

Congress issues subpoena for Citigroup records

Probe into the firm's handling of hot new stock floats in late 1990s

AFP, Washington

Congressional investigators said Tuesday they had issued a subpoena for documents from Citigroup as they probed its handling of hot new stock floats in the late 1990s.

The House of Representatives financial services committee is looking into allegations that Citigroup funnelled shares in lucrative floats to executives in telecommunications companies to win their business.

It is looking in particular at allegations involving Citigroup's relations with now-bankrupt telecoms group WorldCom Inc.

"The House of Representatives financial services committee today issued and served a subpoena to Citigroup Inc., demanding further documents detailing any purchase or acquisition of initial public offering (IPO) shares by WorldCom executives of companies underwritten by Salomon Smith Barney since 1996," it said in a statement.

Citigroup is the parent company of Salomon Smith Barney.

The committee also is investigating the role of Citigroup's telecommunications analyst Jack Grubman, whose frequently issued bullish assessments of telecom stocks.

The House of Representatives said Grubman had testified that he could not recall whether WorldCom executives were provided special access to IPOs. "But I cannot categorically say it did not happen," he was quoted as saying.

The committee said last week it had received "an incomplete response" from Citigroup to its request for information about the way shares of new floats were allocated.

It had asked Citigroup to hand over internal documents late last month.

Committee chairman Michael Oxley has said the panel was investigating whether favouritism was shown to Grubman clients by granting them access to shares in IPOs.

He said projections by the International Air Transport Association (IATA) showed that air traffic would continue to decline until 2003. Even when traffic starts picking up, it will take more than a year to return to pre-September 11 levels.

Crisis for airlines to last till '04

AFP, Manila

A crisis of overcapacity and financial losses will haunt the world's airlines at least until 2004 by which time several more will likely have gone bust, an aviation economist said Wednesday.

The crisis was caused by the abrupt liberalization of the industry and the September 11 terror attacks aggravated the situation, said Rigas Doganis, chairman of the Brussels-based European Aviation Club.

"Liberalization has made it more difficult to be profitable because of overcapacity," Doganis said in a speech to businessmen in the Philippine capital.

Doganis, who has acted as an adviser on aviation matters to European officials, said warning signs for the industry could be seen as early as 1999 and by the following year 10 major airlines posted a combined 4.5 billion dollars in losses.

The main problems are overcapacity -- especially on long-haul routes -- falling yields, partly due to the rise of low-cost airlines, a rise in fuel prices, increased labour costs

and the failure of some airlines to properly use state-funded restructuring programs.

The September 11 attacks, involving the crashing of passenger aircraft into the World Trade Center towers in New York and the Pentagon in Washington, worsened the downturn. Demand collapsed and insurance costs soared, along with security and air traffic control charges.

It also hurt confidence in business and air travel, as major world economies were already in a downturn.

Pragoti Industries Ltd, a concern of Bangladesh Steel and Engineering Corporation (BSEC), signed two-year agreement with Ashok Leyland Ltd on Tuesday, says a press release.

Under the agreement, Ashok Leyland will supply 300 minibuses during the period to Pragati.

The agreement was signed by CS Muthu Subramanian, deputy general manager-exports of Ashok Leyland, Saifur Rahman Khan, managing director of Pragoti Industries Ltd, and Iftekhar Ahmed Tipu, managing director of Ifad Autos Limited.

The minibuses will be procured at the earlier price.

BSEC Chairman M N Nabi, Director of Ifad Autos Ltd Taskeen Ahmed, Country Manager of Ashok Leyland A D Chowdhury and other senior officials from BSEC, PIL and Ifad were present at the signing ceremony.



PHOTO: PRAGATI

CS Muthu Subramanian, deputy general manager-exports of Ashok Leyland, Saifur Rahman Khan, managing director of Pragoti Industries Ltd, and Iftekhar Ahmed Tipu, managing director of Ifad Autos Limited, sign an agreement on behalf of their respective sides on Tuesday.



PHOTO: JANATA BANK

Minister for Fisheries and Livestock and Mayor of Dhaka City Corporation Sadeque Hossain Khoka speaks at a seminar on 'Fisheries Resource Development and Investment' organised by Janata Bank at BIAM auditorium in the city yesterday. Principal Secretary to the PM Dr Kamal Uddin Siddique, Fisheries and Livestock Secretary Dr Johurul Karim, Janata Bank Managing Director Murshid Kuli Khan and Kaiser Rahman, chairman of Quality Feeds Ltd, are also seen in the picture.



PHOTO: TACK

Pinaki Bhattacharya, manager of Servier Bangladesh, distributes certificates among participants as guest of honour at the concluding ceremony of a workshop on "Time Management and Assertiveness Training" conducted by TACK International-CDME at a local hotel recently. Executives from Servier, Express One Ltd, Rahimafrooz Batteries Ltd and Car House attended the workshop. TACK-CDME Managing Director SAM Showket Hossain, among others, addressed the concluding ceremony.

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
58.6378	58.6679	EUR	55.1113	55.9465	55.8795
91.0043	91.0509	GBP	88.0890	87.8303	87.7252
31.9039	31.9202	AUD	30.5442	30.4544	30.4180
0.4993	0.4995	JPY	0.4865	0.4851	0.4845
39.8705	39.8910	CHF	38.5881	38.4748	38.4287
6.2665	6.2697	SEK	6.0890	6.0711	6.0638
37.5851	37.6043	CAD	35.6946	36.5868	36.5430
7.5138	7.5177	HKD	7.4040	7.3822	7.3734
33.5453	33.5625	SGD	32.8363	32.7398	32.7007
16.0724	16.0806	AED	15.6120	15.5661	15.5475
15.7376	15.7456	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
48.57	59.525	96.215	42.030	7.5475	0.4594	0.53665

The local interbank foreign exchange market was active Wednesday. Demand for dollar was steady. Demand for BDT for overnight borrowing at call was steady and the call money rate ranged between 5.25 and 5.75 per cent for the day.

In the international market, dollar continued its downward rally on Wednesday. It fell to a three-week low against the yen and to a 12-day low against the euro. Besides keeping the US rate unchanged, federal reserve signaled that the economy may worsen. Market reacted to the news with a huge fall in Wall Street and it weakened the greenback. Outlook for dollar is shaky as the deadline for the executives of about 1000 company to vouch for their companies' financial statements are drawing near. The dollar fell by two yen and is presently looking for a support at 116.70.

SHIPPING

Chittagong port
Berth position and performance of vessels as on 14.8.2002.

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	15/8	1035
J/2	Virginia	GI	Sing	Prog	10/8	15/8	2874
J/4	Feng	GI (Y Pe)	Rouen	Mutual	26/7	17/8	2353
J/5	Pacific Emerald	GI (Copra)	Sing	Allseas	24/7	14/8	X
J/6	Amalia	GI (St SC)	Avon	RSA	2/8	14/8	1527
J/7	Mergui	Rice (P)	Kaki	Mutual	30/7	15/8	1650
J/8	Al Muztuba	Rice (P)	Kaki	CLA	8/8	16/8	1080
J/9	Orient Queen	C Clink	Sing	Unique	25/6	17/8	1700
J/10	Gu Yuan Hai	C Clink	Mund	SSA	8/8	20/8	1040
J/11	Banglar Shikha	Cont	Sing	BSC	12/8	15/8	6848
J/12	Asmoril	Cont	Sing	Seabone	12/8	17/8	17827
J/13	Orient Patriot	Cont	P Kel	PSSL	8/8	14/8	32281
CCT/1	Banga Bonik	Cont	P Kel	Bdship	12/8	15/8	11780-
CCT/2	Mardios	Cont	P Kel	RSL	9/8	14/8	30061
CCT/3	Eagle Strength	Cont	Sing	Nol	12/8	17/8	2884
CCJ	CS Valiant	C Clink	Tarj	BSL	11/8	16/8	-
RM/4	AP Pride	CDSO	Kaki	Seacom	13/8	16/8	-
RM/9	Banglar Jallol	Repair	Yang	BSC	13/8	18/8	-
RM/10	Banglar Jyoti	Repair	-	BSC	R/A	14/8	-
SM/10	Dredger Gemini	-	Chand	Karna	-	-	-
BB	Pai Hai Jun No 2	Ballast	Taiw	Transglobal	06/07	-	-

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Amarta Jaya-1	14/8	Kaki	Asa	Rice (P)	-
Pac Princes	17/8	Vanc	Litmond	GI (Y Peas)	-
Ks Glory	15/8	Kohsi	ASLL	C Clink	-
Ken Pleiades	16/8	-	Rainbow Y	Peas/Wheat/M Seed	-
Brisa Azul (48) 4/8	17/8	Yangon	Everett	GI (St C)	-
Boston Symphony	15/8	Sing	BSL	DAP (Fort)	-
Banga Borat (Cont) 3/8	16/8	Sing	Bdship	Cont	Sing
Kota Naga (Cont) 31/7	15/8	Sing	Pil (BD)	Cont	Mong
Phumy (Cont) 6/8	17/8	P Kel	PSSL	Cont	Sing
Walter	15/8	Sing	OTBL	-	-
Kuo Hung No. 808	15/8	Sing	OTBL	Demolition	-
Jasmin	20/8	GOA	Royal	GI (Coll)	-
Shun Cheng (Liner)	20/8	Yang	Everett	GI (St C)	-
Pioneer Runner (Roro/24)	16/8	-	JF	Vehi	-
Pacific Split (48)10/8	18/8	Sing	Asa	Paper Rolls	-
Diamond Star (Liner)	17/8	sing	Everett	GI (St Coll)	-
Banga Biraj (Cont) 6/8	18/8	-	Bdship	Cont	Sing
Jaami (Cont) 11/8	17/8	-	Everet	Cont	Col
Banglar Moni (Cont) 6/8	18/8	Sing	BSC	Cont	Sing
Xpress Manasu (Cont) 10/8	18/8	P Kel	RSL	Cont	Sing
Kota Chaya (Cont) 8/8	18/8	Sing	Pil (BD)	Cont	Sing
Tug Ocean North	19/8	-	NFT	-	-

Vessels at outer anchorage Ready on

Name of vessels	Local agent	Cargo	Ready on
Banglar Mookh	GI (Hr C)	Pipa	BSC
Banga Baria (Cont)	Cont	Col	Bdship
Consistence (Cont)	Cont	Sing	RSSL
Qc Honour (Cont)	Cont	Pkel	QCSL
Kota Berjaya (Cont)	Cont	Sing	Pil (BD)
Kuo Hsiung (Cont)	Cont	P Kel	PSSL
Asteris	GI (Peas)	Vanc	Mutual
Banglar Robi (Cont)	Cont	Sing	BSC
Orient Freedom (Cont)	Cont	P Kel	PSSL
Dailong	HSD/MS	Sing	ECSL

Vessels Awaiting Instruction

Name of vessels	Cont	Ctg	Bdship	14/8
Banglar Birol	Cont	Ctg	Bdship	14/8

Movement of vessels for 15, 16 & 17.08.2002

Outgoing	Incoming	Shifting			
J/1	O Pride	CCT/1	Qc Honour	J/10	Gui Yuan Hai To J/1
J/2	Virginia	J/11	K Berjaya		
J/7	Mergui	J/2	Asterisks		

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

STOCK