected," said Ian Thompson, managing director of S and P's Melbourne office.

Those banks and banking systems that undertook earnest reforms since the Asian financial crisis in 1997 and 1998 were in the best position to reap the benefits of the economic upturn, the report said.

"Korea was a classic case where the banking system has made tangible progress in dealing with non-performing loans," said Thompson.

Malaysia was also tipped to be a beneficiary of a US recovery, credit rating analyst Adrian Chee said.

"The rejuvenation of the Malaysian government's Corporate Debt Restructuring Committee in 2001 is seeing the logjam of corporate debt restructuring start to disentangle.

"This hurdle has been a key impediment for Malaysian banks. The bottoming out of the slowdown in Malaysia's export-dependent economy is also an encouraging development for the banks' earnings prospects."

Japan was one of the countries where authorities and banks had failed to get to grips with their problems.

S and P analyst Naoko Memoto said the recently announced write off of bad loans announced by major Japanese banks fell well short of the ratings agency's own estimate of what was required.

The report also expressed concern about the outlook for Taiwan and Hong Kong.

The potential revival of US demand for microchips could assist Taiwan's economy, but the benefits were unlikely to flow through to the island's banking sector in the near-term.

S and P estimated that the proportion of problem loans would rise to 18 per cent of total loans this year from 15 per cent last year.

Ryan Tsang, a credit ratings analyst for S and P said the recent economic recession had caught banks in Hong Kong off-guard.

ASEAN asked to expedite opening up of auto sector

AFP, Singapore

Southeast Asia must accelerate the opening up of its auto industry or risk losing out to China and India in terms of foreign investments, industry manufacturers said Thursday.

They said after a two-day meeting here of Asia-Pacific auto industry officials and manufacturer representatives that the implementation of the ASEAN Free Trade Area (AFTA) was critical to the region becoming an integrated market.

Six of the 10 more developed members of the Association of Southeast Asian Nations (ASEAN) have committed under the AFTA framework to slash tariff barriers to between zero and five per cent on most goods by 2003.

However, Malaysia has sought a two-year delay in the opening up of its automotive sector, saying it

needed more time to prepare its national car industry to foreign competition under a liberalised market.

But vehicle manufacturers said such a delay could hamper ASEAN's efforts to compete against the bigger markets of China and India.

"The only way it can increase its competitiveness is to increase the liberalisation process for AFTA faster than it's doing," said Stephen Collins, president of the Automotive Trade Policy Council, which represents US car manufacturers.

"It's not happening fast enough," he told reporters after the meeting here Thursday.

"China has a billion plus market, India is growing much rapidly. It's attracting much investment. ASEAN is a series of small markets," he said.

While the manufacturers viewed the Malaysian move as an "inter-ASEAN" issue, they would encourage the regional bloc to view competition not among themselves but against other regions in the world.

"Otherwise, they are going to lose out... to China and India," he said.

"We encourage the acceleration of the ASEAN regionalisation process here under AFTA. That's a major theme that we discussed quite a lot," he said.

ASEAN's more developed members are Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand. The less developed members, which were given more time to open up their markets under AFTA, are Cambodia, Laos, Myanmar and Vietnam.

Indians giving up phones to avoid taxman

AFP, New Delhi

A large number of Indian pensioners, villagers and other low-income wage earners are disconnecting their telephones for fear of falling into an unwanted tax net, the Economic Times reported Thursday.

The move is the result of measures introduced two years ago by Finance Minister Yashwant Sinha to screen all telephone owners for filing income tax returns.

"Attempts to increase the country's tax base seem to be affecting tele-density," the Economic Times said.

"Worried about being dragged into the tax net by virtue of owning a telephone, a large number of rural, retired and other low-income subscribers are opting to surrender their phones."

On Saturday, Sinha's own BJP party recommended that he amend the measure, making it applicable solely to users of cellular phones.

The Economic Times reported long-distance telephone service provider Bharat Sanchar Nigam Ltd. (BSNL) had 1.8 million phones disconnected in the year to March 2002 -- equivalent to 25 per cent of the new phone lines it had added in the same period.

India's Maruti to push recent car models this year

REUTERS, New Delhi

India's largest car maker, Maruti Udyog Ltd, Wednesday it would promote recently launched models to reinforce last year's turnaround and fend off competition from global rivals in a sluggish market.

The New Delhi-based automaker, a 50-50 venture of the Indian government and Japan's Suzuki Motor Corp, swung to a profit of 550 million rupees (\$11.24 million) in the year to March after a loss of 2.69 billion a year earlier which was partly due to steep launch costs.

"We are going to concentrate on what we launched in the last two years. The more we sell of the new models, the better our bottom line will be," Jagdish Khattar, Maruti's managing director, told reporters after a news conference.



PHOTO: EASTERN INSURANCE

M. Haider Chodhury, Chairman of Eastern Insurance Co Ltd, speaks at the managers' conference of the company held at a city hotel recently. Director A. K. M. Mohiuddin and Managing Director A. K. M. Iftekhar Ahmad are also seen in the picture.

ROK forecasts full recovery in exports

AFP, Seoul

South Korea's exports are on the path to double-digit growth in the second half of this year with a strong recovery from April, a top trade official said Thursday.

Commerce, Industry and Energy Minister Shin Kook-Hwan told business leaders exports in April would rise between seven and eight per cent from a year earlier, emerging from 13 con-

secutive months of contraction.

"After a fully-fledged recovery in the second quarter, exports are forecast to record doubt-digit growth in the second half, he said, promising to go ahead with fiscal spending to firm up exports.

Low interest rates and other measures to stimulate domestic demand have been paying off, he said, adding the government would maintain its policy of boosting exports and investment.

CURRENCY

Following is yesterday's foreign exchange rate statement by Standard Chartered Bank.					
Sell			Buy		
TT/OD	RC	Currency	TT/Clean	OD/Sight Doc	OD/Transfer
58.5500	58.5800	USD	57.4000	57.2314	57.1629
52.6482	52.6751	EUR	50.6670	50.5182	50.4577
85.1727	85.2163	GBP	82.5527	82.3102	82.2117
32.0093	32.0257	AUD	30.4335	30.3441	30.3078
0.4509	0.4511	JPY	0.4368	0.4355	0.4350
35.6773	35.6956	CHF	34.6472	34.5454	34.5041
5.7533	5.7563	SEK	5.5535	5.5372	5.5306
37.3453	37.3645	CAD	36.2191	36.1127	36.0695
7.5140	7.5179	HKD	7.3518	7.3302	7.3214
32.1756	32.1921	SGD	31.2858	31.1939	31.1565
16.0724	16.0806	AED	15.5028	15.4571	15.4386
15.7371	15.7452	SAR	15.1848	15.1402	15.1221
Exchange rates of some currencies against US dollar					
Indian Rupee	Pak Rupee	Lankan Rupee	Thai Baht	Nor Kroner	NZ Dollar
48.935	60.025	95.915	43.295	8.5746	0.4455
The local interbank foreign exchange market was active on Thursday. Demand for BDT for overnight borrowing at call was steady and the call rate ranged between 7.5 and 8.5 per cent for the day.					
Dollar fell across the board on Thursday. Dollar hit a three-month low against euro and sterling with news of US trade deficit increasing more than expected. US Federal Reserve Chairman Aah Greenspan painted an optimistic picture of the economy, waiving possibilities of an early rate hike in funds rate.					
At 1515 hours on Thursday, euro traded at 0.8891/96 against dollar, pound sterling at 1.4460/65 and yen traded at 130.62/66 against US dollar.					
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SHIPPING

Chittagong port

Berth position and performance of vessels as on 18.04.2002.

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Imprt discp
J/1	Mergui	Rice(P)	Sang	Total	R/A	20/4	1329
J/2	Hala	Rice(P)	Kake	Litmond	1/4	22/4	480
J/4	Nobleza (Roro/24)	Vehi	P Kel	JF	17/4	18/4	879
J/5	Min Jiang(Liner)	GI	S Hai	Bdship	12/4	21/4	1144
J/6	HuiYuan	GI(stc)	Durb	BSL	16/4	20/4	1095
J/7	Yunling	GI(Yma)	Sing	USL	11/4	22/4	1215
J/8	[aragpm [escadpres(48)	GI(STC)	Col	H&SL	16/4	19/4	488
J/11	Mardios	Cont	P Kel	RSL	16/4	20/4	151/22
J/12	Qclark	Cont	P Kel	QCSL	16/4	20/4	138/21
J/13	Kota Berjaya	Cont	Sing	Pil(BD)	12/4	18/4	252/66
CCT/1	Banglar Shikha	Cont	Sing	BSC	14/4	18/4	128/26
CCT/2	Konink	Cont	Sing	Nol	16/4	-	329/44
CCT/3	Qc pintail	Cont	Viza	QCSL	16/4	19/4	78/10+
GSJ	Global Ceres	Poil	Yang	Seacom	17/4	19/4	-
RM/4	Seastream	Cdso	Durb	Rainbow	12/4	19/4	-
RM/5	Eagle Aries	HSD	Sing	ECSL	12/4	19/4	-
RM/6	DailHung	HSD	Sing	CSL	15/4	20/4	-
DD	Safinaz	Repair	yang	Royal	5/4	25/4	-
RM/9	Banglar Doot	Repair	Yang	BSC	28/3	22/4	-
RM/10	Banglar Shourabh	Repair	K Dia	BSC	R/A	20/4	-

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Orient Freedom(Cont)	18/4	-	PSSL	Cont	Snig
Estrella Elena(Roro/24)11/4	18/4	-	Everett	Vehi	-
anglar Robi(Cont)1/4	19/4	-	BSC	Cont	Sing
Banga Borat(Cont)6/4	19/4	-	BdShip	Cont	Sing
Banga Barta(Cont)9/4	19/4	CBO	Baridhi	Cont	Col
Whilhe Lmine Oldendoref	19/4	Lang	BSL	C Clink/Gypsum	--
Kota Naga(Cont)9/4	19/4	Sing	Pil(BD)	Cont	Sing
Bana Bijoy(Cont)11/4	21/4	-	Baridhi	Cont	Col
Jeon Jin	19/4	Indo	ASLL	C Clink(united)	-
Triumph Mumbai	19/4	Sing	RML	GI(P Equip)	-
Tug Oceaneast	20/4	Bata	ASA	-	-
Barge:Labroy-186	20/4	BATA	ASA	Ballast	-
Liberty Sea	21/4	Sing	Lams	Wheat(G)	-
Maersk Alaska	20/4	Sing	Lams	Cont	-
Consistence(Cont)13/04	21/4	-	PSSL	Cont	Mong
Sea Riches	20/4	-	BSC	Cont	Sing
Banga Bonik(Cont)10/4	22/4	-	Bdship	Cont	Sing
QC Teal(Cont)10/4	21/4	P Kel	QCSL	Cont	-
Jenny	21/4	Aqaba	Litmond	Dapinbulk	-
Triumph Mumbai	22/4	Sing	RML	GI(P Equip)	-
QC Dignity(Cont)13/4	22/4	P Kel	QCSL	Cont	Sing
Perak(Cont)10/4	22/4	Sing	Pil(BD)	Cont	Sing
Sinthal(Cont)13/4	23/4	-	BSC	Cont	Mong

Tanker due

Sabine Eagle	19/4	-	H&H	CSO	-
Dai Long	21/4	Sing	ECSL	HSD	-

Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Dea Captain	-	-	Arafeen	R/A(28/1)
Orient Explorer	-	-	Arafeen	R/A(27/3)

Vessels at outer anchorage

Ready on

Windermere(liner)	GI(stc)	Japa	Everett	18/4
Banga Borat(cont)	Cont	P Ket	Bdship	18/4
Golden Gemini	GI(s ash)	Porb	Sunshine	18/4

Vessels not ready

Chin Shwe Haw	Rice(P)	Yang	Total	31/3
Pinya	Rice(P)GI	Yang	BNSSHIP	11/4
Banglar Gourag	Wheat(G)	K Dia	Lams	R/A(17/4)
Amanatshah	GI(s ash)	Col	Cia	17/4
Amandea	Cpo	P Guda	MTCL	17/4
Banga Lanka	Cop	P.Guda	MTCL	17/4

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

STOCK