

British industrial data knock recovery hopes

AFP, London

Hopes that the British economy is on the mend after narrowly avoiding recession suffered a setback Monday as figures showed that industrial and manufactured output suffered the biggest monthly fall for over 20 years in June.

At the same time, a survey from the country's leading home-loan provider showed that British house prices soared by 21 per cent in the year to July, the fastest pace for 13 years, limiting policymakers' scope to cut interest rates if needed.

Total industrial output, which includes the oil, water, gas and electricity sectors, slumped by 4.3 per cent in June from May, and by 6.6 per cent from June 2001.

Manufactured output showed a monthly drop of 5.3 per cent in June and an annual slump of 8.3 per cent, denting hopes that the sector is on track to recovery after a year-

long recession.

"Whatever tentative signs of recovery we saw in late spring have all been extinguished," said Commerzbank economist Nick Parsons.

Both monthly falls were the biggest since January 1979, while the annual drops were both the largest since 1981, the office said.

But the National Statistics office cautioned that the figures had been affected by the two extra bank holidays in June for Queen Elizabeth's golden jubilee.

Nevertheless, the size of the falls surprised economists.

Jeremy Batstone, head of research at NatWest Stockbrokers, described the data as "diabolical, albeit mitigated by the impact of the Jubilee weekend."

He added: "The suspicion is that while the jubilee and maybe the World Cup accounted for some lost production it won't have accounted

for all of it.

"It reflects the fact that the UK can't buck the trends in the global economy and might of its own suggest that the monetary policy committee might be encouraged to cut interest rates," he told AFP.

But if that is that case, the latest house price survey from leading home-loan provider Halifax will have made grim reading for the Bank of England's nine-member rate-setting committee.

The house price inflation rate of 21 per cent in July was the highest since June 1989, up from 19.3 per cent in June, though the monthly rate fell to a three-month low of 1.9 from 2.4 per cent in June.

Batstone said the figures "might limit the monetary policy committee's room to manoeuvre if they felt the necessity to cut interest rates."

Sterling slipped to 1.5626 dollars in the wake of the data from 1.5682 late on Friday in New York.

With US economic data showing renewed signs of weakness in the world's largest economy, investors are keeping a close eye on the indicators to see whether the global economy could be heading for a "double dip" slowdown.

Though the British economy did not actually suffer any quarters of negative growth last year, unlike the United States, it came precariously close with two consecutive quarters of zero or near-flat activity.

The British economy showed signs of bouncing back in the June quarter, when it recorded its strongest quarterly growth rate in two and a half years, 0.9 per cent, and an annual pace of 1.5 per cent.

But economists warn that the worst of the recent equity storm would not yet have had time to filter through to the broader economy and the recovery might falter in the third quarter.

Indian cement giant to cut 1,000 jobs

AFP, Bombay

India's leading cement maker, Associated Cement Companies Ltd. (ACC), plans to cut its workforce by around 1,000 in the financial year to March 2003 as part of efforts to reduce costs, a company official said Monday.

To offset the brunt of the economic slowdown seen in the past two years, ACC has been implementing a series of cost cutting and restructuring measures which also

included exiting many non-core operations.

"For the past few years we have been restructuring our operations. One part of it has been manpower rationalising," said Nand Kumar, spokesman of ACC.

"ACC has been able to withstand falling cement prices and high economic pressures only due to its ability to implement various cost cutting measures. Job cuts is just one part of it."



PHOTO: EMIRATES

Photo shows Dermot Mannion, Emirates' chief director of finance, IT & services, Mike Caddy of HSBC, and Husein S Al-Meeza of Dubai Islamic Bank at the signing ceremony of a financial deal recently.

US, IMF, WB, IDB confirm Uruguay rescue package

AFP, Montevideo

The United States agreed Sunday to provide Uruguay with a 1.5 billion dollar bridge loan to enable its banks to reopen Monday, while top officials from the IMF, World Bank and IDB said they would announce an increase in support later in the week.

Washington has agreed to "up to 1.5 billion dollars in short-term bridge financing...to Uruguay's central bank during the brief period until international financial institution loans are disbursed," US Treasury Secretary Paul O'Neill said in a statement from Brasilia.

O'Neill arrived in Brazil Sunday on the first leg of a trip that will also take him to Argentina and Uruguay, the countries hardest-hit by South America's growing economic crisis.

"We are confident that this enhanced program will help

Uruguay address the intense external pressures it has faced in recent months. This confidence stems from the extraordinary actions and commitments by the Uruguayan authorities to address these pressures," he said.

The US announcement came after a joint statement from International Monetary Fund, World Bank and Inter-American Development Bank officials stating they will increase aid to Uruguay from the three institutions by 800 million dollars, taking their overall support from three to 3.8 billion dollars.

They would also accelerate existing disbursements worth 700 million dollars to Uruguay in order to make 1.5 billion dollars available next week, once authorized by their respective boards.

The flurry of activity came after the Uruguayan Congress scram-

bled to approve the Banking System Stability Act, aimed at averting a default on the country's international debt payments and allowing the government to block the withdrawal by account holders of hard currency held in state banks for up to three years.

The bill also sets up a special fund of one billion dollars to reinforce the Uruguayan central bank, and sets aside a further 400 million dollars to help guarantee the activities of three other banks in which the state is involved.

The new legislation, a precondition to the release of new international financial aid and the reopening of the banking system, is likely to be unpopular with the public, who stampeded to ATMs and looted supermarkets when the system was shut down last week.

Emirates gets \$90m loan to buy aircraft

Emirates has signed a US\$90 million Islamic financing agreement for an Airbus A330-200s currently on firm order. The A330 fleet is powered by Rolls Royce Trent 700 Series engines.

The latest financing, a 10-year Islamic lease, was arranged by HSBC's Structured Finance team in Hong Kong, with HSBC Amanah Finance and Dubai Islamic Bank as Islamic structuring advisers.

The Islamic funding is provided by Dubai Islamic Bank, Abu Dhabi Commercial Bank, National Bank of Dubai, HSBC Bank Middle East, Kuwait Finance House and British Arab Commercial Bank at a competitive rate of return as compared with traditional modes of finance.

CURRENCY

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

Sell	Buy				
	TT/OD	BC	Currency	TT Clean	OD Sight Doc
58.5500	58.5800	USD	57.8050	57.6352	57.5662
58.6212	58.5507	EUR	56.0130	55.8485	55.7817
92.8310	92.8786	GBP	89.8868	89.6228	89.5155
32.0093	32.0257	AUD	30.6482	30.5582	30.5216
0.4961	0.4964	JPY	0.4834	0.4819	0.4814
40.0753	40.0958	CHF	38.7823	38.6684	38.6221
6.1502	6.1534	SEK	5.9734	5.9559	5.9488
37.2195	37.2386	CAD	36.3531	36.2463	36.2029
7.5141	7.5180	HKD	7.4038	7.3820	7.3732
33.5511	33.5683	SGD	32.8419	32.7454	32.7062
16.0724	16.0806	AED	15.6120	15.5661	15.5475
15.7376	15.7456	SAR	15.2919	15.2470	15.2288

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	AUD
48.655	59.545	96.25	42.070	7.6565	0.4632	0.53845

The local interbank foreign exchange market was active Monday. Demand for dollar was steady. Demand for BDT for overnight borrowing at call was steady and the call money rate ranged between 3.25 and 3.50 per cent for the day.

SHIPPING

Chittagong port

Berth position and performance of vessels as on 5.8.2002.

Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disc
J/1	Ocean Pride	GI/Maize	Yang	PSAL	31/7	10/8	744
J/2	Amalfi	Gyp/Lime	Krabi	OLM	19/7	6/8	1105-
J/4	Triumph Hongkong	GI (R.Log)	Yanga	RML	4/8	6/8	1048
J/5	Pacific Emerald	GI (Copro)	Sing	Allseas	24/7	10/8	-
J/6	Amalia	GI (ST.SC)	A Von	RSA	2/8	12/8	1901
J/7	Mergui	Rice(P)	Kaki	Mutual	30/7	12/8	370
J/8	Yong Jiang (Liner)	GI	Push	Bdship	5/8	11/8	-
J/9	Orient Queen	C Clink	Sing	Unique	25/6	9/8	1290
J/11	Xpress Manaslu	Cont	P.kel	RSL	5/8	8/8	(464/7)
J/12	Jaami	Cont	Col	Everbest	3/8	7/8	177/34
J/13	Qc Lark	Cont	P.Kel	QCSSL	4/8	8/8	(523/10)
CCT/1	Banga Biraj (Flag)	Cont	P.Kel	BD Ship	1/8	6/8	245/X
CCT/2	QC dignity	Cont	P.Kel	QCSSL	2/8	6/8	69/X
CCT/3	Kota Cahaya	Cont	Sing	Pil (Bd)	3/8	7/8	256/91
CCJ	Handy jade	C Clink	Sing	BSL	31/7	8/8	-
RM/4	Pranedya	F.Oil	Sing	CTPL	5/8	6/8	-
DD	Banglar Kallol	Repair	Yang	BSC	13/6	7/8	-
RM/9	Banglar Shourabh	C Clink	Krabi	OWSL	R/A	10/8	-
RM/10	Banglar Jyoti	Repair	-	BSC	R/A	10/8	-
RM/10	Dredger Gemini	-	Chand	Karna	-	-	-
BB	Paihaj Jun No.2	Ballast	Taiw	Transglobal	6/7	-	-
BB	Deep SEA-03	Ballast	Bank	SRL	24/7	-	-
B	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
Kota Singa (Cont) 20/7	6/8	Sing	Pil (BD)	Cont	Sing
QC Teal (Cont) 21/7	6/8	P.Kel	QCSSL	Cont	Sing
Suisen	6/8	Krab	UML	C.Clink	-
Asteriks	6/8	Van	Mutual	GI(peas)	-
Al Muztuba	7/8	Kak	Cla	Rice(P)	-
Jaya Mars (cont) 25/7	7/8	Sing	RSL	Cont	Sing
Walter	7/8	Sing	OTBI	-	-
Kuo Hung No. 808	7/8	Sing	OTBL	-	-
QC Pintail (Cont) 21/7	7/8	p.Kel	QCSSL	Cont	Sing
Banga Birol (cont) 27/7	9/8	-	Bdship	Cont	Sing
Shun Cheng (Liner)	8/8	Yang	Everrett	GI (ST.C)	-
Orient patriot (Cont) 29/7	8/8	-	PSSL	Cont	Sing
Mardios (Cont) 31/7	9/8	P.Kel	RSL	Cont	Sing
Consistence (Cont) 28/7	9/8	-	PSSL	Cont	Sing
Banglar Mookh	9/8	Pipa	BSC	GI (HR.Coil)	-
Anglar Shikha (Cont) 31/7	9/8	Sing	BSC	Cont	Col
Xpress Resolve (Cont) 3/8	10/8	-	Everbest	Cont	Col
Virginia (Liner)	10/8	-	Prog	GI (St.& Paper)	-
Banga Barta (Cont) 31/7	11/8	-	Baridhi	Cont	Col
Banga Bonik (Cont) 31/7	11/8	-	BD Ship	cont	Sing
Eagle Strength-213 (Cont) 1/8	11/8	-	NOL	Cont	Sing
Brisa Azul (48) 4/8	11/8	-	Everrett	GI(ST.C)	-
Kota Berjaya (Cont) 31/7	12/8	Sing	Pil (BD)	Cont	Sing
QC Honour (Cont) 31/7	12/8	P.Kel	QCSSL	Cont	Sing
Kuo Hsiung (Cont) 3/8	12/8	P.Kel	QCSSL	Cont	Sing
Orient Freedom (Cont) 3/8	13/8	-	PSSL	Cont	Sing
Kota Naga (Cont) 31/7	14/8	Sing	Pil (BD)	Cont	Sing
Banga Borat (Cont) 3/8	14/8	-	BD Ship	Cont	Sing

Tanker due

Eagle Aries	8/8	Mina	ECSL	HSD
Name of vessels	Cargo	Last Port call	Local agent	Date of arrival

Vessels at Kutubdia

DEA Captain	-	-	Arafeen	R/A (1/8)
Sabine Eagle	CDSO	Darb	H&H	27/7

Vessels at outer anchorage

Ready On	Cont	Chen	Baridhi	5/8
Banga Bijoy (cont)	Cont	Chen	Baridhi	5/8

Vessels not ready

Feng	GI(Y Pe)	Rouen	Mutual	26/7
Banglar Doot	Sugar (P)	Tuti	BSC	28/7

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

STOCK