

Worldwide steel scrap shortage hits US, parts of Asia

AFP, Washington

A worldwide steel scrap shortage, largely created by massive Chinese demand, is creating "havoc" for US industries and forcing emergency action to cap prices in parts of Asia.

American steel-consuming industries pleaded for the government to suspend all anti-dumping and anti-subsidy tariffs on imports, meeting swift and sharp opposition from the US steel industry.

Steel scrap prices in the United States -- measured by the benchmark "number one" heavy melt scrap -- doubled from 77 dollars a ton in early 2001 to 156 dollars a tonne in December 2003 before skyrocketing to an unprecedented

302 dollars a ton last month.

"These sharp price increases and the potential for scrap shortages are having significant, harmful effects on important manufacturing sectors of the US economy," said the Emergency Steel Scrap Coalition, grouping steel makers, auto parts manufacturers and other industries.

Scrap exports from the United States doubled from 6.3 million tons in 2000 to about 12 million tonnes in 2003, the coalition said.

The pain is being felt by steel consumer industries, just three months after they celebrated President George W. Bush's decision to rescind import tariffs aimed at protecting the domestic steel

industry.

A steel shortage was "causing havoc for US manufacturers" said the Consuming Industries Trade Action Coalition (Citac).

"US manufacturers are facing major steel supply disruptions and shortages that could contribute to plant closures and job losses in a matter of weeks or months," Citac said in a statement.

Citac chairman Michael Fanning called on the Bush administration to suspend existing anti-dumping and anti-subsidies tariffs on steel.

There are about 131 such orders on iron and steel products, he said.

"Under the current crisis market conditions, we believe that these restrictions should be suspended," Fanning said.

A surge in steel prices helps "integrated steel mills", the least efficient part of the American industry, because they barely use scrap and can enjoy the higher prices commanded by steel.

But steel "minimills", which rely heavily on scrap to produce steel, have been hit hard.

"These are very unusual times. There is tremendous uncertainty," said Thomas Danjczek, president of the Steel Manufacturers Association, which represents 90 percent of the American minimills.



PHOTO: A POSITIVE

Bangladesh Bank Deputy Governor Muhammad A (Rumee) Ali poses for a photograph with the participants of a seminar on Managing Core Risks in Banking organised by Brac Bank Limited on Monday in Dhaka. Brac Bank Managing Director M Ehsanul Haque and other senior officials of the bank were also present.



PHOTO: STAR

Shah Md Nurul Alam, managing director of Prime Bank Limited, speaks at the closing ceremony of a two-week long training course on Credit Operation and Management organised by the bank at its training institute in Dhaka recently. A total of 23 bank officials attended the course.

EU finance ministers mull ECB, IMF vacancies

AFP, Brussels

The EU Monday put off its choice to fill a hole on the European Central Bank's decision-making board, a decision that now risks getting caught up in debate on who should lead the IMF.

Finance ministers from the 12-nation eurozone postponed deciding on a replacement for Spain's Eugenio Domingo Solans on the ECB executive board until a summit of EU leaders later this month.

Irish Finance Minister Charlie McCreevy, whose country holds the EU presidency, said his colleagues would meet on March 25 to decide whose name to submit to the heads of government the following day.

The decision will follow "detailed consideration by ministers of the suitability of the candidates proposed", he told reporters after the monthly euro group meeting.

Three candidates are in the running to replace Domingo Solans, who is due to step down at the end of May from the ECB's six-strong executive board, which is responsible for the day-to-day running of the eurozone's monetary policy.



PHOTO: HEIDELBERGCEMENT BANGLADESH

KM Zahid Uddin, general manager (M&S) of HeidelbergCement Bangladesh Limited, and Salauddin Ibn Ahmad, chairman of Real State Pvt Syndicate, sign an agreement on behalf of their companies recently in Dhaka. Under the deal, Real State will use RubyCement for all of its ongoing and future projects. Managing Director of HeidelbergCement Bangladesh Mark van Kempen is also seen in the picture.

CURRENCY

Following is Tuesday's (March 9, 2004) forex trading statement by Standard Chartered Bank						
Sell		Buy				
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer	
59.4000	59.4500	USD	58.5050	58.3332	58.2633	
74.6539	74.7168	EUR	72.0957	71.8839	71.7979	
111.0067	111.1002	GBP	107.7838	107.4672	107.3385	
46.0706	46.1094	AUD	43.9431	43.8140	43.7616	
0.5417	0.5421	JPY	0.5228	0.5213	0.5206	
47.1953	47.2350	CHF	45.6322	45.4981	45.4437	
8.0770	8.0838	SEK	7.4479	7.4261	7.4172	
45.4406	45.4789	CAD	43.9755	43.8463	43.7938	
7.6311	7.6376	HKD	7.5017	7.4797	7.4707	
35.0753	35.1048	SGD	34.2435	34.1429	34.1020	
16.3043	16.3181	AED	15.7998	15.7534	15.7345	
15.9656	15.9790	SAR	15.4775	15.4321	15.4136	
10.3520	10.3608	DKK	9.3803	9.3528	9.3416	
202.2610	202.4312	KWD	191.4117	190.8495	190.6211	

Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai bath	Norroner	NZ dollar	Malaysian ringit
45.225	57.21	96.72	39.315	6.9617	0.7303	3.80

Local Interbank FX Trading				
Local interbank market was active on Monday. Dollar was almost at the same level against the Bangladeshi taka.				
Local Money Market				
Money market was active. Call money rate increased today due to shortfall in liquidity in the market and ranged between 5.00 and 5.50 percent compared with 4.00-4.50 percent previously.				
International Market				
The dollar slid to one-week low against the euro on Tuesday, extending its pullback from last week's three-month highs after Friday's dismal US jobs dimmed the chances of an early rate rise by the Federal Reserve. The dollar also kept a low profile against Japanese currency after tumbling a full yen in New York trade as talk swirled that Japan -- widely suspected of intervening to sell yen for dollars -- halted its dollar purchase.				
At 1730 hours on Monday, euro was at 1.2381/84, GBP at 1.8393/99 and yen was at 111.39/45 against US dollar.				
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SHIPPING

Chittagong port

Berthing position and performance of vessels as on 9/3/2004							
Berth No.	Name of vessels	Cargo	L. Port call	Local agent	D/O of arrival	Leaving Disch	Import
J/2	Kamnik	GI	Sing	ANCL	3/3	12/3	607
J/4	Mercs Komari	Sugar (P)	Kaki	Able	2/3	11/3	672
J/5	Inwa	Rice/Wheat	Kaki	GPSL	5/3	14/3	--
J/6	Layer Sentosa	Tsp	Chin	Unicorn	4/3	11/3	1452
J/11	Xpress Resolve	Cont	Col	Everbest	5/3	9/3	---
J/12	Banga Bijoy	Cont	Col	Baridhi	7/3	11/3	98
J/13	Banglar Shikha	Cont	Sing	BSC	8/3	11/3	235
CCT/1	Mardios	Cont	P. Kel	RSL	6/3	10/3	18
CCT/2	Dongtai Fortune	Cont	Sing	Pil (Bd)	6/3	11/3	346
CCT/3	Qc Dignity	Cont	P. Kel	QCSL	8/3	10/3	372
TSP:	Qc Pintail	Cont	Col	QCSL	5/3	11/3	
RM/3	Iran Bahonar	CDSO	Maur	Rainbow	27/2	9/3	
RM/4	Mmm Jackson	CPO	Belw	USL	3/3	9/3	

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Cargo	Lead port
Banga Bodor	9/3	Sing	Bdship	Cont	Mong
Mongla	9/3	Tuti	Able	Wheat (P)	
Pathein	9/3	Kaki	GPSL	Wheat (P)	
Tug Titian-4	9/3	Indo	Vega	Towing D/V	
Adinda Lestari	9/3	Indo	Vega	Demolition	
Dawei (Liner)	11/3	Yang	Everett	GI (SLC)	
Celje	10/3	Sing	ANCL	F.M.P. Port	
Amanat Shah	10/3	Viza	Cla	Rice/Wt	
Ocean Pride	12/3	Yangoon	PSAL	GI (Log/Ma/Sug)	
Marine Jeju	10/3	Sing	Everett	GI	--
Orient Enterprise	10/3	P. Kel	PSSL	Cont	Sing
Pac Makassar	9/3	Hald	PSSL	Cont	Col
Budi Aman	10/3	Sing	Pil (Bd)	Cont	Mong
Rio Negro	11/3	P. Kel	QCSL	Cont	P. Kel
Banglar Moni	11/3	Sing	BSC	Cont	Sing
Xpress Manaslu	14/3	P. Kel	RSL	Cont	Sing
Jaami	12/3	--	Everbest	Cont	Col

Tanker due

Suvarna Swaraja	10/3	Chenn	SSLL	HSD (RM)
Cielo Dimiliano	10/3	Kuwa	MSTPL	HSD/JP-1(RM)

Vessels at Kutubdia

Name of Vessels	Cargo	Last Port call	Local agent	Date of arrival
Dea Chancellor	--	--	IBSA	R/A(5/3)

Outside port limit

Dea Chancellor	--	--	IBSA	R/A(5/3)
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Vessels at outer anchorage

Vessels ready

Ventura	CDSO	Durb	BMA	4/3
Spring Glory	CPQ	Lumut	Rainbow	6/3
Salamat-2	Bitumen	Hald	Olm	7/3
Salamat-1	Bitumen	Sing	Olm	8/3

Vessels not ready

Banglar Jyoti	Crude Oil	K. Dia	BSC	R/A
Banglar Shourabh	Crude Oil	K. Dia	BSC	R/A
Htone Ywa	Black Map	Yang	Total	5/3

Vessels awaiting employment / instruction

Banga Biraj	--	--	Bdship	R/A (29/12)
Rise	--	--	SSTL	R/A (7/3)
Brave Royal	--	Kohsi	ARL	5/3

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

STOCK