

Singapore faces recession as Nov factory output shrinks

AFP, Singapore

Singapore's manufacturing output shrank 0.7 per cent in November, reversing seven straight months of expansion in the key sector, the government said Thursday.

One analyst said the weaker-than-expected figure raised the likelihood that Singapore could fall into its second recession in two years.

The government's Economic Development Board (EDB) said the contraction was due mainly to "lower output in the biomedical science and engineering clusters".

On a seasonally adjusted month-on-month basis, November factory output fell 0.5 per cent from the previous month and the October figures were revised upwards to 12.2 per cent from 11.8 per cent, the EDB said.

For the first 11 months of the year, manufacturing output grew 7.2 per cent over the same period in 2001.

Manufacturing makes up almost a quarter of Singapore's gross domestic product (GDP) and the monthly output are watched closely for clues on the state of the export-driven economy.

"It's not as robust as we would have thought," said Song Seng Wun, regional economist from G.K. Goh brokerage house.

The November figures increased the likelihood that Singapore would slip "into a technical recession", he said.

A technical recession occurs when GDP contracts for two straight quarters on a quarter-on-quarter basis.

Singapore's GDP declined 10.1 per cent on an annualised basis in

the third quarter and another contraction in the fourth quarter would technically put the Southeast Asian nation back in recession.

The city-state is just emerging from its worst recession in more than 30 years in 2001 when GDP fell 2.0 per cent after nearly 10 per cent growth the previous year.

EDB said the biomedical sciences cluster, one of four that make up the manufacturing sector, contracted by a sharp 36 per cent in November from a year ago compared with an 8.1 per cent growth in October.

"The effects of a major maintenance shutdown in October and a different product mix of fine chemicals contributed to the declines in November," it said.

Output from the engineering cluster fell 1.7 per cent "because of declines in the transport and pro-

cess engineering sub-clusters," it said.

There was some positive news however for the city-state which is struggling to fully recover from a deep downturn last year as the electronics sector posted a 10.9 per cent jump in output last month.

Electronics account for nearly half of the activity in the manufacturing sector.

The EDB said the November expansion in electronics was due to "higher output of memory chips" as well as an 8.2 per cent surge in the data storage cluster to meet US demand.

Output from the chemicals cluster grew 11 per cent over a year ago, bolstered by increases from all three segments, namely petroleum, petrochemicals and industrial/specialty chemicals.



A seminar on Microsoft business empowerment was held at a city hotel on Sunday.

Indian panel to decide on oil firms sale today

REUTERS, New Delhi

India's privatisation panel will meet on today to decide on the sale of two state-run oil companies and revive the stalled process which has caused rifts in the ruling federal coalition.

Disinvestment Secretary Pradip Bajjal said Thursday the Cabinet Committee on Disinvestment would decide on the amount of the government's share to be off-loaded in Bharat Petroleum Corp Ltd and Hindustan Petroleum Corp Ltd.

"A decision would be taken after discussing various options and positions taken by different ministries," Bajjal said.

Earlier this month, India's stalled privatisation programme got a fresh lease of life when top ministers reached a consensus at a meeting convened by Prime Minister Atal Behari Vajpayee to end a bitter rift within the government.

According to the truce plan chalked out, equity in BPCL would be offloaded by a public offering while a stake in HPCL would be given to a single strategic partner.

India's privatisation drive gathered some pace earlier this year when the government sold stakes in a petrochemicals firm and a telecommunications company.

But the programme ground to a halt in September after deep differences emerged over privatising the two cash-rich refiners.

Bajjal said the panel, headed by Vajpayee, would also finalise the shareholders agreement for Hindustan Organic Chemicals and paper manufacturing unit NEPA.

The government plans to raise 120 billion rupees (\$2.50 billion) through stake sales in state firms in the year to March 2003 but has said it would fall way short of the target after the delay in the sale of the two oil companies.

Khatami calls for expanded economic ties with Pakistan

AFP, Lahore, Pakistan

President Mohammad Khatami urged Wednesday that Iranian business links with Pakistan be expanded and expressed enthusiasm for the neighbours to team up on regional economic projects.

Khatami, ending his three-day visit to Pakistan in the eastern city of Lahore, met business leaders to discuss an economic road map of cooperation.

"Both governments are quite determined to augment their bilateral and multilateral cooperation," Khatami told a luncheon hosted by the Federation of Pakistan Chambers of Commerce and Industry, according to the state-run Associated Press of Pakistan (APP).

Khatami is the first Iranian leader in a decade to visit Pakistan, and the two sides have openly pledged a new era of ties following years of distrust over Afghanistan as well as their religious differences.

Bilateral trade between the neighbours was officially pegged at just 187 million dollars last year, but Khatami said the 2002 figure stands

at roughly 300 million dollars, adding capacity for increased trade was vast.

He said improved transportation links were vital for the states to expand trade and said it was time they cooperated on food processing, textiles and motor vehicle produc-

tion. "The execution of certain bigger projects such as those related to energy and fuel (and) the construction of roads . . . could open the gate to new domains for economic cooperation," APP quoted him as saying.

Microsoft business empowerment seminar

Microsoft hosted a business empowerment seminar at a city hotel on Sunday, says a press release.

The seminar is a forum for businesses to know the latest products and technologies from Microsoft and how these can bring key benefits to their organisations.

The speakers from Microsoft discussed the features and benefits of key Microsoft products like Windows 2000 Server, Exchange 2000 Server, SQL Server, Share Point Portal Server and Windows XP desktop operating system.

Kmart loss widens

AFP, Troy, Michigan

Discount retailer Kmart Corp, which is operating under bankruptcy protection, reported a third-quarter net loss of 383 million dollars on Monday.

The loss was wider than the 249 million dollars reported by the stricken retailer last year, in part because of lower sales, increased discounting, and a re-statement of earlier earnings.



The 50th meeting of the Executive Committee (EC) of the Shahjalal Bank Limited was held on Tuesday at head office of the bank. The meeting was presided over by Akkas Uddin Mollah, chairman of the EC of the bank. Other members of the committee are also seen in the picture.

CURRENCY

Table with columns: Selling, Currency, Buying, TT Clean, OD Sight Doc, OD Transfer. Includes exchange rates for various currencies against US dollar.

SHIPPING

Chittagong port

Table showing berth position and performance of vessels as on 26.12.2002. Columns: Berth No, Name of vessels, Cargo, L Port call, Local agent, Date of arrival, Leaving, Import disc.

Vessels due at outer anchorage

Table showing vessels due at outer anchorage. Columns: Name of vessels, Date of arrival, L Port call, Local agent, Cargo, Loading Port.

Tanker Due

Table showing tanker due. Columns: Name of vessels, Date of arrival, L Port call, Local agent, Cargo.

Vessels at outer anchorage Vessels Ready

Table showing vessels at outer anchorage ready. Columns: Name of vessels, Local agent, Cargo, Loading Port.

Vessels not ready

Table showing vessels not ready. Columns: Name of vessels, Local agent, Cargo, Loading Port.

Vessels Awaiting Instruction

Table showing vessels awaiting instruction. Columns: Name of vessels, Local agent, Cargo, Loading Port.

Movement of vessels for 25.12 & 26.12.02

Table showing movement of vessels for 25.12 & 26.12.02. Columns: Date, Name of vessels, Local agent, Cargo, Loading Port.

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

STOCK