

# EU finally slaps sanction on US products

REUTERS, Brussels

The European Union imposed sanctions on the United States for the first time Monday as a dispute over tax breaks for US firms turned into a trade war that could cost American exporters \$300 million this year.

The lower tax rates for exports for firms, including Boeing B.A.N and Microsoft MSFT.O, were judged an illegal subsidy by the World Trade Organisation (WTO), which ruled the EU could impose \$4 billion in sanctions a year on US goods.

But European Trade Commissioner Pascal Lamy decided to apply gradual pressure by phasing in the measures, which will hit a wide range of goods, including textiles, jewellery and toys.

The sanctions are intended to prod the US Congress quickly to

replace the tax breaks with measures in line with WTO rules.

They start at \$16 million as an extra five per cent duty on selected US products in March and rise by one per cent a month to \$315 million in 2004 and \$666 million if they run throughout 2005.

Based on the full \$4.0 billion, the main sector to be hit would be US jewellery at an estimated \$1.43 billion.

"The EU's objective remains the withdrawal of the US illegal subsidy," the Commission said in a statement. "The EU has opted for a response which is measured, gradual and geared towards focusing the mind of the US legislature to comply."

Officials have tried to play down the impact of the trade row, the first time since the WTO was created in 1995 that the EU has

retaliated on US goods.

"This is not the beginning of a trade war. WTO disputes are all part of the system," one Washington official told reporters ahead of the March 1 deadline for the sanctions to apply.

But EU firms have expressed worries over the escalation of a dispute that could lead to extra costs as the economy splutters back to life.

Lamy has said sanctions should be seen in the light of daily transatlantic trade of \$1.0 billion, and the EU has coped since 1995 with more than \$100 million of imposed US sanctions a year in a fight over beef.

The dollar's weakness is likely to lessen the pain on US exporters and the administration of President George W. Bush has pressured Congress to change the disputed tax laws.

## Japan okays poultry import from four Thai plants

REUTERS, Tokyo

Japan has given the green light for a resumption of imports of heat-treated poultry products from four Thai factories, halted since an outbreak of bird flu, an Agriculture Ministry official said Monday.

Japan barred all poultry product imports from Thailand in January, but agreed last month to accept shipments of cooked products if the processing facilities met Japanese hygiene and quality standards.

Officials from Japan's Agriculture Ministry are due to complete checks on 25 facilities in Thailand by Tuesday.

"The remaining (21) facilities will probably resume shipments to Japan once we can confirm that there is no problem," a ministry official said.

Japan imported 70,000 tonnes of heat-treated poultry products and 170,000 tonnes of chilled or frozen poultry products from Thailand, its largest overseas supplier, in the year to March 2003.

## BP sells S'pore refining assets

REUTERS, Singapore

British Petroleum Plc is selling its refining assets in Singapore to a local partner for \$140 million as the oil major continues to sell down non-strategic assets to focus on China and Indonesia in Asia.

BP's plan to sell the assets to Singapore Petroleum Co Ltd, which announced the deal on Monday, followed the \$2.4 billion sale of its shares in Chinese oil giants, PetroChina and Sinopec Corp, as BP concentrates on petrochemical and retail expansion in China.

BP has long tried to sell the refining assets in Singapore. Like ExxonMobil Corp and Royal Dutch/Shell, it has been selling down its non-strategic assets across the globe as it shifts its focus to returns from production growth.

BP is still selling its 240 petrol stations in Malaysia and 30 outlets in Singapore. Singapore Petroleum has said it was keen to buy BP's stations in Malaysia.



PHOTO: THE TRUST BANK

A three-day training course on managing core risk management organised by The Trust Bank Limited was held recently. Bangladesh Bank Deputy Governor Muhammad A (Rumee) Ali (centre) and Managing Director of The Trust Bank Iqbal U Ahmed, among others, were present at the inaugural function.

## CURRENCY

Following is Monday's (March 1, 2004) forex trading statement by Standard Chartered Bank						
Sell		Currency		Buy		
TT/OD	BC	TT/Clean	OD Sight/Doc	OD Transfer		
59.2500	59.3000	USD	58.3550	58.1836	58.1140	
74.8742	74.9374	EUR	72.3194	72.1069	72.0206	
111.6685	111.7627	GBP	108.3769	108.0586	107.9282	
46.6416	46.6810	AUD	44.5074	44.3766	44.3235	
0.5492	0.5497	JPY	0.5298	0.5282	0.5276	
47.4722	47.5122	CHF	45.8910	45.7562	45.7014	
8.0317	8.0385	SEK	7.4699	7.4480	7.4391	
44.7237	44.7615	CAD	43.2868	43.1587	43.1080	
7.6196	7.6260	HKD	7.4901	7.4681	7.4591	
35.0384	35.0680	SGD	34.2057	34.1053	34.0645	
16.2641	16.2778	AED	15.7593	15.7130	15.6942	
15.9266	15.9400	SAR	15.4378	15.3925	15.3741	
10.3842	10.3929	DKK	9.4109	9.3832	9.3720	
Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringit
45.27	57.36	98.69	38.270	6.9940	0.6916	3.80
Local Interbank FX Trading						
Local interbank market was active on Monday. Demand for dollar continued to remain very high due to import payments. But a good supply prevented the green-back to shoot up against Bangladeshi taka.						
Local Money Market						
Money market was active. Call money rate rose due to pressure from auction of treasury bills. Central Bank borrowed 6.59 billion taka on Sunday against a maturity of 3.62 billion. The central bank accepted on Monday two-day repos worth 500 million taka at 5 per cent.						
International Market						
The euro hovered above the previous week's lows on the dollar and held firm on the yen on Monday as expectations faded that the European Central Bank would cut rates this week to sap the euro's strength. The market turned its attention to two key events this week -- the ECB meeting on Thursday and Friday's non-farm payrolls data from the United States which will be a determinant for expectations of higher interest rates there. The dollar was slightly higher at 109.20 yen, compared with around 109.10 yen in late US trade on Friday, but off its three-month high around 109.85 yen hit last week. At 1630 hours on Monday, euro was at 1.2484/90, GBP was 1.8680/85, yen was at 109.16/21 against US dollar.						
This memorandum is issued by Standard Chartered Bank and is based on or derived from information generally available to the public from sources believed to be reliable. While all reasonable care has been taken in its preparation no responsibility or liability is accepted for errors of fact or any opinion expressed herein.						



PHOTO: GP

Aktar Hussain, chairman and managing director of Rangs Group of Companies, and Mahboob Hossain, additional general manager, sales and marketing division of GrameenPhone Ltd (GP), sign a dealership agreement on behalf of their companies in Dhaka yesterday. Under the deal, GrameenPhone's subscription and all other products will be available in all Rangs sales centres across the country.



PHOTO: TRANSCOM ELECTRONICS

Transcom Electronics Limited organised a prize distribution function for the retailers of Philips tube lights of Nawabpur Area in Dhaka recently. Marketing Manager of the company Arshad Haque, National Sales Manager A Kader Khan, other officials of the company and dealers and retailers of Philips lighting products were present.

## SHIPPING

### Chittagong port

Berthing position and performance of vessels as on 1/3/2004

Berth no.	Name of vessels	Cargo	L. Port call	Local agent	DI Of arrival	Leaving	Import disch
J/5	Rise	Sugar(p)	Viza	SSTL	23/10	4/3	108
J/10	Asean Express	Slag	Fuku	Move	25/2	5/3	2810
J/11	Orient Excellence	Cont	P. Kel	PSSL	1/3	3/3	--
J/12	Kota Berjaya	Cont	Sing	Pil(bd)	28/2	2/3	270
J/13	Jaami	Cont	Col	Everbest	27/2	2/3	118
CCT/1	Qc Star	Cont	P. Kel	QCQL	28/2	3/3	137
CCT/2	Xpress Manaslu	Cont	P. Kel	RSL	27/2	2/3	314
CCT/3	Banga Bortl	Cont	P. Kel	Bdship	28/2	5/3	154
RM/4	Bonvoy-vii	CPO	Pasi	MTCL	28/2	2/3	
RM/5	Jat Preeti	HSD	Hald	SSLL	29/2	3/3	
DDJ:	Banglar Shourabh	C.oil	K. Dia	BSC	R/A	2/3	
DD:	Banglar Mamata	Repair	Yang	BSC	6/2	6/3	

### Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Cargo	Load port
Kota Cahaya	1/3	Sing	Pil(bd)	Cont	Sing
Vivek	1/3	P.band	ASA	Scraping	
Power	1/3	Indo	Move	Clink	Sgip
Bosowa Sembilan	1/3	Visa	SSA	Slag	Scan
Qc Honour	2/3	P.kel	QCQL	Cont	P.kel
New Blessing	2/3	P.kl	Seaborne	Cont	Sing
Mercos Komari	2/3	Kaki	Able	Sugar(p)	
Ks Glory	2/3	Kant	ANCL	Clink	Shah
Kamnik	3/3	Sing	ANCL	GI	
Banga Borat	3/3	Sing	Bdship	Cont	Ptp/mong
Kota Singa	3/3	Sing	Pil(bd)	Cont	Sing
Estrella Enterna	3/3	Sin	Everett	Vehi	

### Tanker due

Ocean Porpoise	2/3	Sing	MSTPL	MS (RM/5)
Sea Horse-1	2/3	Kunt	MTCL	CPOL (RM/3/4)
Ventura	3/3	Sin	BMA	CDSO (RM/4/3)
Slivarna Swarajya	7/3	--	SSLL	HSD/RM
Al Kuwaitiah	4/4	Kuwa	MSTPL	HSD/Ski (RM/3/4)
Bunga Siantan	4/3	Kaki	MTCL	COP(RM/8/3)

### Vessels at Kutubdia

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
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### Outside port limit

Louilwat Qatar	Crude Oil	R/tanu	USS	27/2
Banglar Jyoti	C. Oil	--	BSC	R/A

### Vessels at outer anchorage

#### Vessels ready

Banga Bonik	Cont	Col	Bandhi	1/3
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#### Vessels not ready

Iran Bahonar	CDSO	Maur	Rainbow	27/2
Presto	Def. Cargo	Yang	Rkship	29/2

#### Vessels awaiting employment / instruction

Banga Biraj	--	--	Bdship	R/A (29/12)
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#### Vessels not entering

Falcon Trader	C. Clink	Indo	Uniship	27/2
Excellent	C. Clink	Sing	ANCL	27/2
Eastern Star	Fert	Sing	Unique	26/2
Samson Appolo	C. Clink	Hopp	Move	29/2
Maritime Songkhla	C. Clink	Sing	BSL	28/2
Jimakos-1	Sugar(p)	Bang	Litmond	2/3
Santa Barbara	C. Clink	Kant	Uniship	1/3

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

## STOCK