

## WTO grapples with defining poor countries in trade rules

AFP, Geneva

Two sets of negotiations at the World Trade Organisation (WTO) recently, dealing with sugar and medicines, have highlighted the difficulty of placing all developing countries in the same basket.

Developing countries represent some four-fifths of the trade body's membership, but their relative levels of poverty and their trade interests are often far apart.

The tiny Caribbean territory of St Kitts and Nevis is bundled in the group alongside China, the world's biggest potential market, while Mozambique is overshadowed by

Brazil's power as an emerging market.

Some developing countries have accused rich states of trying to drive a wedge between them during negotiations about access to essential medicines or on preferential treatment for poor countries.

In private, rich countries hit back by accusing Asian tiger economies or emerging countries of wielding their status as developing nations to take advantage of trade concessions given to poor countries when it suits them.

"Some parts of southern Brazil are richer than regions of eastern Europe which are about to be wel-

comed into the European Union during its enlargement process," a diplomat said.

But one observer notes that the issue is still taboo in the WTO.

China is a competitive player in some high-technology markets, yet during accession negotiations before it joined the organisation last year it insisted on being recognised as a developing country to protect its 900 million farmers.

Industrialised countries are often favouring a case-by-case approach when they negotiate special trade concessions or longer transitional periods, to the dismay of the more radical developing nations.

The European Union and Switzerland are carefully picking which developing countries should be allowed to import cheaper, generic medicines to tackle HIV/AIDS or other medical emergencies.

Basing themselves on World Bank data, they are trying to prevent developing countries with relatively high revenues from benefitting from the special conditions.

As a result, Hong Kong, Singapore and South Korea are being asked to waive their privileged status and to show solidarity with the poorest countries.

## US economy recovering but not totally healthy

REUTERS, Washington

The US economy has yet to get fully back on its feet even though signs have emerged it has regained some balance after nearly stalling in the waning weeks of the third quarter, economists say.

"We have a way to go before we get to full health, that's for sure," said Robert Dederick, an economic consultant at Northern Trust Co in Chicago.

While a run of more upbeat data has bolstered confidence that a sharp August-October slowdown is passing, analysts said this only means the economy was back to where it was a few months ago: going forward but overly dependent on consumers.

"The question is still, just how

fast can you grow and how long can you maintain a satisfactory pace if the business sector doesn't join in?" Dederick said.

A sharp drop in business spending on facilities and equipment, which had skyrocketed during the booming 1990s, led the economy into recession last year and remains the missing ingredient for a healthy, sustainable recovery.

"Until that really comes in with vigor, we can't be thinking of a very strong expansion and we can be having worries about whether it might fade," Dederick said.

Consumer spending rose at a solid 4.1 per cent annual clip in the third quarter as buyers were lured into auto showrooms by zero-per cent financing deals and other incentives.

## Vietnam coffee exports may plunge 23pc

AFP, Hanoi

Vietnam, the world's second largest coffee exporter after Brazil, said Monday exports could plunge by as much as 23 per cent for the 2002-2003 season due to a poor crop.

Vietnam Coffee and Cocoa Association (VICOFA) chairman Doan Trieu Nhan said exports in the year from October would drop to between 500,000 and 550,000 tonnes. Last year 713,735 tonnes were exported.

"The coffee crop in Vietnam has failed because farmers have cut back on investing in cultivation," he said. "This situation has also been exacerbated by the severe drought this summer in the Central Highlands."

The Southeast Asian country is the world's biggest producer of robusta coffee beans.

But it has been blamed for triggering a slide in coffee prices to 30-year lows by flooding the international market with cheap, poor quality robusta, mainly used for instant coffee.

Consequently, many farmers have lost interest in growing coffee, or have followed government initiatives to switch from robusta to high quality arabica beans and other crops, Nhan said.

## United Airlines haggles for pay cuts as bankruptcy looms

AFP, Chicago

Teetering on the brink of insolvency and with a 375 million dollar bond payment due, United Airlines planned another day of last-ditch negotiations Monday hoping to win wage concessions from company mechanics.

After rank-and-file members of the International Association of Machinists and Aerospace Workers rejected a pay cut proposal last week, United and the representatives from the 13,000-strong union

went back to the bargaining table Sunday -- although both sides were mum about whether progress had been made during those talks.

United was due Monday to make a 375 million dollar debt payment, but the company might take advantage of a 10-day grace period while it attempts to hammer out a deal with its machinists.

The new attempt at compromise comes after flight attendants Saturday agreed to a substantial pay cut in a bid to save the employee-owned company from bankruptcy.

Approval of the agreement is key to United's ability to implement a recovery plan and avoid filing for Chapter 11 bankruptcy protection. It also puts United a step closer to finalizing its application for a 1.8 billion dollar loan guarantee from the Air Transportation Stabilization Board, according to union officials.

The board was set up in the wake of the September 11 terrorist attacks on the United States to help the airline industry cope with financial fallout from the attacks, in which four passenger jets were hijacked.



PHOTO: AGRANI BANK

The Special Performance Monitoring Committee meeting of Agrani Bank Small Enterprises Development Project (SEDP) was held yesterday with Finance Ministry Joint Secretary Habib Abu Ibrahim in the chair in the city. Picture also shows Gunnar Boe, charge d'affaires of the Royal Norwegian Embassy, and SEDP Project Director AKM Mujibur Rahman at the meeting.

## CURRENCY

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

Selling	Currency	Buying
TT/OD	BC	TT Clean
59.2000	59.2500	USD 58.3000
59.4664	59.5166	EUR 57.1340
92.8552	92.9336	GBP 90.0152
33.7440	33.7725	AUD 32.0359
0.4858	0.4862	JPY 0.4697
40.0514	40.0852	CHF 39.9290
6.5231	6.5286	SEK 6.4062
38.1443	38.1765	CAD 37.1101
7.5985	7.6049	HKD 7.4681
33.6383	33.6667	SGD 32.8469
16.2495	16.2632	AED 15.7444
15.9123	15.9257	SAR 15.4233
		NZ dollar 0.4977
		AUD 3.80

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	AUD
48.31	58.2	96.275	43.560	7.3375	0.4977	3.80

Local Interbank FX Trading:

The local interbank foreign exchange market was active yesterday. Dollar closed slightly stronger due to high import demand. Dealers also bought dollar for foreign companies seeking remittances of their profit. At the close dollar was quoted at 58.95/59.15 against the taka on Sunday compared with 58.95/59.10 on Saturday.

Local Money Market:

Demand for overnight borrowing was high. The call money rate rose as the government borrowing through auction of treasury bills kept the money market in tight. The central bank borrowed BDT 10.65 billion on Sunday. But maturity of BDT 8.04 billion at the same time had offset the outflow of fund to some extent. Call money rate remained between 7.50 and 8.00 per cent against 5.00-6.00 per cent previously.

International Market

International market has made headway against

the yen in early Asia on Monday and traders expected further gains as the outlook brightened for the US economy. Data released over the past few weeks point towards a brighter US economy. Dollar pushes to new one-month high against the yen as comments from Japanese Finance Minister Shioikawa fuel speculation that Japan is stepping up a campaign to weaken its currency.

Euro also took advantage of yen's weakness, rising to a one-week high. Traders said that a potential market-moving factor expected on Monday is the Institute of Supply Management's US manufacturing index for November due at 1500 GMT. Analysts expect the figure to rise to 51.3 versus 48.5 in the prior month, signalling growth in the beleaguered sector for the first time in three months.

At 1500 hours on Monday, euro was at 0.9927/29, GBP at 1.5568/71 and yen at 123.64/69 against the dollar.

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## SHIPPING

Chittagong port

Berth position and performance of vessels as on 2.12.2002

Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disc
J/2	Handy Sea	Gr Slac	Visa	Move	9/11	4/12	1404
J/3	Hans Jaivijay	Sugar	Tuti	Mutual	10/11	6/12	2600
J/4	MAWLAMINE	Sugar	Mumb	Angelic	12/11	5/12	1737
J/5	Changer	Gl	Sing	MSA	18/11	7/12	405
J/6	Myeik	Rice	Kaki	Mutual	18/11	5/12	2932
J/7	Lechangling	Gl	Dali	MTCL	10/11	2/12	2405
J/8	Hilda	Sug/Rice	Tuti	IML	7/11	6/12	2896
J/9	Banglar Doot	Gl	Yang	Royal	20/11	8/12	792
J/10	Banga Bijoy	Cont	Col	Bandhi	27/11	3/12	-
J/11	Kota Singa	Cont	Sing	Pil (BD)	30/11	4/12	198/438
J/12	QC Honour	Cont	P Kel	QC SL	26/11	2/12	-
CCT/1	Xpress Manaslu	Cont	Sing	RSL	24/11	2/12	-
CCT/2	Banga Lanka	Cont	Sing	BDSHP	28/11	3/12	-
CCT/3	Mardios	Cont	P Kel	RSL	25/11	2/12	-

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Ally-II	5/12	Kand	PSAL	SALT	-
Kwan Mo Bne	2/12	Zhan	Unique	GTSP	-
Pathain	2/12	Yang	MTA	Gl	-
Morning Star	2/12	Busa	Prog	Gl	-
Cleveland	2/12	Mumb	MSL	Wheat	-
Banga Biraj	2/12	PTP	BDSHP	Cont	Sing
Ra Nam	3/12	Zhan	Unique	GTSP	-
FCC Glory	4/12	Ning	Move	TSP	-
Hanenburg	5/12	Sing	Pil (BD)	Cont	Sing
Friedrich Oldendroff	4/12	Magd	USL	Gl	-
Tatiana-L	5/12	Kand	PSAL	Salt	-
QC Dingtly	5/12	P Kel	QC SL	Cont	Sing
Banga Borti	6/12	Sing	BDSHP	Cont	Sing
QC Teal	5/12	P Kel	QC SL	Cont	Sing
Kota Berjaya	5/12	Sing	Pil (BD)	Cont	Sing
Jeannie-III	5/12	Taiw	Move	C Clink	-
Teknik Gloria	5/12	Sing	OTBL	-	-
QC Lark	5/12	P Kel	QC SL	Cont	P Kel
Arosa	6/12	Tuni	SSST	GTSP	-
Tanker due					
Victoria	2/12	-	Rainbow	CDSO	-
Bonvoy-VII	2/12	Malta	USL	CPO	-

Vessels at outer anchorage Ready On

The Beneficent	Rice	Kaki	Total	22/11
Corol-2	Rice	Kaki	SSTL	22/11
Taraman Bibi	Sugar	Mumb	Mutual	23/11
Tarpon Santiago	Sugar	Sant	Litmond	24/11
Lesozavodsk	Gl	Vish	MSA	27/11
Orient Freedom	Cont	P Kel	PSSAL	28/11
Jurong Bauhinia	Cont	Sing	Nol	30/11
Lanca Shire	Ammonia	Isle	MBL	R/A

Vessels Awaiting Instruction

Banglar Shourabh	-	-	BSC	R/A
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Movement of vessels for 3-12-2002 & 4-12-2002

Outgoing	Incoming	Shifting
3.12.2002		
J/13 B Bijoy	XP Resolve	
CCT/2 B Lanka	CCT/2 Asimont	
CCT/3 Mardios	RM/4 Bonvoy-VII	
GSL B Kallol	K(A) L Share	
RM/3 F Laader		
RM/4 Al-Sabiyah		
RM/6 Belgrace		
4.12.2002		
J/2 Handy Sea	J/5 Morning Star	J/5 Changer to J/2
J/11 K Singa	CCT/3 B Bonk	
RM/4 Bonoy-VII	J/11 B Shikha	

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

## STOCK