

# Bush signs corporate law, vows crackdown on wrongdoers

AFP, Washington

All-to-aware of the political fallout of recent accounting scandals plaguing the US market, US President George W. Bush Tuesday signed into law sweeping corporate accountability reform, vowing a crackdown on executives who defraud investors.

In the elaborate White House ceremony, as the bill's co-sponsors, Democratic Senator Paul Sarbanes and Republican Representative Michael Oxley, looked on, Bush said the "tough" new law will allow the government to "act against those who have shaken confidence in our markets." Glaringly absent, however, were representatives from the top echelons of corporate America.

"This law says to every dishonest corporate leader: You'll be exposed and punished," Bush said in prepared remarks.

"The era of low standards and false profits is over. No board room in America is above or beyond the law."

The US markets have shuddered under the collective weight of a string of accounting scandals at some of the country's top companies as well as a softening economy, which was officially in recession for several months of 2002.

After hasty debate, both houses of the bicameral US Congress resoundingly passed the legislation, hoping to stave off future scandals such as those which have rocked companies from Arthur Andersen to Xerox, with Enron, Global Crossing and WorldCom in between.

The new Corporate Auditing Accountability law establishes an independent board to set standards and discipline auditors of public companies, to be overseen by the Securities and Exchange

Commission.

Corporate executives will be required to accept responsibility for the accuracy and veracity of their companies' financial reports, and will be made to disclose, in real time, anything that could impact a company's financial health.

The law will also demand that corporations contribute to accounts that will return funds to investors who have lost money in the markets as a result of corporate wrongdoing.

Stiffer criminal penalties -- up to 20 years in prison -- for corporate executives convicted of wrongdoing, were also included.

Omitted from the bill, despite lobbying by Democrats, was the listing of corporate stock options among company expenditures. The common practice has been cited by many analysts as the basis for much of the questionable accounting revealed by errant corporations.

The White House has billed the legislation as the most "far-reaching reforms of American business practices since the time of Franklin Delano Roosevelt."

"For the sake of our free economy, those who break the rules of fairness, those who are dishonest, however wealthy or successful they may be, must pay a price," Bush said.

Even as he signed the bill into law, the US markets, after a spectacular rally Monday, swung lower, amid news that consumer confidence plunged for a second-straight month, to a level worse than expected by Wall Street analysts.

The president, however, continued to insist on the strength of the US economy.

"The American economy is more diverse and more innovative than ever before," he said.

## Questions about ties with Enron Merrill's Tilney, former colleague refuse to testify

AFP, Washington

A Merrill Lynch investment banker and a former colleague invoked their Fifth Amendment rights Tuesday before a congressional panel to avoid answering questions about Merrill's banking ties to Enron Corp.

Schuyler Tilney, who has been placed on leave by Merrill Lynch and former colleague Robert Furst appeared at a Senate's Permanent Subcommittee on Investigations hearing on several financial transactions Merrill conducted with Enron.

Lawmakers on the subcommittee, chaired by Senator Carl Levin, contend that Merrill's deals with the bankrupt energy trader helped Enron hide loans off its balance sheet from unknowing investors, but Merrill has strenuously denied these claims.

Tilney -- who is married to former

Enron executive Elizabeth Tilney -- was suspended by Merrill on Friday after he informed his employer that he was not willing to testify before the panel although he has participated in informal interviews with subcommittee staff prior to the hearing.

The subcommittee issued subpoenas against both men on Friday.

Some media reports have suggested that a deal Furst oversaw for Merrill, involving electricity-generating barges located in Nigeria, is currently the subject of a criminal probe by the Justice Department.

Furst left Merrill in February.

Kelly Martin, president of Merrill's International Private Client group about the company's transactions with Enron, had agreed to testify before the panel.



## SHIPPING

### Chittagong port

Berth position and performance of vessels as on 31.7.2002.

Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disc
J/2	Amalfi	GYP/Lime	Krabi	OLM	19/7	4/8	1156
J/3	Mercs Kirinda	Sugar (P)	Col	RSA	9/7	31/7	1183
J/5	AA Venture	GI	Ind	CLA	24/7	1/8	301
J/6	Xpress Renown	Cont	Hald	Everbest	27/7	31/7	134/405
J/7	Kota Naga	Cont	Sing	Pil (BD)	28/7	1/7	316/16
J/8	Kuo Hsiung	Cont	P Kel	QCSSL	27/7	-	182/313
J/9	Oriental Queen	C Clink	Sing	Unique	25/6	-	X
J/10	Kota Berjaya	Cont	Sing	Pil (BD)	22/7	31/7	-
J/11	Banglar Robi	Cont	Sing	BSC	14/7	1/8	40/360
J/12	Banga Borat	Cont	Sing	BDSHIP	28/7	2/8	151/452
J/13	Xpress Resolve	Cont	Col	Everbest	25/7	31/7	224/264
CCT/1	Banga Bonik	Cont	Col	Baridhi	26/7	31/7	163/394
CCT/2	Asimont	Cont	P Kel	Seaborne	25/7	2/8	295/4
CCT/3	QC Honour	Cont	P Kel	QCSSL	24/7	31/7	212/625
RM/6	Dai Long	SKO/JP-1	Sing	MSTPL	29/7	1/8	-
DD	Banglar Kallol	Repair	Yang	BSC	13/6	3/8	-
DDU/1	Dea Captain	Ballast	Sing	Arafeen	29/7	-	-
RM/9	Banglar Gourab	Repair	Krabi	BSC	22/5	2/8	-
RM/10	Banglar Jyoti	Repair	-	BSC	R/A	5/8	-
K(U)	Hang Cheung	Urea	-	MBL	RA	2/8	-
BB	Pai Hai Jun No 2	Ballast	Taiw	Transglobal	6/7	-	-
BB	Deep Sea-02	Ballast	Bank	SRL	24/7	-	-
BB	Hartford-10	Ballast	Bank	SRL	24/7	-	-

### Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Phumy (Cont) 20/7	31/7	P Kel	PSSL	Cont	Sing
Banga Lanka (Cont) 8/7	1/8	Hai	Baridhi	Cont	Col
Banga Biraj (Cont) 21/7	1/8	P Kel	BDSHIP	Cont	Sing
Ocean Pride	31/7	Yang	PSAL	GI (R Log)	-
Handy Jade	31/7	Tarb	BSL	C Clink (CCJ)	-
Alice (48) 23/7	4/8	Yang	H&SL	GI (Hr Coil)	-
Walter	1/8	Sing	OTBL	Demolition	-
QC Dignity (Cont) 21/7	2/8	P Kel	QCSSL	Cont	Sing
Jaami (Cont) 25/7	2/8	Col	Everbest	Cont	Col
QC Lark (Cont) 23/7	3/8	P Kel	QCSSL	Cont	P Kel
Amalia	2/8	Avon	RSA	GI (St Scrap)	-
Kota Chaya (Cont) 25/7	3/8	Sing	Pil (Bd)	Cont	Sing
Banga Bijoy (Cont) 25/7	5/8	CBO	Baridhi	Cont	Col
Xpress Manaslu (Cont) 25/7	3/8	P Kel	RSL	Cont	Sing
Kota Singa (Cont) 20/7	4/8	Sing	Pil (Bd)	Cont	Sing
Yong Jiang (Liner)	3/8	-	BDSHIP	GI	-
QC Teal (Cont) 21/7	5/8	P Kel	QCSSL	Cont	Sing
Jaya Mars (Cont) 25/7	5/8	Sing	RSL	Cont	Sing
Banga Birol (Cont) 27/7	6/8	-	BDSHIP	Cont	Sing
Kuo Hung No 808	7/8	Sing	OTBL	Demolition	-
QC Pintail (Cont) 21/7	7/8	P Kel	QCSSL	Cont	Sing
Shun Cheng (Liner)	8/8	Yang	Everett	GI (St C)	-
Orient Patriot (Cont) 29/7	8/8	-	PSSL	Cont	Sing
Consistence (Cont) 28/76	9/8	-	PSSL	Cont	Sing

### Vessels at outer anchorage

#### Ready on

Banglar Moni (Cont)	Cont	Sing	BSC	28/7
Orient Freedom (Cont)	Cont	P Kel	PSSL	29/7
Gaz Millennium	Ammonia	Hald	MBL	31/7

### Vessels awaiting instruction

Banglar Shourabh	-	-	BSC	R/A (27/7)
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### Movement of vessels for 1.08.2002

Outgoing	Incoming	Shifting
J/5 AA Venture	J/11 Phumy	
J/9 O Queen	J/1 O Pride	
J/11 B Robi	J/5 B Doot	
RM/6 Dailong		
K(A) Gaz Millennium		

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

## US consumer confidence plunges again

AFP, Washington

US consumer confidence in July plunged for a second-straight month, as stock market declines and a string of corporate accounting scandals took their toll, the Conference Board said Tuesday.

The index, which is based on a survey of a representative 5,000 US households, hit 97.1, down sharply from 106.3 last month. It is at its lowest level since February of this year.

The July decline was larger than expected, as Wall Street analysts forecast a decline to 102.4.

"The continued decline in the value of stock market portfolios, coupled with ongoing reports of corporate scandals, have taken a toll on consumer confidence," said Lynn Franco, the director of the board's Consumer Research Center.

"The erosion in consumer confidence represents a significant deterioration in consumer attitudes," Franco added in a statement.

# Uruguay suspends banking as financial crisis hits home

AFP, Montevideo

Uruguay declared a 24-hour suspension of banking operations to prevent a run on banks and the depletion of central bank reserves, as the South American nation is buffeted by the financial crisis in neighboring Argentina.

Uruguayans, jittery since Argentine bank deposits were frozen in December, stampeded to automatic teller machines Tuesday only to find they were not working.

The rare move comes after the government injected 114 million dollars to shore up the Banco Montevideo-Caja Obrera on June 21.

The Uruguayan Central Bank had reserves on Friday of 725 million dollars, down 76.61 per cent from the 3.1 billion dollars it had on December 31, 2001.

"Basically, what we're doing is waiting," new Economy Minister Alejandro Atchugarry said after making the surprise announcement

Tuesday.

Atchugarry, who succeeded Alberto Benson after he resigned last week, said National Planning and Budget Director Ariel Davrieux was in Washington seeking a new disbursement of funds from the International Monetary Fund.

While the initial announcement was for a 24-hour suspension, top government officials quoted by Teledoce television channel late Tuesday said the banking suspension would be extended at least until Friday.

The officials also said the government was planning to restructure the entire state-run banking system. Meanwhile, the United States said it was trying to help Uruguay overcome its present crisis.

"The US government is in close consultation with the Uruguayan authorities and the IMF regarding a comprehensive solution to the recent economic difficulties," the US Treasury Department said in a statement.

In the context of such a solution, the United States "stands ready to support additional assistance for Uruguay from the IMF and other international institutions," the Treasury said.

Uruguay "has been a strong performer" in Latin America, "and deserves the ongoing support of the international financial community for its commitment to sound economic policy," the statement said, making no specific reference to the bank holiday.

Uruguay has been buffeted by Argentina's four-year recession, the devaluation of its peso by 70 per cent and the default on payments on 141 billion dollars of its sovereign debt in December.

The IMF disbursed 460 million dollars to Uruguay in June, which vanished in a matter of 15 days as Uruguay moved to prop up banks and the peso and to service its debts. Analysts expect the fund will send another 650 million dollars in August.

## CURRENCY

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

Sell	Currency		Buy		
TT/OD	BC		TT Clean	OD Sight Doc	OD Transfer
58.5500	58.5800	USD	57.8050	57.6352	57.5662
58.5383	58.5683	EUR	56.0304	55.8658	55.7989
92.8720	92.9196	GBP	89.9099	89.6458	89.5385
32.5187	32.5353	AUD	31.1511	31.0596	31.9224
0.4918	0.4921	JPY	0.4793	0.4779	0.4773
39.9522	39.9727	CHF	38.6785	38.5649	38.5187
6.2795	6.2827	SEK	6.1001	6.0822	6.0750
37.3811	37.4002	CAD	36.5092	36.4020	36.3584
7.5141	7.5180	HKD	7.4036	7.3818	7.3730
33.3314	33.3485	SGD	32.6287	32.5329	32.5475
16.0724	16.0806	AED	15.6120	15.5661	15.5475
15.7376	15.7455	SAR	15.2923	15.2474	15.2292

### Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	AUD
46.675	60.15	96.315	41.955	7.5954	0.4693	0.54715

The local interbank exchange market was active on Wednesday. Demand for dollar was steady. Demand for BDT for overnight borrowing at call steady and the call money rate ranged between 3.5 and 4.00 per cent for the day.

Dollar lost is momentum against the yen and fell below the 120 level. Increased hedging by Japanese exporters against future volatility was attributed as the primary reason behind the slide of the dollar. Sterling got stronger against the euro and reached to a two month high. The market players are presently awaiting key US economic data of 2nd quarter GDP of US while the sterling got weaker against the greenback and fell down by a third of a per cent.

At 1545 hours on Wednesday, euro traded at 0.9794/97 against dollar, pound sterling at 1.5656/63 and yen traded at 119.92/96 against US dollar.

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## STOCK