

## Bush names Snow as treasury chief, pledges stimulus plan

AFP, Washington

President George W. Bush on Monday tapped railroad executive John Snow to be his treasury secretary, while pledging to come up with a stimulus plan soon to bolster the stumbling economic recovery.

Snow, whose nomination must clear the Senate, is the 63-year-old chairman and chief executive of rail giant CSX and a prominent member of business organizations.

"John Snow will be a key adviser on the economy and a key advocate of my administration's agenda for growth, new jobs and wider and more international trade," said Bush.

The president, who shook up his economic team last week by dumping treasury secretary Paul O'Neill and top economic adviser Lawrence Lindsey, also pledged to unveil "specific steps" soon for bolstering the economy, which analysts say could be a major liability in his 2004 reelection bid.

Snow is a former chairman and current board member of the Business Roundtable, an association of business leaders that is pushing for a 300 billion dollar economic stimulus plan, including a move to cut taxes for investors on dividends, which many on Wall Street say are taxed twice.

But Wall Street's reaction to the appointment was lukewarm, with stocks closing sharply lower after Friday's uptick on O'Neill's resignation.

Larry Wachtel at Prudential Securities said it was not immediately clear if Snow would give the White House the economic sizzle lacking with O'Neill.

"For John Snow, it will be the same learning process as Paul O'Neill," Wachtel said.

"More germane is the multi-year stimulus package that will be presented over the next few weeks, which will contain that much desired relief from the double taxation of

dividends."

Some analysts said Bush wanted to have a salesman rather than a policymaker at the helm of the administration's economic team.

"I think political considerations were probably foremost on the list of why the president picked who he picked," said Wayne Ayers, economist at FleetBoston Financial.

Ayers noted that Snow has a solid reputation as someone who understands Capitol Hill and can take the White House message to lawmakers and the business community.

"He's much praised for his communication skills and his salesman's skills," Ayers said.

Sung Won Sohn of Wells Fargo agreed.

"I think that's exactly what the Doctor ordered. Mr. Snow's strength is really in working with Congress," Sohn said.

Bush offered no specifics on his stimulus plan, but said the economy

needed a boost and suggested that it would contain tax cuts.

"I'll be proposing specific steps to increase the momentum of our economic recovery," Bush said.

"Many Americans have very little money left over after taxes. Some struggle under a weight of debt that makes it difficult to save for retirement. Investor confidence needs to be strengthened in practical ways."

Bush said Snow was chosen for his leadership and ability to communicate the president's message to the public and lawmakers on Capitol Hill.

"He knows first-hand how the economy works. His peers elected him to lead the Business Roundtable, where he was an articulate voice for pro-growth policies," Bush said.

Snow pledged to work with Bush on his new economic plan, which he described as "a pro-growth, pro-jobs agenda."



PHOTO: ROMASK

Rangs-Toshiba opened its 59th showroom at Bandartilla in Chittagong recently. Md Shafiqul Islam, deputy commissioner of Chittagong, inaugurated the showroom. Altaf Hossain, general manager (Dealer and Telecom), National Managers Yunus Ali Khan and Munir Ahmed Khan, Area Sales Manager Zafar Ahmed, executives of the company, local businessmen and managers from different commercial banks were present on the occasion.

## CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank					
Selling	Currency	Buying	TT Clean	OD Sight Doc	OD Transfer
TT/00	BC				
59.2000	59.2500	USD	58.3000	58.1288	58.0592
60.5142	60.5654	EUR	58.1717	58.0009	57.9315
94.2938	94.3734	GBP	91.4319	91.1633	91.0542
33.9394	33.9680	AUD	32.2282	32.1336	32.0951
0.4852	0.4856	JPY	0.4693	0.4679	0.4673
40.8473	40.8818	CHF	39.6923	39.5757	39.5283
6.5884	6.5940	SEK	6.4702	6.4512	6.4435
38.1149	38.1471	CAD	37.0818	36.9729	36.9286
7.5985	7.6049	HKD	7.4679	7.4460	7.4371
33.6727	33.7012	SGD	32.8803	32.7837	32.7444
16.2495	16.2632	AED	15.7444	15.6982	15.6794
15.9123	15.9257	SAR	15.4233	15.3780	15.3596

Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	AUD
48.19	58.355	96.679	43.385	7.2390	0.5037	3.80

**Local Interbank FX Trading:** The local interbank foreign exchange market was active Tuesday. Dollar weakened against the taka on Tuesday as demand for the US currency eased. At the close dollar was quoted at 59.18/20 against taka compared with 59.25/28 previously.

**Local Money Market:** Demand for overnight borrowing was moderate. Call money rate continued to fall and ranged between 10.00-12.00 per cent compared with 12.00-14.00 per cent previously.

**International Market:** The dollar edged higher versus the yen in Asia on Tuesday but kept to a tight range, held back by uncertainty over currency policy in the United States and recent bearish signals in the US economy. The greenback rose slightly overnight against the euro but failed to maintain the gains in the absence of any direction from John Snow.

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At 1600 hours on Tuesday euro was quoted at 1.0130/31 GBP at 1.5718/20 and yen at 123.22/28 against the dollar.

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## United Airlines announces new wage cuts

AFP, Chicago

Lawyers for United Airlines said the bankrupt carrier will have to make major changes to survive as they laid out their case to a bankruptcy judge Monday.

The company announced separately that it would cut the pay of top executives and would seek wage cuts from unions representing the carrier's 83,000 staff.

"The world has changed and we believe United is going to have to change significantly to survive," James Strayregen, a lawyer for United told the court after the carrier filed for Chapter 11 protection on Monday.

The carrier needs court approval of its day-to-day operations.

Any restructuring of the Chicago-based carrier will require it to confront declining passenger revenues, with Internet sales making pricing

more transparent, and low cost carriers increasing the competition for passengers.

United's passenger revenues have nose-dived 30 percent in the past two years, from 16.9 billion dollars in 2000 to 11.8 billion in 2002, Strayregen told Judge Eugene Wedoff.

The company is hemorrhaging money, burning through seven million dollars in cash a day.

That figure is likely to triple to as much as 22 million dollars a day in December during the busy Christmas season, before slipping back to between 10 and 15 million a day in January, Strayregen said.

Under those circumstances, the company will be looking for "painful compromises," from its stakeholders, Strayregen said.

Separately, United Airlines said it was going ahead with proposed pay cuts of up to 11 percent for its top

executives.

The airline will also slash the wages of salaried officers and lower-level management by between three and 11 percent, depending on their earnings. The cuts will be effective December 16.

The airline aims to begin negotiations with its unions this week, most of whom have already signed off on 5.2 billion dollars pay cuts over five and a half years.

But most analysts expect the company will have to swing the axe deeper than it had planned for, increasing the number of layoffs beyond the 20,000 it previously announced and even demanding greater givebacks.

And as widely expected, the airline gave notice that it had its sights trained on contracts with its workers which have lumbered it with the highest labour costs in the industry.

## Japanese banks may lose \$410m

AFP, Tokyo

Two of Japan's major banking groups warned Tuesday they may not be repaid a total of 410 million dollars lent to United Airlines Inc. after the US carrier filed for bankruptcy.

But Mitsubishi Tokyo Financial Group (MTFG) and Sumitomo Mitsui Financial Group (SMFG) said they did not plan to revise their earnings forecasts for the current year to March and analysts agreed the impact of the bankruptcy on Japanese banks would be limited.

MTFG, one of Japan's big four mega-banks, said group companies may not recover a total of 36.6 billion yen (296.8 million dollars) lent to the collapsed carrier.

Mitsubishi Trust and Banking Corp., MTFG's key trust bank, alone had lent 25.4 billion yen to United Airlines, it said.

## SHIPPING

Chittagong port							
Berth position and performance of vessels as on 10.12.2002							
Berth No.	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disc.
J/1	Banglar Doot	GI	Yang	Royal	20/11	13/12	1640
J/2	FCC Glory	Gtsp	Ning	Move	3/12	11/12	1877
J/3	Friedrich Oldendroff	GI	Magba	USL	4/12	10/12	2807
J/4	Kwan Mo Bong	GTSP	Zhan	Unique	3/12	14/12	1290
J/5	Changer	GI	Sing	MSA	18/11	12/12	914
J/6	Morning Star	GI	Bush	Prog	2/12	13/12	2250
J/7	Chopol-2	Sugar	Kaki	SSTL	22/11	15/12	1393
J/8	Cleveland	Wheat	Vish	MSL	2/12	15/12	2000
J/9	The Beneficent	Rice	Kaki	Total	22/11	10/12	2506
J/10	Lesozavodsk	GI	Vish	MSA	27/11	11/12	960

Vessels due at outer anchorage						
Name of vessels	Date of Arrival	L Port call	Local agent	Cargo	Loading port	
Banga Barta	11/12	Hal	Bharidhi	Cont	Chendri	-
Banglar Gourab	10/12	N.Ban	Seacom	Sugar	-	-
Teknik Gloria	10/12	Sing	OTBL	-	-	-
AFT section Maxita	10/12	Sing	OTBL	-	-	-
Tug Tiong Woon Ocean-10	10/12	Sing	OTBL	-	-	-
Banga Bort	12/12	-	Bdship	Cont	S. Maxita	-
Lyong Gun Bong	11/12	QINZ	Unique	GTSP	Cont	Sing
Chiefian-II	12/12	Pipa	Pol	C.Clink	-	-
XpressManaslu	12/12	P.Kei	RSL	Cont	Sing	-
Kota Cahaya	12/12	Sing	Pil(BD)	Cont	Sing	-
Banga Borat	13/12	-	Bdship	Cont	Sing	-
Feng Shun Shan	25/12	-	Bdship	GI	-	-
Banga Bijoy	12/12	-	Bardhi	Cont	Col	-
Mardios	13/12	P.Kei	RSL	Cont	Sing	-
Oc Honour	15/12	P.Kei	QCSL	Cont	Sing	-
Bright Moon	14/12	Zhan	TOSL	Fert	-	-
Banglar Mookh	14/12	Pipa	BSC	GI	-	-

Tanker due				
Name of vessels	Date of Arrival	L Port call	Local agent	Date of arrival
Duke	10/12	Jubaiq	EOSL	HSD
Asia Lion	12/12	Sing	ECSL	SKO
Hanjiang	14/12	-	Bdship	Bulk

Vessels at Kutubdia				
Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Dea Captain	-	-	Arateen	RIA
Hassbat Qatar	C. Oil	Jebe	USS	10/12
Banglar Jyoti	C. Oil	-	BSC	RIA

Vessels at outer anchorage				
Ready on				
Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Taraman Bibi	Sugar	Mumb	Mutual	23/11
Tarpon Santiago	Sugar	Sant	Litmond	24/11
Pathein	GI	Yang	MTA	2/12
Jaami	Cont	Col	Everbest	7/12

Vessels not ready				
Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Regal Star	Wheat	Vish	Rainbow	8/12
Amalfi	C.Clink	LUMut	Olm	8/12
Samsun Apollo	GI	Tand	USL	8/12
Ally-II	Salt	Kand	PSAL	8/12
Tatiana-L	Salt	Kand	PSAL	8/12
Hellas constellation	HSD	Sing	EOSL	9/12
Le Shang	GTSP	Tampa	Litmon	9/12

Vessels not entering:				
Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Santit	Salt	Kand	OWSL	27/11
Polyhronis	C.Clink	Saghi	PSAL	28/11
Johan Lemos	Mop	Saint	PSAL	30/11
Assets Victory	Polash	Viza	TOSL	29/11
Argentina	C.Clink	Koshi	ASLL	6/12

Movement of vessels for 11.12.2002.				
Name of vessels	Outgoing	Incoming	Shifting	
J/2	FCC Glory	CCT/2	B.Borak	RM/4
J/5	Chage Et	J/11	B.C.Cook	RM/10
J/10	Lesozavodsk	J/10	Dai Hong Dan	J.C. Tasman to J/2

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

## STOCK