

Oil hits high on supply fears

REUTERS, London

Oil prices struck a record high Monday on simmering concern that rapid fuel demand growth will outpace global supplies at a time when traders fear a sabotage attack on the Middle East oil infrastructure.

US light crude reached \$41.85 a barrel, the highest price since the New York Mercantile Exchange launched the crude contract in 1983. London's Brent crude climbed 34 cents to \$38.20 a barrel.

"Given the current situation, one can scarcely see what, short of an external intervention, could make short-term prices go down," said Societe Generale economist Frederic Lasserre.

low gasoline stocks in the United States and Europe and deterioration of the Middle East situation. Neither is likely to change much in the months to come," said Lasserre.

Low US gasoline inventories ahead of peak demand in the summer months, a surge in global consumption driven by healthy economic growth and worries that instability in the Middle East may disrupt supplies have driven crude prices up \$9 a barrel, or 28 percent, since the end of last year.

The United States has led consumer countries' calls on the Opec producer cartel to release more supply as fears gather of inflation and a slowdown in economic growth.

Opec, which controls half of

world crude exports will convene informally later this week on the sidelines of an Amsterdam conference and again in Beirut on June 3 for a full ministerial meeting.

Ministers will discuss a proposal from Saudi Arabia to raise the group's official production limits by at least 1.5 million bpd to cool prices.

Opec President Purnomo Yugiartoro said Monday the cartel was unhappy by such high oil prices. "High oil prices can cause recession. We are not happy with high oil prices," said Purnomo, who is also Indonesia's oil minister.

Even so, oil dealers are skeptical Opec has enough spare production capacity to bring prices down as most Opec countries, except top

exporter Saudi Arabia, are producing flat out.

The group is currently pumping more than two million bpd above its official production ceiling of 23.5 million bpd to feed demand, which has been especially strong in China and the United States.

Iran, Opec's second-biggest producer, has given guarded support to the Saudi proposal, cautioning that oversupply could deflate oil prices toward autumn.

"A possible increase of Opec production by 1.5 million barrels per day would display the organisation's co-operation and understanding with consumers even though Opec is not responsible for the situation," Iran's Opec Governor Hossein Kazempour Ardebili said.



PHOTO: SOUTHEAST BANK

Ragib Ali, vice-chairman of Southeast Bank Limited, cuts tape as chief guest to inaugurate the bank's 24th branch (rural) at Kulaura in Moulvibazar recently. Syed Abu Naser Bukhtear Ahmed, president and managing director, and MA Muhith, deputy managing director of the bank, were also present.

CURRENCY

Following is Monday's (May 17, 2004) forex trading statement by Standard Chartered Bank

Sell		Buy			
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
59.7500	59.8000	USD	58.8550	58.6621	58.6119
72.1362	72.1965	EUR	69.6137	69.4092	69.3261
106.0563	106.1450	GBP	103.0257	102.7231	102.6001
42.1775	42.2128	AUD	40.1038	39.9860	39.9381
0.5326	0.5331	JPY	0.5145	0.5130	0.5123
46.9143	46.9535	CHF	45.2800	45.1470	45.01930
7.7911	7.7976	SEK	7.2091	7.1879	7.1793
43.3914	43.4277	CAD	42.0243	41.9008	41.8507
7.6680	7.6744	HKD	7.5387	7.5165	7.5075
34.8905	34.9197	SGD	34.0695	33.9694	33.9287
16.4013	16.4150	AED	15.8943	15.8476	15.8286
16.0601	16.0735	SAR	15.5701	15.5244	15.5058
9.9945	10.0028	DKK	9.0920	9.0653	9.0544
203.3004	203.4706	KWD	192.5254	191.9599	191.7301

Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kronner	NZ dollar	Malaysian ringgit
45.5	57.73	98.83	40.795	6.8720	0.6556	3.80

Local Interbank FX Trading: Local interbank market was active. US dollar got stronger today against Bangladesh taka for import of fuel oil and scrap vessels.

Local Money Market: Money market was active. Call money rate increased and ranged between 5.00 and 6.00 percent compared with 4.00 and 5.00 percent previously.

International Market: The dollar tumbled on Monday as bomb blasts in Turkey and Iraq heightened global security fears, encouraging investors to dump the US currency after a week long rally, the greenback, already on the back-foot after weaker than expected US economic data on Friday, extended losses after news that the head of Iraq's US appointed Governing Council had been killed by a car bomb at a checkpoint in Baghdad. The killing followed bomb explosions in Turkey on Sunday, just hours before British Prime Minister Tony Blair was due to arrive in the country. Euro rose to as high as \$1.2060. The dollar's biggest losses came against the Swiss franc as soaring oil prices and tumbling stock markets sent investors running for cover.

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.

Israeli minister sees China as 'ultimate' trade market

REUTERS, Dead Sea Coast, Jordan

Israeli Industry, Trade and Labour Minister Ehud Olmert said Sunday he was targeting China to become one of Israel's largest trading partners.

Olmert said he planned a trip to China next month with a delegation of 100 industry leaders in an effort to boost Israeli exports to one of the world's most rapidly growing economies.

Israeli exports in 2003 grew 42 per cent to \$585 million while Chinese exports to Israel rose 27 per cent to \$985 million. Most bilateral trade is in equipment and textiles.

Olmert said Israel will invest resources to "follow closely the needs of China and to learn what can be worthwhile for investors."

When asked what other markets Israel would like to expand significantly, he said: "There is no market as big as China."

Overall, Olmert predicted Israeli exports would grow at least 10 percent in 2004 as the economy recovers from a three-year recession. So far this year, most export growth has been in the high-tech sector and mainly to the United States.

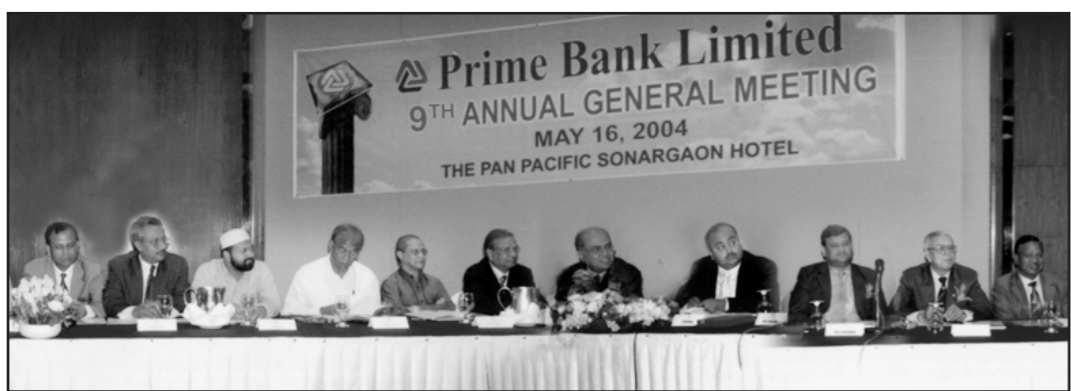


PHOTO: PRIME BANK

Mizanur Rahman Bhuiyan, chairman of Prime Bank Limited, speaks at the 9th annual general meeting of the bank held in Dhaka on Sunday.



PHOTO: TRANSCOM ELECTRONICS LIMITED

Executive Director of Transcom Electronics Limited Obaidur Rahman Khan (5th from right) poses with other officials of the company at the raffle draw of a special scheme for the retailers of Philips Lighting products in Dhaka recently.

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 17/5/2004

Berth no.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/1	Ocean Pride	GI (Log)	Yang	Psai	10/5	23/5	1609
J/5	Zhe Hai-323	Tsp/Fert	Chin	Unique	13/5	20/5	4104
J/7	Orient Freedom	Cont	P.Kel	Pssl	15/5	19/5	80
J/9	Xpress Resolve	Cont	Cyp	Everbest	14/5	18/5	210
J/10	QC Star	Cont	P. Kel	Qcsl	13/5	17/5	--
J/13	Budi Aman	Cont	Sing	Pil(Bd)	14/5	19/5	319
Ccl/1	Mardios	Cont	P. Kel	Rsl	14/5	19/5	414
Ccl/2	Kota Berjaya	Cont	Sing	Pil(Bd)	13/5	19/5	--
Ccl/3	Van Xuan	Cont	Ptp	Pssl	13/5	17/5	--
Tsp:	Power	R. Phos	Egypt	Seacoast	5/5	18/5	18/5
RM/6	Achilleus	Hsd/MS	Sing	Mstpl	15/5	18/5	18/5
DD:	Jaami	Repair	Col	Everbest	9/4	18/5	18/5
Ddj-1:	Dea Captain	--	K. Dia	Ibsa	R/A	--	--

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Cargo	Load port
Kota Naga	17/5	Sing	Pil (Bd)	Cont	Mong
Kota Cahaya	17/5	Sing	Pil (Bd)	Cont	Sing
Pavonis	19/5	Yang	Pml	GI	Log/Pulses
Merapi	18/5	Mala	Rsshpp	Scraping	--
Pac Makassar	18/5	Hald	Pssl	Cont	Sing
Tiger River	17/5	Sing	Pil (Bd)	Cont	Sing
Me Linh	19/5	Sing	Bsc	Cont	Sing
Celje	20/5	Sing	Ancl	Fert (P)	--
QC Honour	19/5	P. Kel	Ocsl	Cont	Sing
Banga Borti	20/5	Sin	Bdshpp	Cont	Ptp/Sing
Pelandar	20/5	Pki	Purbachal	Vehi	--
Orient Enterprise	20/5	--	Pssl	Cont	Sing
Banglar Shikha	21/5	Sing	Bsc	Cont	Sing
Sima Bahar	21/5	Sing	Pil (Bd)	Cont	Sing
QC Dignity	21/5	P. Kel	Ocsl	Cont	Sing
Tina	21/5	Mong	Alseas	GI	Power P/Equ
Banga Borak	21/5	--	Bdshpp	Cont	Pki/Sing
Banga Borat	22/5	--	Bdshpp	Cont	Pki/Sing

Tanker due

Kirana Tritya	17/5	Sing	Ctpl	Fuel Oil(RM/4)
Bonvoy-VII	18/5	Wantan	Mtcl	Cpo (RM/3)
Lombardia	23/5	Jebe	Owsl	Crude Oil

Vessels at Kutubdia

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Om Sunbeam	Cpo	Sing	Rainbow	16/5
Banga Bodor	Cont	P. Kel	Bdshpp	16/5
Kammik	GI(St.C)	Sing	Ancl	17/5

Vessels at outer anchorage

Vessels ready				
Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Banga Bijoy	Cont	Col	Baridhi	16/5
Santa Maria	Wheat (T)	Viza	Able	7/5

Vessels awaiting employment/instruction

Banga Biraj	--	--	Bdshpp	R/A (29/12)
Banglar Jyoti	--	--	Bsc	R/A (11/5)
Anlu Jiang	Fert(P)	Qinz	Rsa	11/5

Vessels not entering

Dolly	Mop (P)	Niko	Litmond	3/5
Winco Trader	C. Clink	Indo	Uniship	11/5
Safnaz	R. Phos	Egypt	Seacoast	5/5
Maritime Songkhla	Clink	Tarj	Bsc	14/5
Samsun Apollo	Clink	Maia	Move	16/5

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

STOCK