

## White House acknowledges ballooning deficit

REUTERS, Washington

The White House said Tuesday federal budget deficits would balloon to a record \$455 billion this fiscal year and to \$475 billion in 2004, a presidential election year, even without factoring in the mounting cost of the US occupation of Iraq.

The government will also add over \$2 trillion to the national debt over the next five years, the Office of Management and Budget (OMB) said in a report.

Sen. Kept Conrad of North Dakota, the ranking Democrat on the Senate Budget Committee, reacted by warning that President George W. Bush was "taking us right over the fiscal cliff."

While OMB director Joshua Bolten acknowledged the bigger deficits were "a legitimate subject for concern," he said the gap would begin to shrink from fiscal 2005. The White House pledged for the first time to cut the deficit in half by 2006.

But officials offered no new proposals and acknowledged their deficit-reduction assumptions were predicated on a quick economic rebound, which has yet to materialize.

Bolten conceded the 2004 deficit could top \$475 billion because the administration did not include projections for funding ongoing military operations in Iraq. "A judgment about what those numbers are will have to be made later," he said.

Democrats accused the White House of understating the deficit's size as it approaches the half-trillion-dollar mark for the first time, and said tax cuts were primarily to blame for US fiscal woes.

"There seems to be no shame, no shock and no solution," said South Carolina Rep. John Spratt, the top Democrat on the House Budget Committee.

Bolten countered that the deficit -- roughly 50 per cent larger than the White House projected in February -- was "manageable" and reflected the administration's priorities since the Sept. 11 attacks -- national security and boosting the economy through tax cuts.

He insisted Bush's tax cuts were not to blame, estimating the nation

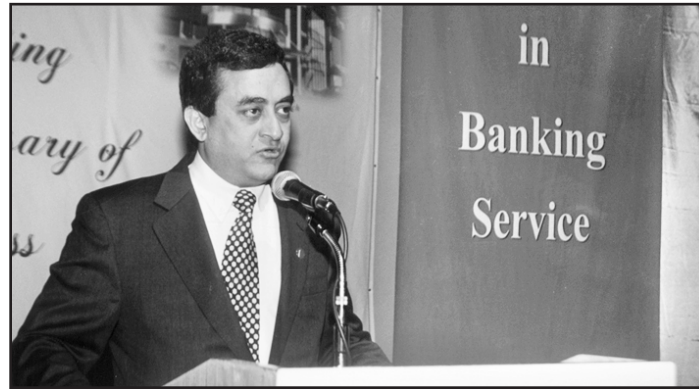
would still face a \$278 billion deficit this year even without the tax cuts.

Bolten said the White House planned to cut the deficit in half by 2006 by pressing Congress to hold down spending and getting the economy to "return to healthy and sustained growth." Assuming these targets are met, the White House said deficits would shrink to \$304 billion in 2005, \$238 billion in 2006, \$213 billion in 2007 and \$226 billion in 2008.

The White House projections included only the initial costs of the war in Iraq. Those, plus the weaker-than-expected economy, forced OMB to revise its forecasts from February, when it expected deficits of \$304 billion this year and \$307 billion in 2004.



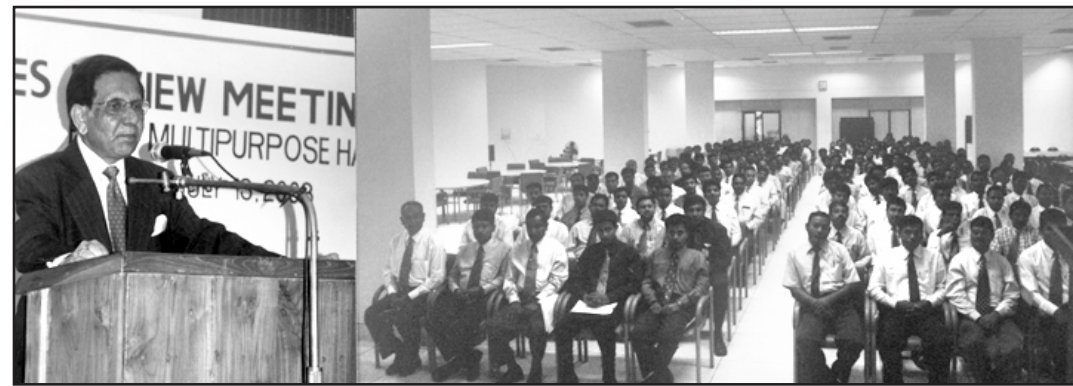
CM Koyes Sami, managing director of Oriental Bank Limited and chairman of SWIFT User Group Bangladesh, presides over the joint meeting of SWIFT User Group and SWIFT User Group Technical Committee held recently at the head office of the bank in Dhaka.



Sayed H Chowdhury, chairman of ONE Bank Limited, addresses the bank's 4th founding anniversary function on Monday in Dhaka.



Abdul Gaffar Chowdhury, chairman of Janata Insurance Co Ltd, addresses the 17th annual general meeting of the company in Dhaka on Tuesday. Vice-chairman Md Jahangir Alam Khan, Directors MA Hashem, Zafar Ahmed Chowdhury, MA Kalam, MA Sabur, Yunus Ahmed, Qamrun Nahar, Aklima Begum, Shahidul Kadir, Fahima Akhter, Adviser Aziz Al-Kaiser, Managing Director Md Jainul Abedin and shareholders of the company were present at the meeting.



Mahbub Jamil, chairman and managing director of Singer Bangladesh Limited, speaks at the sales review meeting of the company held on Sunday in Dhaka.

## Japan considers appealing WTO ruling on US apple imports

AFP, Tokyo

Japan said Wednesday it may appeal a ruling by the World Trade Organisation (WTO) that Japanese measures imposed on US apple imports violate global trade rules.

"We will carefully study the content of the ruling while considering appealing the decision to the appellate (WTO) body," the agriculture ministry said in a brief statement.

It was issued the day after a WTO panel upheld a US complaint that Japan was using unfair trade barriers.

Tokyo introduced the restrictions on the production, harvesting and handling of apples from the United States, arguing they were needed to guard against a plant bacterial disease, fire blight.

Washington claimed the move violated the WTO's Agreement on the Application of Sanitary and Phytosanitary Measures.

The accord covers steps by countries to ensure food safety, to protect human health from plant- and animal-carried diseases, and to protect animal and plant health.

## CURRENCY

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

Selling	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
TT/OD					
58.8000	58.8500	USD	57.8700	57.7000	57.6310
66.2735	66.3298	EUR	63.8075	63.6200	63.5439
94.2505	94.3307	GBP	91.3420	91.0737	90.9647
38.9962	39.0293	AUD	36.9616	36.8530	36.8089
0.5023	0.5028	JPY	0.4863	0.4849	0.4843
42.6334	42.6697	CHF	41.3741	41.2526	41.2032
7.1751	7.1812	SEK	6.7033	6.6837	6.7757
42.5193	42.5555	CAD	41.2650	41.1438	41.0945
7.5466	7.5530	HKD	7.4122	7.3904	7.3816
33.5138	33.5423	SGD	32.6968	32.6007	32.5617
16.1405	16.1543	AED	15.6291	15.5832	15.5646
15.8060	15.8195	SAR	15.3103	15.2654	15.2471

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringit
46.145	57.75	97.12	41.653	7.4721	0.6309	3.80

Local Interbank FX Trading

The local interbank foreign exchange market was active. Dollar was steady against Bangladeshi taka due to matched demand and supply.

Local Money Market

Call money market was upish. Call money rate was higher than and ranged between 3.50 and 4.50 per cent compared with 2.75-4.00 per cent.

## SHIPPING

### Chittagong port

Berthing position and performance of vessels as on 16/07/2003.

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disch
J/1	Ocean Pride	Gl (Log)	Yang	PSAL	2/7	18/7	1245
J/2	Bosowa Delapan	Wheat (P)	Viza	Total	18/6	22/7	1252
J/3	Indurwa Valley	Rice (P)	Kaki	Able	14/7	19/7	X
J/4	Pathain	Rice (P)	Yang	Total	7/7	20/7	1023
J/5	Ever Gain	Gl	Yang	CQNL	10/7	16/7	1065
J/7	Yong Jiang (Liner)	Gl	Shang	BDShip	13/7	19/7	2678
J/8	Al Muztuba	Wheat (P)	Kaki	CLA	14/7	22/7	235
J/9	Xuan Cheng (Liner)	Gl	Winch	BDShip	11/7	20/7	1316
J/10	APL Tulip	Cont	Sing	Nol	14/7	19/7	286/378
J/11	Chilean Express	Gl	Sing	Prog	14/7	16/7	2532
J/12	Banga Borat	Cont	P Kel	BDShip	14/7	18/7	261/372
J/13	QC Honour	Cont	P Kel	QSSL	15/7	18/7	130/480
CCT/1	Orient Freedom	Cont	P Kel	PSSL	9/7	16/7	349/701
CCT/2	New Sea Star	Cont	P Kel	QCSL	10/7	16/7	347/589
CCT/3	Banga Bijoy	Cont	Col	Baridhi	14/7	18/7	281/173

### Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Sagaing (Liner)	16/7	Yang	Everett	Gl	Sing
Kota Cahaya	16/7	Sing	Pii (BD)	Cont	Sing
Asimont	16/7	P Kel	Seabome	Cont	Sing
Gikim	16/7	Sing	OTBL	For Demolition	Sing
Orient Grace	18/7	P Kel	FSSL	Cont	Sing
Server	17/7	Yang	Litmond	Wheat(P)	Lentils
Ganta	17/7	Sin	JF	Vehi	--
Kota Naga	18/7	Sing	Pii (BD)	Cont	Mong

### Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Dea Captain	--	--	Arafeen	R/A(12/7)
Eagle	C Oil	Rast	Owe	12/7
Banglar Jyoti	C Oil	--	BSC	RIA

### Outside Port Limit

Dea Captain	--	--	Arafeen	R/A(12/7)
Eagle	C Oil	Rast	Owe	12/7
Banglar Jyoti	C Oil	--	BSC	RIA

### Vessels at outer anchorage

#### Vessels ready

Banglar Shikha	Cont	Sing	BSC	16/07
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#### Vessels not entering

Chieftain-II	Clink	Lumut	OLM	30/6
Yick Wing	Clink	Hoping	Move	4/7
Dolly	Mop (P)	Niko	Litmond	1/7
Handy Rainbow	Drap(P)	Sing	RSL	6/7
Sea Cross	Slag (P)	Fuxo	SSST	7/7
Filma	Rbd	Yang	Seacom	10/7
Blue Sea	Slag	Visa	Move	12/7
Tilian-4	--	Bata	OTBL	5/7

### Movement of vessels for 17/07/2003

Outgoing	Incoming	Shifting
J/3 Velley	J/15 Ganta	RM/9 B Robi
CCJ B Sembilan	DOJ B Shourab	GSJ Leo-T
GSJ Leo-T		
RM/4 Ocean-1		
DOJ B Jyoti		
K(U) Midas		

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

## STOCK