

ADB blasts Myanmar for delaying reforms, haphazard policies

AFP, Manila

Myanmar's military rulers came under scathing criticism Wednesday from the Asian Development Bank (ADB) for delaying reforms and making haphazard policies.

"There are no clear prospects for the introduction of necessary widespread economic reforms by the government of Myanmar to correct macroeconomic imbalances and reduce poverty," the ADB said in its Asian Development Outlook 2002 report.

It said the military junta "lacked the necessary policies, and its strategies are ad hoc and respond to

a variety of problems in, at times, contradictory ways.

"Moreover, the capacity to implement policies is lacking," the Manila-based ADB said in the report.

Citing an example, it said the junta had declared the "laudable intention" of eliminating fiscal deficits over a five-year period "but lacks the capacity and tools to actually do this."

The bank said the junta should, perhaps, consider only reducing these fiscal deficits.

Myanmar, formerly Burma, has suffered under decades of failed socialist policies, government

control of the economy, and crippling sanctions that followed the bloody repression of 1988 pro-democracy protests and 1990 elections the junta refused to recognise.

The economy has been propped up to a large degree by cash from the illegal trade in opium and methamphetamines which some observers say constitutes 20 per cent of all business in the country.

The ADB said Myanmar's problems were as much structural as macroeconomic.

It said the country's exchange rate continued to be "grossly overvalued," with the official exchange

rate of the national currency, the kyat, at around 6.8 to the dollar.

"However, by the end of April, the free market rate was over 1,000 kyat to the dollar, the ADB said.

The dual exchange rate system is a problem since it distorts prices and resource allocation and stunts growth.

The ADB also charged that the State Peace and Development Council (SPDC), the official name of Myanmar's military junta, was reluctant to accept the market based rate for fear that debt repayments would become more difficult.

25m coffee farmers to face ruin: Oxfam

AFP, London

The British-based charity Oxfam warned Wednesday that 25 million families face poverty because of a crisis in the coffee industry as it launched a campaign to try to shame corporate giants into paying farmers a bigger share of their profits.

With coffee prices wallowing close to 30-year lows on world markets, Oxfam said that millions of families in four continents who depend on coffee for a living are going hungry, cannot afford school fees or pay for medicine.

Coffee farmers receive on average only 24 US cents a pound for their coffee beans while consumers in rich countries pay about 3.60 dollars a pound -- a mark up of 1,500 percent, it said.

Around only five percent of the retail price of instant coffee goes to the producer, and for many farmers

coffee now costs more to grow and pick than it does to sell.

The charity called on the four leading coffee companies, Kraft, Sara Lee, Procter and Gamble and Nestle, who buy nearly half the world's coffee crop, to pay farmers a better price for their coffee beans.

"They know there is a terrible human suffering at the heart of their business and yet they do virtually nothing to help," said Oxfam's campaigns director Adrian Lovett.

"It's time to shame them and change them." Launching its campaign, Oxfam held a photo call of donkeys carrying sacks of coffee that were dumped outside the London Stock Exchange to symbolise the collapse in coffee prices on world markets.

Oxfam proposes destroying surplus coffee crops, encouraging companies to trade only in high-quality coffee and paying farmers a decent price.

Industrial data another sign of sputtering US economy

AFP, Washington

US industrial output fell 0.3 per cent in August, the Federal Reserve said Tuesday in a report that surprised analysts and offered another sign that the world's biggest economy may be sputtering.

The report showed the first decline after seven straight monthly

gains in production, not the expected 0.2 per cent increase over the previous month. The last decline in output came in December 2001.

Additionally, the Fed said industrial capacity utilization slipped to 76 per cent from 76.2 per cent.

"The numbers are not very encouraging. The economy clearly stalled in mid-summer," said David

Resler, chief economist at Nomura Securities.

"I think the numbers are disturbing in that they suggest this is maybe not at isolated incident. We haven't seen much vitality in the manufacturing sector since late spring. This confirms that things got progressively worse."

Honda forced to cease motorcycle production in Vietnam

AFP, Hanoi

Japan's second largest car maker Honda Motor Co. Ltd. said Wednesday it had suspended operations at its motorcycle factory in Vietnam as a result of government restrictions on auto part imports.

Tatsuya Fukumoto, senior sales manager for Honda Vietnam, said its factory lines producing motorbikes for the Vietnamese market were shut down late Tuesday after all available imported parts had been used up.

"From 18-21 September, some of our 1,700 temporarily employed workers will stop working," he told AFP. "But we hope that the government will enable us to start production again on September 22."

Fukumoto said the remainder of the workforce would switch to producing its best-selling Wave "Alpha" motorbike for export to the Philippines.

He said the joint venture company, the largest motorcycle manufacturer in Vietnam, had set aside enough component parts to meet its 2002 export target of 7,000 units.

"In spite of difficulties, our company is still trying to solve the matter of the import quota and firmly believes that the Vietnamese government will soon come up with a solution."



PHOTO: SHAHJALAL BANK

Chairman of the Islamic Banks Consultative Forums Secretariat and Chairman of the Board of Directors of Islami Bank Bangladesh Ltd Shah Abdul Hannan speaks at a meeting organised by Shahjalal Bank Limited in the city on Tuesday. Chairman of the Board of Directors Sajjatuz Jumma, Advisor Ashfaq U Chowdhury and Managing Director of Shahjalal Bank Ltd Matin Uddin Ahmed, among others, are also seen in the picture.

CURRENCY

Following is yesterday's foreign exchange rate statement by Standard Chartered Bank						
Selling		Currency		Buying		
TT/OD	BC		TT Clean	OD Sight/Doc	OD Transfer	
58.5500	58.5800	USD	57.8050	57.6352	57.5862	
57.8474	57.8770	EUR	55.3483	55.1875	55.1197	
91.1155	91.1622	GBP	88.1757	87.9168	87.8115	
32.4718	32.4885	AUD	31.1049	31.0135	30.9764	
0.4823	0.4825	JPY	0.4702	0.4688	0.4682	
39.1089	39.1290	CHF	37.8652	37.7540	37.7088	
6.2856	6.2888	SEK	6.1059	6.0880	6.0807	
37.2893	37.2884	CAD	36.3965	36.2896	36.24623	
7.5139	7.5178	HKD	7.4041	7.3823	7.3735	
33.0978	33.1148	SGD	32.3928	32.2977	32.2590	
16.0710	16.0793	AED	15.6107	15.5649	15.5463	
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
48.42	59.225	96.115	43.935	7.5593	0.4683	3.80
Local Interbank FX Trading:						
The local interbank foreign exchange market was active Wednesday. Demand for dollar shot up as traders sought greenback for import of food grains and fabrics for textile companies. BDT got weaker as a result and was quoted at 58.38/58.40 per dollar against 58.35/58.37 from the previous day.						
Local Money Market:						
Demand for overnight borrowing was high in the market. Call money rate remained unchanged from Tuesday at 5.50-6.00 per cent.						
International Market:						
Dollar lost its last 48 hours momentum and fell against most of the currencies. Poor than expected US data and news of difference between US and Russia on how to proceed over Iraq question slumped the dollar. Output at US factories, mines and utilities fell by 0.3 per cent against the market expectation of an increase by 0.2 per cent. Fall in Wall Street also contributed to the fall of the greenback as Dow Jones Industrial Average fell by 2.06 per cent. Dollar fell to 121.54 yen from the session high of 123.05 yen. Euro raised over 9740 after falling below 96 cents on Tuesday. Sterling also rose from 3 week lows set on Tuesday. At 1600 hours euro was traded at 9726/31, GBP at 1.5365/75, yen at 121.86/92 against the dollar.						
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SHIPPING

Chittagong port									
Berth position and performance of vessels as on 18.9.2002.									
Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disc.		
J/1	Du Man Gang	Sugar(P)	Kaki	Seacom	13/9	23/9	1886		
J/3	Pac Princess	GI	Mumb	Litmond	13/9	25/9	1559		
J/4	Ocean Pride	GI	Yang	Psal	16/9	25/9	907		
J/6	Amanat Shah	Sugar (P)	Tuti	CLA	3/9	19/9	1055		
J/9	Feng Kang Shan (Liner)	GI	Punn	Bdship	17/9	21/9	1126		
J/11	Banglar Robi	Cont	Sing	BSC	17/9	21/9	235/400		
J/12	Kota Berjaya	Cont	Sing	Pil(BD)	16/9	20/9	438/150		
J/13	Oc Honour	Cont	P.Kei	QCSL	15/9	18/9	251/251		
CCT/1	Orient Freedom	Cont	P.Kei	PSSL	16/9	20/9	287/110		
CCT/2	Asimont	Cont	P.Kei	Seaborn	14/9	19/9	231/320		
CCT/3	Banga Bonik	Cont	P.Kei	Bship	13/9	19/9	106/66		
RM/14	Pacific Emerald	Idle	Sing	Alseas	24/7	20/9	-		
Vessels due at outer anchorage									
Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port				
Consistence(Cont)3/9	18/9	Hald	PSSL	Cont	Sing				
Banga Barta(Cont)7/9	19/9	Col	Baridhi	Cont	Col				
Nobleza (Roro)24/9/9	19/9	Sing	JF	vEH	-				
QC Dignity(Cont)5/9	19/9	P.Kei	QCSL	Cont	Sing				
Banga Borat(Cont)7/9	19/9	P.Kei	Bdship	Cont	Sing				
Sea Horse(Cont)5/9	19/9	Sing	Pil(BD)	Cont	-				
Xpress Manaslu(Cont)10/9	21/9	P.Kei	RSL	Cont	Sing				
Banga Lanka(Cont)11/9	20/9	-	Baridhi	Cont	Col				
Banglar Doot	20/9	Mong	BSC	-	-				
Doric Trident	20/9	Tanj	BSL	C. Clink	-				
Radiant Vega	22/9	Sabu	ANCL	C. Clink	-				
Ks Prince	20/9	-	ASLL	C. Clink	-				
Xpress Resolve(Cont)11/9	21/9	-	Everbest	Cont	Col				
QC Lark(Cont)11/9	21/9	P.Kei	QCSL	Cont	P.Kei				
Banga Biro(Cont)12/9	22/9	-	Baridhi	Cont	Col				
Kota Singa(Cont)12/9	22/9	Sing	Pil(BD)	Cont	Sing				
Tanker due									
Name of vessels	Cargo	Last Port call	Local agent	Date of arrival					
Bum Woo	18/9	Bintunu	Rainbow	Cpo					
Olympic Flame	18/9	-	H&H	Lube Oil					
Vessels at Kutubdia									
Dea Captain	-	-	Arafeen	R/A	18/8				
Hassbat Qatar	C. Oil	Jebe	USS	10/9					
Banglar Shourabh	C. Oil	-	BSC	R/A					
Vessels at outer anchorage									
Ready on									
Eagle Strength (Cont)	Cont	-	Noi	18/9					
Vessels not ready									
Vegass	Sugar(P)	Sing	Rainbow	12/9					
Makmur Perkasa	C. Clink	Cila	Oln	17/9					
Weddell Sea	C. Clink	Karabi	Ssa	17/9					
Vessels awaiting instruction:									
Nil									
Vessels not entering:									
Dia-P	C Clink	Krabi	Litmond	27/8					
Glory	Mop(P)	Niko	Litmond	4/9					
Hope-L	GTSP(P)	SWEJ	AMBL	11/9					
Deteigeuze	Mop(P)	illi	PSL	16/9					
Cross Star	Dap (p)	Isken	Angelic	17/9					
Alkimos	GTSP/MAP	Aust	CCNL	2/6					
BUTL	Scraping	Puck	Rkship	18/9					
Accord	-	Sing	Viking	5/4					
Karya Sentosa	-	-	USTC	10/8					
Movement of vessels for 19.09.2002									
Outgoing	Incoming	Shifting							
CCT/2	Asimont	CCT/3	Consistence						
CCT/3	B Bonik	CCT/2	QC Dignity						
CCJ	R. Stork	J/8	Sea Horse						
RM/3	Tankoil	RM/3	O. Flame						
RM/4	Macler	DOJ	B Shourab						
DOJ	B. Jyoti								

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

STOCK