

## Indian airlines hope for savings after lifting of airspace ban

AFP, New Delhi

Provided Islamabad reciprocates, India's airlines stand to make huge savings following New Delhi's decision to lift a ban on overflights from Pakistan, airline officials said Tuesday.

"We hope (Islamabad) will lift the ban by today. If we get it, the duration of all our west-bound flights will be reduced," Air India spokeswoman Rohita Jaidka told AFP.

"We had to go south of Pakistan which was adding 45 minutes to an hour to our flying time," she added. "This was naturally having financial implications."

Airline sources said the ban, imposed in December following an attack on India's parliament New Delhi blamed on Pakistani-based militants, had caused Air India a loss of about 20 million rupees (five million dollars) in the first three months of this year alone.

Jaidka said that apart from west-bound flights to the United States and Europe, the ban had added 15 to 20 minutes to flights to the Gulf.

Air India flies 11 west-bound and 80 Gulf-bound flights every week -- the backbone its operations.

India lifted the overflight ban on Pakistani aircraft with immediate effect Monday after acknowledging

a reduction in infiltration of Islamic militants into disputed Kashmir, the issue at the core of the India-Pakistan crisis.

The ban was imposed after the suicide attack on the Indian parliament, after which relations between the bitter nuclear-armed rivals reached a dangerous low.

Pakistan had quickly responded with a similar ban on Indian flights.

Aviation sources said India's other main carrier, Indian Airlines, would also gain immensely because it has a large international network in addition to its vast domestic operations.

"Our flights have been taking half an hour to 40 minutes longer to Gulf countries since the ban was imposed by Pakistan," an Indian Airline official, who did not want to be identified, told AFP.

He said Indian Airline's Gulf-bound flights make up 60 per cent of its overseas operations and therefore the decision would have significant impact.

The ban cost the airline 40 million to 50 million rupees (10 million to 12 million dollars) just in the first three months of this year.

## EU steel retaliation flouts rules: US

AFP, Washington

The United States hit back Monday against a European Union threat to retaliate tit-for-tat against its steel tariffs, saying such action would flout trade rules.

"The United States has made its position clear: unilateral retaliatory sanctions violate the rules," Assistant US Trade Representative Josette Shiner said in a statement.

"We again urge the EU to resolve disputes through the WTO."

Earlier, in Luxembourg, foreign ministers of the 15-nation European Union threw their collective support behind a European Commission threat to retaliate against the tariffs.

They unanimously approved a strategy drafted by EU Trade Commissioner Pascal Lamy to challenge the three-year steel tariffs of eight to 30 per cent, announced by US President George W. Bush three months ago.

Europe is threatening to impose 100-per cent tariffs on a selected list of US-made steel products, fruit juices, garments and gaming equipment -- tariffs that could be implemented as early as July.

The European Union and other US trading partners, including Japan and China, have already asked the WTO to rule on the legality of the so-called "safeguard" tariffs on US steel imports.

Bush, whose Republicans face mid-term Congressional elections in November, has said the tariffs -- which do not apply to Canadian steel -- are needed to protect ailing US steel mills and their workers.

His administration argues that the US steel tariffs fall within World Trade Organization rules that allow countries to safeguard threatened industries from damaging imports.

The United States says it has scrupulously followed the WTO rules.

Washington also has balked at Brussels' demands for compensation to EU steelmakers. Instead it offered last Friday to exempt 61 different kinds of EU steel products from the safeguard tariffs.

The proposed EU retaliatory action is estimated to reap 626 million euros (595 million dollars) -- equivalent to the amount that the United States is earning from its tariffs on EU steel.

## WTO membership helps forge stability: Moore

AFP, Zagreb

WTO chief Mike Moore opened a two-day meeting here Tuesday on how to help 18 central and south-eastern European countries take advantage of membership of the world trade body.

"WTO membership and trade liberalisation can help to foster prosperity, stability and peace,"

Moore, the director-general of the World Trade Organisation, said in his opening speech.

Ministers and high-level officials from the 18 countries -- not all of them fully-fledged WTO members -- are attending sessions designed to help them make the most of the WTO.

Moore said that creating a successful market economy in transi-

tion economies was a "daunting challenge" but added that membership could help lock in liberal economic reforms.

"Trade liberalisation creates jobs and growth, and people who profit from trading with each other develop and build stability and understandings at every level," the former New Zealand prime minister said.

## Japan to decide on tax cuts Monday: LDP

AFP, Tokyo

Leaders of Japan's ruling coalition will meet on June 17 to decide whether to implement tax cuts earlier than planned during the current fiscal year to boost the economy, a key lawmaker said Tuesday.

But Prime Minister Junichiro Koizumi believes tax cuts should not be implemented until the next fiscal year beginning in April next year, said Taku Yamasaki, secretary-general of the ruling Liberal Democratic Party (LDP).

"I believe at the gathering they will formally decide on the government's second round package of anti-deflationary measures, including tax reforms," Yamasaki told reporters after an LDP executive board meeting.

Japan's financial authorities have said they will draw up plans for tax cuts as part of measures to try to drag the economy out of a decade-long slump.

In a separate press briefing, Finance Minister Masajuro Shiokawa said the ministry may consider early tax cuts if this would promote growth.

"I will explain the Japanese tax reforms at the coming G7 (Group of Seven richest nations) meeting, stressing our serious consideration of immediate tax reforms if they are needed to help the economy in the short-term," he said.



PHOTO: FINLAY TEA

A Finlay Tea sales meeting organised by Brand Marketing Department of James Finlay Limited in cooperation with J Ahmed & Co, a distributor of the company, was held in Barisal recently. Photo shows participants of Finlays sales team at the meeting.

## CURRENCY

Following is yesterday's foreign exchange rate statement by Standard Chartered Bank

Sell	Currency	Buy	TT Clean	OD Sight Doc	OD Transfer
58.5500	58.5800 USD	57.4000	57.2314	57.1629	
55.7689	55.7975 EUR	53.6977	53.5400	53.4759	
86.0568	86.1009 GBP	83.4022	83.1572	83.0577	
33.8009	33.8182 AUD	32.1899	32.0954	32.0570	
0.4726	0.4728 JPY	0.4576	0.4562	0.4557	
37.7498	37.7692 CHF	36.6469	36.5392	36.4955	
6.0610	6.0641 SEK	5.8514	5.8342	5.8272	
38.2730	38.2926 CAD	37.1089	36.9999	36.9556	
7.5139	7.5178 HKD	7.3524	7.3308	7.3220	
32.8600	32.8769 SGD	31.9368	31.8430	31.8049	
16.0724	16.0806 AED	15.5026	15.4571	15.4386	
15.7376	15.7456 SAR	15.1852	15.1406	15.1225	

Exchange rates of some currencies against US dollar						
Indian Rupee	Pak Rupee	Lankan Rupee	Thai Baht	Nor Kroner	NZ Dollar	AUD
49	60.125	96.27	42.310	7.8860	0.4877	0.56905

The local interbank foreign exchange market was active on Tuesday. Demand for dollar was steady. 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 was steady today. It lost ground against euro by a little margin and also against yen but it showed little gain against some other currencies. Euro was strong and bullish today. Fear of intervention by Bank of Japan was present in the market.

At 1545 hours on Tuesday, euro traded at 0.9458/62 against dollar, pound sterling at 1.4649/51 and yen traded at 124.7479 against US dollar.

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## SHIPPING

Chittagong port

Berth position and performance of vessels as on 11-6-2002							
Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Imprt disc
J/1	Shun Wfinner	C Clink	Bela	Unique	20/5	12/6	1525
J/2	Ocean Pride	GI(Log)	Yang	PSAL	31/5	13/6	730
J/4	New Auspicious	WT/D/PIRS	Sing	Litmond	28/5	16/6	1872
J/5	Fortune Australia	GI(DP)	Sing	Litmond	26/5	14/6	1821
J/6	Hermes (Liner)	GI (HR.C)	Yang	H&SL	8/6	12/6	2862
J/7	Asian Wind (Liner)	GI (ST.P)	Yang	H&SL	7/6	11/6	2114
J/9	Summer	C Clink	Krabi	NWSL	1/6	13/6	3247
J/10	Ra Nam	Sugar	Sing	CCNL	2/6	11/6	208
J/11	Orient Patriot	Cont	P Kel	PSSL	2/6	12/6	-
J/12	Jurong Bauhinia	Cont	Sing	NOL	5/6	12/6	66/X
J/13	Kota Singa	Cont	Sing	Pil (BD)	8/6	13/6	268/6
CT/1	Xpress Resolve	Cont	Sing	RSL	5/6	11/6	1/X
CCT/2	QC Honour	Cont	Pkel	QCSSL	7/6	12/6	-
CCT/3	Banga Barta	Cont	Sing	BD Ship	6/6	11/6	-
RM/15	Banglar Robi	IDLE	Sing	BSC	18/5	-	-
CCJ	CS Valiant	C Clink	Tarj	BSL	8/6	14/6	-
RM/6	Jaladoot	HSD	Mina	ECSSL	6/6	11/6	-
DOJ	Banglar Shourabh	C Oil	K Dia	BSC	R/A	11/6	-
DD	Banglar Mamata	Repair	-	BSC	R/A	15/6	-
RM/8	Banglar Gourab	C Clink	Krabi	OWSL	22/5	15/6	-
RM/9	Banglar Maya	-	-	BSC	R/A	12/6	-
K(U)	Magda	Urea	Mong	MBL	10/6	14/6	-

Vessels due at outer anchorage

Name of vessels arrival	Date of call	L Port agent	Local	Cargo por	Loading
Banga Bijo (Cont) 30/5	11/6	HAL	Baridhi	Cont	Col
Edip Karahasan	11/6	-	Rainbow	Wheat/R Seed	-
Supertec	12/6	Ind	CNL	C Clink	-
Issac Light	16/6	-	PSAL	C Clink	-
Sagaing (48) 1/6	11/6	Cal	Everett	GI (ST.C)	-
Banglar Kallol	13/6	Yang	BSC	GI (Log)	-
Kota Cahaya (Cont) 2/6	13/6	Sing	Pil (BD)	Cont	Sing
Noblexa (Roro/24) 6/6	14/6	P Kel	JF	Vehi	-
Jaami (Cont) 6/6	13/6	-	Everbest	Cont	Col
Xpress Manasu (Cont) 4/6	14/6	P Kel	RSL	Cont	Sing
Kuo Hsiung (Cont) 4/6	14/6	P Kel	ACSL	Cont	Sing
Oriental Queen	15/6	Sing	Unique	C Clink	Sing
Banglar Mori (Cont) 9/6	15/6	Sing	BSC	Cont	Sing
Banga Biraj (Cont) 6/6	16/6	-	BD Ship	Cont	Sing
Mardos (Cont) 6/6	16/6	P Kel	RSL	Cont	Sing
Paragon Pescadores (liner)	16/6	-	Everett	GI (ST.C)	-
Consistence (Cont) 6/6	16/6	-	PSSL	Cont	Sing
Orance Breeze (Roro/24) 10/6	16/6	Sing	Everett	Vehi	-
QC Teal (Cont) 10/6	17/6	P Kel	QCSSL	Cont	-
QC pintal (Cont) 4/6	18/6	P Kel	QCSSL	Cont	Sing
QC Lark (Cont) 8/6	18/6	P Kel	QCSSL	Cont	P Kel
Banga Lanka (Cont) 9/6	26/6	Sing	Pil (BD)	Cont	Sing
ota Berjaya (Cont) 8/6	19/6	Sing	Pil (BD)	Cont	Sing
Phumy (Cont) 6/6	19/6	-	PSSL	Cont	Sing
Kengung (liner)	19/6	-	Everett	GI (ST.C)	-
Asimont (Cont) 10/6	20/6	-	Seabome	Cont	Sing
Kota Naga (Cont) 8/6	21/6	Sing	Pil (BD)	Cont	Sing
Win Song	22/6	B ABB	RKship	Bitumen	-

Tanker due

MM Jackson	11/6	Bela	MTCL	CPO	-
Sun Emerald	12/6	Mala	BSL	CPO	-

Vessels at Kutubdia

Name of Vessel	Cargo	Last port call	Local Agent	Date of Arrival
Dea Captain	-	-	Arafeen	R/A (28/1)
Danat Qatar	C.Oil	Rast	SS	6/6
Banglar Jyoti	C.Oil	-	BSC	R/A (10/6)

Vessels at outer anchorage/Ready on

Oriental Freedom (Cont)	cont	P Kel	PSSL	9/6
Banga Bonik (Cont)	Cont	P Kel	BD Ship	9/6
Clover Star	GI (St. PA)	Osaka	Prog	9/6

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

## STOCK