

Chinese GDP grows 7.8pc in first half

REUTERS, Beijing

China's economy grew 7.8 per cent in the first half of 2002 compared with a year earlier, well ahead of the government's seven per cent target for the full year, the State Statistical Bureau said yesterday.

The crackling growth, spurred by strong jumps in exports and foreign direct investment, put China well on track to meet a growth target the leadership deems crucial to absorbing growing ranks of unemployed as

the state sector is overhauled.

Gross domestic product, or GDP, in Asia's star performer was 4.55 trillion yuan (\$549.8 billion) in the January to June period, the bureau said. First half growth was broadly in line with analyst expectations of a rise of at least 7.5 per cent.

The bureau said the economy grew eight per cent in the second quarter, picking up from 7.6 per cent in the first quarter and a relatively sluggish 6.8 per cent in the final quarter of last year.

"Many indicators were better than forecast and the overall national economy performed quite well," said Qiu Xiaohua, deputy director of the state statistical bureau.

"Just like the trend of hot weather outside, the Chinese economy is picking up now and is quite hot," Qiu told a news conference, referring to a heat wave that has gripped Beijing in the last week.

Thai banks' profits to show steady recovery: Analysts

AFP, Bangkok

Thai banks' second-quarter results to be released this week will show the sector making a slow and steady recovery from the devastating 1997 Asian financial crisis, analysts said Monday.

But they warned that although the massive provisions for bad loans which have splashed red ink over balance sheets for the past few years have tailed off, the underlying picture has not always improved.

"It should be a good quarter,"

said SG Securities analyst Andrew Stotz.

"We probably won't see a lot of negative charges like we have seen in the past," he said. "But we probably won't see any big gains either."

Stotz said banks' interest spreads continued to widen by as much as five basis points over the first quarter, improving profitability, and they were seeing lower operating costs during the three months to June.

Vincent Milton of Fitch Ratings (Thailand) Ltd. also saw improvements at commercial banks during

the quarter.

"Certainly for some of the higher reserve banks you would expect them to show a continuing recovery and underlying profitability on a net basis," Milton said.

"But a boost in profitability by falling provisioning may not be telling an accurate picture," he added.

Thai banks have been mired in debt brought on by the crush of non-performing loans which hit during and after the 1997 financial crisis.

US upbeat on economy

AFP, Washington

Commerce Secretary Don Evans led cheers for the US economic recovery Sunday, highlighting positive economic data with markets on the slide amid deepening concerns over corporate ethics.

"We've had some great, optimistic data come out as to this economy," Evans said on ABC television. "The economy and the stock market always don't go in synch."

"Over the long run, what influences the stock market is a strong economy," added Evans. "And that's what the president is focused on, is a strong economy."

"The recovery looks very healthy right now. The economy grew at 6.1 per cent in the first quarter. Productivity has grown 4.2 per cent over the last year or so. We've had a remarkable, in fact, improvement in productivity in this country over the last 10 years."

QIA holds seminar on ERP-based supply chain management

Quality Institute of America (QIA), a leading consulting and training house in the fields of quality and environmental systems, organised a day-long seminar on Enterprise Resource Planning (ERP)-based supply chain management at the BRAC centre at Mohakhali in the city recently, says a press release.

The seminar was divided into two sessions, the first session was for the CEOs and Top management personnel while the 2nd for the Operational heads.

The resource person of the seminar was Wali Alam, president of Quality Institute of America, USA.

Shahriyar Masud Khan, assistant vice president, QIA-BD, introduced Alam to the participants.

The seminar was attended by 134 participants including 48 CEOs and top management personnel representing a number of leading business houses of the country. The business houses included Rahimafrooz, GMG Group, MGH Group, Prime Group, Nitol Group, Pran Group, Doel Group, Otobi, Apex Footwear, Transcom Group, Quasem Group, Asset Development, Pacific Telecom, Kay & Que, Sena Kalyan Sangstha, Youngone, Fu-Wang Group, New Zealand Milk Products, Bata Shoe, Mobil Jamuna, Novartis (BD) Limited, Holcim Cement and Lafarge Surma Cement.

Lanka expects surge in Indian tourists

AFP, Bangalore, India

Sri Lanka expects tourist arrivals from India to reach their highest level in more than 15 years in 2002 amid a peace process on the island and aggressive promotional offers, officials said Monday.

Some 34,000 Indian tourists visited Sri Lanka in 2001, while during the first six months of this year 32,000 have already visited, said P. Ramanujam, secretary of Sri Lanka's tourism ministry.

"In another six months we expect the figure to almost double. This is the highest we have achieved since 1982 when 90,000 Indians visited our country," Ramanujam told reporters as he inaugurated the first direct flights between India's IT capital Bangalore and Colombo.

He attributed the increase in Indian tourists to special offers launched by SriLankan Airlines, which has offered three night stays at high-end hotels with the purchase of two economy class tickets.

Sri Lankan Tourism Minister Gamini Lokuge said the industry had suffered heavily from the ethnic

bloodshed on the Indian Ocean island, where more than 60,000 people have died in the past three decades.

"We in Sri Lanka after long years of internal disturbances have now begun to see the light at the end of the tunnel," Lokuge said, referring to the peace process that was revived by Prime Minister Ranil Wickremesinghe after he was elected in December.

The Sri Lankan government and Tamil Tiger rebels are expected to hold Norwegian-sponsored talks in Thailand next month.

"Tourism was the industry which suffered the worst during these difficult times," Lokuge said. "We are working hard to achieve not just peace for word sake but long lasting solutions to these problems."

SriLankan Airlines, which is partly owned and fully managed by Emirates airline of Dubai, will operate three flights a week from Bangalore to Colombo. It already operates 30 weekly flights from four other Indian cities.

CURRENCY

Following is yesterday's forex trading 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	
59.0945	59.1248	EUR	56.1831	56.0181	55.9510	
91.8884	91.9355	GBP	88.3329	88.0734	87.9680	
33.3267	33.3437	AUD	31.7250	31.6318	31.5939	
0.5062	0.5065	JPY	0.4897	0.4883	0.4877	
40.0041	40.0246	CHF	38.4564	38.3434	38.2975	
6.3373	6.3405	SEK	6.1122	6.0943	6.0870	
38.4439	38.4636	CAD	37.2727	37.1632	37.1188	
7.5141	7.5180	HKD	7.3518	7.3302	7.3214	
33.7878	33.7851	SGD	32.8206	32.7242	32.6851	
16.0724	16.0806	AED	15.5026	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	AUD
48.75	59.75	96.15	40.940	7.3878	0.4872	0.56095

The local interbank foreign exchange market was active on Monday. Demand for dollar was steady. Demand for BDT for overnight borrowing at call was steady and the call rate ranged between 3.00 and 3.75 per cent for the day.

In the international market, battered US dollar came under renewed attack against the yen in Asian market as lingering worries about corporate America's credibility and weak economic data outweighed fears of possible Japanese intervention. The dollar fell to a new 10-month low of 116.07 against the yen. The euro and GBP also gained an upperhand on dollar in the line with its weakness. Unfavourable consumer confidence data in the USA added fuel to the downward rally of US.

At 1600 hrs, euro traded at 0.9964/68 against dollar, pound starting at 1.5563/67 and yen traded at 119.07/09 against US dollar.

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PHOTO: QIA-BD

Wali Alam, president of Quality Institute of America, presents his paper on "ERP-based supply chain management" at a seminar organised recently by Quality Institute of America. Shahriyar Masud Khan, assistant vice president of QIA-BD, is also seen in the picture.

STOCK