

# Japan unveils watered down plan to help troubled banks

AFP, Tokyo

The Japanese government unveiled an eagerly-awaited measure Wednesday to revive the troubled banking sector by March 2005 and fight deflation, but analysts said the solutions were rather diluted.

"I believe this is a good start considering that this problem has affected Japan for 10 years and we only spent a month discussing it," financial services and economics minister Heizo Takenaka told reporters.

The government and ruling coalition agreed on Takenaka's plan to accelerate bad loan write-offs at banks along with new anti-deflation initiatives that include at least one trillion yen (8.1 billion dollars) in tax cuts.

"We will swiftly implement our financial renewal programme with the aim of resolving the bad loan problems in the year to March 2005," said Prime Minister Junichiro Koizumi.

"We will do our utmost to secure employment and accelerate the

early renewal of corporations," he said.

But Takenaka's plan failed to indicate when he would implement a controversial proposal to bring tax accounting standards at banks more in line with the United States. Such a move would result in banks' capital adequacy levels being slashed below international standards.

The minister's original accounting rules suggested limiting the so-called deferred tax assets a bank can count as core capital to 10 per

cent of its overall capital from next fiscal year, analysts said.

"These points have gone (from the final plan) which is very disappointing," noted JP Morgan chief economist Masaaki Kanno.

The government would instead discuss the possibility of imposing upper limits on using deferred tax-assets as bank capital.

But Takenaka, unlike his predecessor Hakuo Yanagisawa, was indicating Japan's banks were in a mess, which was a step in the right direction, Kanno said.

# Japan-S'pore FTA to go into force in Nov

AFP, Singapore

The Japan-Singapore free trade agreement (FTA) will enter into force on November 30, the foreign ministry here said Thursday.

Singapore Foreign Minister S. Jayakumar and Japanese Ambassador Kunihiko Makita on Thursday exchanged diplomatic notes, signalling all the legal and administrative measures have been put in place.

Prime Minister Junichiro Koizumi of Japan and Singapore Prime Minister Goh Chok Tong signed the accord on a New Age Economic Partnership in January.

However, it was left to their respective governments to complete the administrative and legal processes for its full effectivity, including ratification by their parliaments.

The FTA is the first ever for Japan, the world's second biggest economy which had previously favored multilateral pacts in bodies such as the World Trade Organization.

Analysts have said the absence of an agriculture sector in Singapore helped facilitate the accord. Agriculture is a sensitive domestic issue in Japan which has a large farm sector.

# ASEAN, China to sign pact to create free trade zone

AFP, Singapore

Leaders of China and Southeast Asian countries meeting in Cambodia next week will sign a framework pact on the creation of the world's largest free-trade zone within the decade.

Tariff cuts on selected farm products under an "early harvest package" will start as early as next year, well ahead of the full implementation of the proposed Association of Southeast Asian

Nations (ASEAN)-China Free Trade Agreement (FTA), according to the framework.

In addition, both parties will also "explore the feasibility of an early harvest programme for trade in services in early 2003," a draft of the framework obtained by AFP said.

Senior economic officials from ASEAN and China who met in Singapore in mid-October put the finishing touches to the document to be presented at the November 3-

5 annual ASEAN summit in Phnom Penh, which would also gather the leaders of Japan and South Korea.

Under the framework, negotiations will start next year for a full FTA covering trade goods and services as well as investments.

It also provides for a work programme covering various areas of economic cooperation and allow for an "early harvest" of benefits before the pact's full implementation.

# Unemployment rate in S'pore hits 4.8pc

AFP, Singapore

Singapore's unemployment rate climbed to 4.8 per cent in September, exceeding the peak of 4.3 per cent during the Asian financial crisis in 1997-1998, the Ministry of Manpower said Thursday.

The seasonally adjusted data, which factors in the effect of new graduates who entered the market, was up from 4.1 per cent in June and 4.5 per cent in March.

# Thailand to raise GDP growth

AFP, Bangkok

The central Bank of Thailand (BOT) said Thursday it expected the Thai economy to grow at 4.0-4.5 per cent this year, up from an earlier forecast of 3.0-4.0 per cent.

The new estimate brings the bank into line with Thailand's finance ministry, which on Monday announced its gross domestic product (GDP) growth forecast of 4.5 per cent for 2002.

The BOT also predicted a 3.0 billion-dollar trade surplus for the kingdom this year, following an 827 million dollar trade surplus recorded in September.



PHOTO: GLAXOSMITHKLINE

GlaxoSmithKline (GSK) Bangladesh Limited organised its Finance & IT Conference-2002 at a local hotel recently. Photo shows participants of the conference and high officials of the GSK.

# CURRENCY

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

Selling		Buying	
TT/OD	BC	TT Clean	OD Sight/Doc
58.8000	58.8500	57.8700	57.7000
58.7824	58.8323	56.4464	56.2806
92.4454	92.5240	89.5654	89.3023
33.1338	33.1620	31.4234	31.3311
0.4826	0.4831	0.4674	0.4661
39.9484	39.9823	38.8025	38.6885
6.4049	6.4103	6.2865	6.2680
37.6923	37.7244	36.6498	36.5421
7.5464	7.5528	7.4121	7.3903
33.3958	33.4242	32.5900	32.4942
16.1405	16.1543	15.6287	15.5642
15.8043	15.8173	15.3095	15.2646

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	AUD
48.325	58.825	96.37	43.315	7.4830	0.4830	3.80

**Local Interbank FX Trading:**  
The local interbank foreign exchange market was active. Shortage of dollar and increased demand for imports of food-grains and machinery continued to strengthen the dollar against Bangladeshi taka. BDT was quoted at 58.80/59.00 against the US dollar compared with 58.80/90 previously.

**Local Money Market:**  
Demand for overnight borrowing at call was moderate in the market. Market experienced adequate liquidity and call money rates remained unchanged from yesterday at 4.75-5.25 per cent.

**International Market:**  
Yen got a lift on Wednesday, as the long-awaited array of reforms were released. The plan calls for ratio of bad bank-loans to be halved by 2005, accompanied by stricter accounting standards and closer supervision of the nation's banks.

Euro was hovering just below 121 yen on US trading on Wednesday after the announcement. On Thursday, yen gained slightly and was trading at around 122.45 yen compared with 122.90 in late New York trade. Dollar also limped lower on Thursday in Asia against the euro, taking the single currency to a two-week high as uncertainties over the US economy reigned ahead of key data later this week. Traders said European currencies and the yen had benefited as market looked to trim their load of long-dollar positions before US data. US third-quarter GDP data and Chicago Purchasing Managers' Index is due later in the session. Dealers expect a cut in interest rate by Federal Reserve if further evidence of US economic weakness comes out. At 1500 hours on Thursday, the euro was quoted at 0.9870/72, GBP at 1.5595/99, yen at 122.41/45 against the dollar.

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# SHIPPING

Chittagong port  
Berth position and performance of vessels as on 31.10.2002

Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disc
J/1	Ananat Shah	GI	Yang	Cla	22/10	2/11	1270
J/2	Vast Banglaore	M.Seed	Jedd	Mutual	28/10	4/11	398
J/3	Myeik	Sugar	Yang	Mutual	19/10	2/11	1157
J/4	Bulk Amethyst	GI	Dunk	USL	19/10	3/11	2013
J/5	Bay Sister	GI	Kala	Mutual	26/10	1/11	2644
J/6	Bussara Nares	GI	Sing	Rainbow	29/10	2/11	3625
J/8	Pacific Spirit	GI	Mong	ASA	23/10	1/11	1394
J/9	New Hope-II	C.Clink	Lumit	NWSL	20/10	3/11	1500
J/10	A. A. Venture	Rice	Kaki	Cla	29/10	5/10	x
J/11	Eagle strenght	Cont	Sing	Nol	29/10	4/11	-
J/12	Banglar Shikha	Cont	Sing	BWC	28/10	31/10	164/226
J/13	Jaya Mars	Cont	Sing	RSL	29/10	1/11	312/110
CCT/1	Banga Barta	Cont	Col	Bandhi	28/10	31/10	88x
CCT/2	Kota Singa	Cont	Sing	Pil(BD)	27/10	31/10	294/508
CCT/3	Orient freedom	Cont	P.Kel	PSSL	19/10	2/11	168/304
RM/14	Pacific Emerald	Idle	Sing	Allseas	24/07	5/11	-
RM/15	Banglar Robi	Idle	Sing	BSC	20/10	1/11	-
GSJ	Hanei Sun	C.Clink	Jarj	BSL	31/10	5/11	-
RM/5	Eagle vela	HSD/IMS	Sing	MSTPL	30/10	3/11	-
RM/6	Dai Hung	Hsd	Sing	EOSL	28/10	1/11	-
DOJ	Asean Promoter	F.Oil	Sing	EOSL	29/10	2/11	-
DD	Dredger Gemini	Repair	Chand	Kama	-	10/11	-
RM/9	Banglar Doot	Repair	Mumb	BSC	20/9	1/11	-
RM/10	Banglar Urmi	Repair	Mumb	Mutual	9/10	3/11	-
BB	Klazina	Ballast	Bomb	BSL	8/10	-	-

# Vessels due at outer anchorage

Name of vessels	Date of	L Port	Local	Cargo	Loading
Banga Lanka	1/11	-	Baridhi	Cont	Col
Iran Toubia	31/10	Fujia	OTBL	-	-
Banga Biraj	1/11	P.Kel	Bdship	Cont	PTP
Bangla Borik (Cont) 6/10	1/11	Col	Baridhi	Cont	Col
Oc Dignity	2/11	P.Kel	QCSSL	Cont	Sing
C.Harmony	1/11	Lumu	ASLL	C.Clink	-
Kenglung	2/11	Yang	Everett	GI	-
Alaska Carrier	2/11	-	Rainbow	GI	-
Miner Ve-P	2/11	Jaka	RSA	GI	-
Banglar Moni	2/11	Sing	BSC	Cont	MGL
Kota Berjaya	2/11	Sing	Pil(BD)	Cont	Sing
Xpress Resolve	1/11	CBO	Everbest	Cont	Sing
Hans Jalvijaya	3/11	Tuti	Mutual	Sugar	-
QC Lark	3/11	P.Kel	QCSSL	Cont	Pkel
Agios Fanourios	4/11	-	Prog	GI	-
Banga Birol	5/11	-	Bdship	Cont	Sing
Paragon Pesca dores	4/11	Yang	Everett	GI	-
Kota Naga	5/11	Sing	Pil(BD)	Cont	Sing
Xpress Manaslu	5/11	P.Kel	RSL	Cont	Sing
Boxer Capt Cook	6/11	-	PSSL	Cont	Sing
Haneburg	6/11	Sing	Pil(BD)	Cont	Sing
Kota Cahaya	7/11	Sing	Ouk(BD)	Cont	Sing
Ally-II	7/11	Cebu	Rship	C.Clink	-
Rickbank	6/11	-	Rainbow	GI	-
Banga Borat	8/11	-	Bdship	Cont	Sing
Oc Honour	8/11	P.Kel	QCSSL	Cont	Sing
Mardios	8/11	P.Kel	QCSSL	Cont	Sing
Jin Cheng	9/11	-	Bdship	GI	-

**Tanker due**

Clipper Sun	1/11	Sing	MBL	HSD	-
Alam Budi	1/11	-	EOSL	W/Ld	-
Monalisa	1/11	Dumai	Seacom	CPO	-
Virgin	4/11	Haid	MTCL	CDSO	-

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

# STOCK