

US stages strong rebound with 5.8pc growth

Largest increase in GDP since fourth quarter of 1999

AFP, Washington

The US economy staged a spectacular recovery in the first quarter of 2002, growing at a 5.8 per cent annualized rate, the Commerce Department said Friday.

The report was stronger than expected by economists, who had forecast an increase of around five per cent. It was the largest increase in GDP since the fourth quarter of 1999.

GDP growth accelerated from

a 1.7 per cent rate in the fourth quarter of 2001.

The report was an "advance" estimate of GDP -- the output of goods and services in the US economy -- and will be revised twice in the next two months.

The report suggests that the recession declared to have begun in March 2001 is over and was a limited downturn with just one decrease in quarterly GDP.

However, the National Bureau of Economic Research -- which

dates peaks and troughs in US business cycles -- has yet to officially declare an end to the recession.

Economists noted that much of the increase in GDP was due to companies building back inventories. Merrill Lynch's Bruce Steinberg said that "inventories contributed a large chunk of that growth, but domestic demand was a healthy 3.7 per cent."

He added: "Despite some recently mixed indicators -- which

simply reflect the long-awaited spring payback for the record warm winter -- we expect GDP growth to average more than four per cent for each quarter during the remainder of the year."

Henry Willmore of Barclays Capital said the growth rate "reflected solid contributions from consumption (3.5 per cent), residential investment (15.7 per cent) and government spending (7.9 per cent)."

Willmore said he is expecting

growth of around five per cent in the current quarter, adding that "the inventory cycle will continue to contribute strongly to growth over the rest of this year."

The major contributors to the increase in real GDP in the first quarter were private inventory investment, personal consumption expenditures, government spending, residential fixed investment and exports, the Commerce Department said.

The contributions of these

components were partly offset by a decrease in nonresidential construction and an increase in imports, which are a subtraction in the calculation of GDP.

More than half of the first-quarter growth was inventory-related, as the pace of inventory liquidation slowed sharply. Inventories added 3.1 per cent age points to first-quarter GDP growth, the largest positive contribution by inventories since the fourth quarter of 1987.

ADB raises Pak growth forecast to 3.5 pc

REUTERS, Islamabad

The Asian Development Bank (ADB) Thursday raised its forecast for Pakistan's economic growth in 2001/02 to 3.5 per cent from a previous 2.5 to 3.0 per cent.

"The overall economic growth for fiscal 2001/02 (July/June) is likely to be about 3.5 per cent, an improvement on last year's growth of 2.6 per cent," the ADB said in its Pakistan Economic Update for the first eight months of 2001/02.

ADB Pakistan country director Marshuk Ali Shah told a news conference this month the bank may raise its GDP forecast above the 2.5-3.0 per cent predicted in its annual country report released earlier this month.

The update, released on Thursday, said Pakistan's manufacturing sector had not been badly affected by global recession, while the key agriculture sector had adjusted to continuing drought conditions.

The ADB said increased remittances from Pakistanis working abroad and greater inflows of foreign assistance after Pakistan declared its support for the US-led war on terrorism, had improved economic prospects.

Pakistan's central bank said last month foreign remittances rose to \$1.317 billion in the first eight months of 2001/02, an increase of 106.74 per cent over the same period last year.

Pakistan's economy suffered a severe blow in the aftermath of

September 11 attacks, with export orders cancelled and insurance premiums soaring because of fears of a spillover of war in neighbouring Afghanistan.

The ADB update said Pakistan's fiscal balance worsened in the first six months of the current fiscal year "and is likely to further deteriorate in the second half of the year" because of increases in defence expenditure.

Pakistan and India have deployed over a million troops on their border in a tense stand-off that shows no sign of easing.

The stand-off was sparked after India blamed Pakistan-based Islamic militants for a bloody December attack on its parliament in New Delhi.

"We expect the overall fiscal deficit to exceed 5.5 per cent of GDP," it said. Last year the fiscal deficit stood at 5.3 per cent. The trade deficit was expected to be around \$1.3 billion for fiscal 2001/02 against \$1.5 billion last year.

The report said improved investor confidence, increased access to European Union markets and rescheduling of debts were likely to have medium and long-term benefits for Pakistan's economy.

"If the government continues to pursue sound macroeconomic policies and to implement the planned economic and governance reforms, it could fairly quickly achieve rapid and sustainable economic growth and poverty reduction," the update said.



PHOTO: AFP

An Indonesian man carries bundles of rupiah notes at Indonesia's central bank in Jakarta yesterday. The rupiah, which traded at 9,350-9,360 to the dollar by mid-day compared to last month's range of 9,790-9,820, has strengthened due to an increase in sales volume on the Jakarta Stock Exchange.

Japan to push for free trade with Australia

REUTERS, Canberra

Japanese Prime Minister Junichiro Koizumi said he will be pushing for a free trade pact with Australia during a visit next week to reinvigorate a stagnant trading relationship.

His comments were welcomed by Canberra which wants to correct a lopsided relationship with its largest trading partner and number one export market.

The removal of barriers could free up access to the world's second largest economy, particularly for Australia's farmers who have long complained that Japan's domestic agricultural subsidies hamper export opportunities.

"I believe we should aim at a free trade agreement between our two countries," Koizumi told a briefing of Australian journalists in Tokyo, reported on Friday.

"Japan is the largest importer for Australia and today we enjoy very good relations mutually and we wish to further expand such a relationship."

Koizumi, who also foreshadowed his wish to develop greater security ties between the two countries, is expected to visit Australia on April 30 for talks with Australian Prime Minister John Howard.

A spokeswoman for Howard said Koizumi's programme had yet to be

confirmed.

Both nations are keen to re-energise the two-way A\$39 billion trade flow to counter talk of a regional trade pact among the Association of South East Asian Nations (ASEAN) and Australia's increasing focus on the United States for trade and investment.

Growth in Australia's exports to Japan has failed to keep pace with those to other countries.

The United States, which is already Australia's number one source for imports, is threatening to take over as Australia's primary trade partner and in terms of services has already opened a wide lead over Japan in exports to and imports from Australia.

Koizumi made it clear that Australia was part of his plans for an East Asian trade and economic block which would include Japan, China, South Korea and the ASEAN nations.

"I believe that the sort of comprehensive partnerships should encompass not just Japan and ASEAN, but Australia and New Zealand as well," he told reporters.

"In fact in numerous areas we see cooperation between Japan and Australia expanding."



SHIPPING

Chittagong port

Berth position and performance of vessels as on 25.04.2002.

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Imprt discp
J/2	Hala	Rice(P)	Kake	Litmond	1/4	26/4	850
J/3	Pinya	Rice(P)/Gi	Yang	BNSShip	11/4	30/4	713
J/4	Golden Gemni	GI(S Ash)	Porb	Sunshine	18/4	26/4	1218
J/5	Amanat Shah	GI (S Ash)	Col	CLA	17/4	27/4	-
J/8	Min Jiang	GL	-	BdShip	R/A	26/4	-
J/11	Banga Bijoy	Cong	Hald	Baridhi	25/4	28/4	(261/4)
J/12	Perak	Cont	Sing	Pil(BD)	23/4	28/4	407/32
J/13	Banga Lanka	Cont	-	Lams	R/A	-	33/X
CCT/1	QC Dignity	Cont	P.Kel	QCSL	23/4	26/4	365/X
CCT/2	QC Teal	Cont	P.Kel	QCSL	23/4	27/4	194/13
CCT/3	Banga Bonik	Cont	P.Kel	BdShip	22/4	26/4	226/67
GSJ	Banglar Kallol	Wheat(G)	Mong	Lams	25/4	27/4	-
TSP	Triumph Hongkong	Feldspar	Viza	RML	19/4	26/4	-
RM/6	Dailong	HSD	Sing	ECSL	21/4	26/4	-
DDJ/2	Safinza	Repair	Yang	Royal	5/4	30/4	-
RM/9	Banglar Robi	Repair	Sing	BSC	20/4	27/4	-
RM/10	Banglar Jyoti	Repair	-	BSC	R/A	28/4	-
Kafoo (U)Sea Riches	Urea	Sing	Everett		20/4	27/4	-

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Pyrrhios	25/4	-	RSSHIP	Demolition	-
Britoli-32	25/4	Sing	Arafeen	P.Materials	-
QC Honour(Cont)13/4	25/4	P.Kel	QCSL	Cont	P.Kel
Banga Biraj (Cont)15/4	25/4	P.Kel	BdShip	Cont	Sing
Blue Fortune	26/4	Sing	PSAL	C.Clink	-
KS Glory	26/4	Kohsi	ASLL	C.Clink	-
Banglar Moni (Cont)16/4	26/4	Sing	BSC	Cont	Sing
Ocean Queen	26/4	-	PSAL	C.Clink	-
Boxer Capt Cook (Cont)16/4	27/4	P.Kel	PSSL	Cont	Sing
Jaame (Cont)16/4	27/4	Hald	Everbest	Cont	Col
Kuo Hsiung (Cont)18/4	27/4	P.Kel	QCSL	Cont	Sing
Sinhai (Cont)13/4	27/4	Sing	BSC	Cont	Mong
Triumph Mumbai	2/5	Sing	RML	GI(P.Equip)	-
African Addax	27/4	-	JF	Scraping	-
Banglar Mars (Cont)22/4	29/4	Sing	BSC	Cont	Sing
Kota Benjaya(Cont)18/4	29/4	-	Pil(BD)	Cont	Sing
Banglar Mookh	29/4	-	BSC	R.Sulph	-
Konlink(Cont)23/4	29/4	Sing	NOL	Cont	-
Jaya Mars (Cont)18/4	30/4	-	Everbest	Cont	Coll
Virginia (Liner)	30/4	-	Prog	GI(St. & Pader)	-
Dawei (Liner)	30/4	-	Everett	GI(St.C)	-
Kota Singa (Cont)18/4	1/5	-	Pil(BD)	Cont	Sing
Mar Dios (Cont)21/4	1/5	P.Kel	RSL	Cont	Sing
QC Lark (Cont)21/4	1/5	P.Kel	QCSL	Cont	P.Kel
Orient Feeder (Cont)23/4	2/5	Sing	PSSL	Cont	Sing
Banga Barta (Cont)23/4	3/5	-	Baridhi	Cont	Col
Kota Naga (Cont)23/4	4/5	Sing	Pil(BD)	Cont	Sing
Banga Birol (Cont)23/4	5/5	-	BdShip	Cont	-
Consistence (Cont)24/4	5/5	-	PSSL	Cont	Sing
Ivory Ace (Roro)24/22/4	4/5	-	IF	Vehi	-
Achiever (Cont)20/4	6/5	-	RSL	Cont	Sing
Banga Borai(Cont)22/4	8/5	-	BdShip	Cont	Sing
Xpress Manslu (Cont)18/4	10/5	P.Kel	RSL	Cont	Sing

Tanker Due

Pranadya Dwitya	26/4	Sing	CTPL	F.Oil	-
Tank Oil	27/4	-	Rainbow	CPO	-
Hesiod	27/4	Haldia	MBL	Ammonia	-
Ding An Hai	27/4	-	H&H	-	-
Bro Albert	27/4	Sing	MSTPL	Sko+P-1	-

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)
Liberty Sea	Wheat (P/G)	Sing	Lams	23/4
Banglar Gourab	Wheat(G)	-	Lams	R/A(22/4)

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

STOCK