

G8 meeting to weigh Iraq, poor countries' debts

REUTERS, Washington

Leaders of the world's industrialised powers will grapple this week with how much of Iraq's debt should be cancelled, raising concerns the issue will overwhelm promises of debt relief for poor countries.

A decision on Iraq's estimated \$120 billion foreign debt could affect how much debt the world's industrial powers will be willing to forgive for poor countries, Group of Eight officials and global development groups said ahead of a summit of G8 leaders in Sea Island, Georgia, from Tuesday.

"There is some interplay because the terms and magnitude for the forgiveness for Iraq can't help but affect the mood and attitude and precedence for how you're going to deal with developing countries," said a high-ranking G8 official, who requested anonymity.

For a third straight summit since the Sept 11, 2001, attacks, leaders from the G8 nations -- the United States, France, Germany, Canada, Italy, Japan, Britain and Russia -- will focus on issues

around the US-led war on terror, and by extension the war in Iraq.

Two years ago, summit host Jean Chretien, then Canadian prime minister, wanted the meeting to make a landmark commitment to African aid, but the main news was a \$20 billion effort to help Russia safeguard its outdated nuclear arsenal from getting into the hands of terrorists.

In Evian, France, last year, the summit focused on rebuilding Iraq and combating the spread of weapons of mass destruction, without concrete steps for expanding debt relief.

At this week's Sea Island meeting, the United States will press Iraq's foreign creditors to forgive at least 80 percent of Iraq's foreign debt, as Washington prepares to hand the reins to an Iraqi caretaker government at the end of June.

Iraq's two biggest creditors, France and Russia, are pushing for a smaller reduction of the Iraq debt.

"There is a view -- at least on the part of some European countries -- that something in the order of 60-65 percent would be appropriate.

There are some other countries, including the United States, that would argue for a substantially higher number in the 90-95 percent range," Canadian Finance Minister Ralph Goodale said on Saturday.

Britain has said it will propose a broad plan that includes debt relief and addressing a global trade deadlock on agriculture as part of its preparation to host the next G8 summit in 2005.

British Chancellor of the Exchequer Gordon Brown said in an editorial in a British newspaper on June 1 the goal was to restore the chance to meet Millennium poverty targets by the year 2015.

"The richest countries cannot continue setting targets, failing to meet them and then expecting the poorest countries to trust our word," Brown said in the Independent editorial.

Issues over debt have divided rich countries in the past few months over so-called "topping up" of the Heavily Indebted Poor Countries initiative, a plan by industrialised governments launched in 1996 to ease the debt loads of poor countries.

GM to invest \$3b in China

AFP, Detroit, Michigan

US auto giant General Motors announced an ambitious expansion drive in China Monday, investing more than three billion dollars over the next three years and doubling capacity as it strives to close the gap on market leader Volkswagen.

The world's number one automaker said the investment would be spread over a range of new projects including boosting existing manufacturing plants, new vehicle launches and a new engine plant.

It will also fund the launch of its long-awaited auto financing joint venture, with the investments funded by profits from GM's China joint ventures.

"Together, these investments will enable us to maintain our leadership position by growing with the market," Phil Murtaugh, chairman and chief executive officer of GM China Group said in a statement.

"GM remains highly confident in the long-term prospect of the China market. With the world's fastest-growing vehicle market, success in China is crucial to GM's global success."

He said vehicle assembly capacity would reach 1.3 million by 2007, up from the present 530,000, driven by expansion at GM Shanghai, its flagship joint venture with state-owned Shanghai Automotive Industry Corp (SAIC).

Japan's foreign reserves rise \$1.9b in May

AFP, Tokyo

Japan's foreign exchange reserves for May rose 1.9 billion dollars from the previous month to 816.8 billion dollars, the finance ministry said Monday.

Japan's foreign reserves remained the highest in the world for the 54th straight month.

The reserves consist of securities and deposits denominated in foreign currencies, International Monetary Fund (IMF) reserve positions, IMF special drawing rights (SDRs) and gold.

In May, foreign currency reserves stood at 797.1 billion dollars, IMF reserves at 7.3 billion dollars, SDRs at 2.7 billion dollars and gold at 9.7 billion dollars, the finance ministry said.



PHOTO: GP

Abdul Quayum, joint editor of the Prothom Alo, draws a coupon at the raffle draw on the entry tickets of just concluded 'Mobile Mela' of GrameenPhone (GP) in Dhaka yesterday. Abed Khan (3rd from left), editor of the Bhoror Kagoj, Faridur Reza Sagor (2nd from left), managing director of Impress Telefilm, and Ghalib Ahmed Ansari (right), deputy general manager, marketing of GP, are also seen.



PHOTO: DHAKA BANK

Mohammad Abu Musa (left), deputy managing director of Dhaka Bank Limited, gives away certificate to Rajib Chaudhuri (right), a participant of the bank's 16-day Foundation Training for Bankers, at the certificate awarding ceremony held in Dhaka recently as Salahud Din Ahmed (centre), SAVP and faculty member of the bank, looks on.

CURRENCY

Following is Monday's (June 7, 2004) forex trading statement by Standard Chartered Bank						
Sell			Buy			
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer	
61.9000	61.9500	USD	60.1550	59.9783	59.9065	
77.2450	77.3074	EUR	73.4192	73.2035	73.1159	
115.0597	115.1527	GBP	110.3423	110.0182	109.8865	
43.9985	44.0341	AUD	41.2844	41.1631	41.1138	
0.5675	0.5680	JPY	0.5405	0.5389	0.5383	
50.6795	50.7205	CHF	48.2011	48.0595	48.0020	
8.3485	8.3552	SEK	7.6054	7.5831	7.5740	
46.2631	46.3004	CAD	44.1894	44.0596	44.0068	
7.9473	7.9537	HKD	7.7084	7.6858	7.6766	
36.4482	36.4777	SGD	35.1106	35.0075	34.9656	
16.9901	17.0038	AED	16.2458	16.1981	16.1787	
16.6362	16.6496	SAR	15.9128	15.8660	15.8470	
10.7043	10.7130	DKK	9.5823	9.5542	9.5427	
210.8813	211.0517	KWD	196.9518	196.3733	196.1383	
Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringgit
45.11	57.77	99.6	40.585	6.6434	0.6755	3.80



PHOTO: SIEMENS

Peter E Albrich, managing director of Siemens Bangladesh Limited (sitting, centre), and M Wazirul Alam (sitting, right), country manager of American Express Bank Travel Related Services sign a memorandum of understanding (MoU) on behalf of their organisations in Dhaka recently. Under the deal, American Express will provide enhanced corporate services package to Siemens. Jamil Ahmed, general manager of Human Resources Development Division of Siemens, Aftab M Khurshid, manager, Corporate Communications and Business Development of Siemens, and Arif Hafiz, travel manager of American Express Bank Ltd, were also present.

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 7/6/2004.

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/1	Fu Shen	GI(Log)	Yang	Mutual	30/5	8/6	132
J/3	Santa Maria	W/Ld Sug	Viza	Park	7/5	12/6	--
J/4	Svenja	GI(P/Equip)	Chenn	Allseas	5/6	7/6	364
J/6	Mawlamyine	GI (St. C)	Chenn	Everett	4/6	8/6	2221
J/7	Angela-R	Clink	Tanj	BSL	21/5	7/6	1075
J/8	Tiger	Idle	Mumb	Everett	30/5	8/6	--
J/9	Xpress Manaslu	Cont	P. Kel	RSL	6/6	9/6	239
J/10	Me Linh	Cont	Sing	BSC	5/6	9/6	319
J/12	Jaami	Cont	Col	Everbest	4/6	8/6	222
J/13	Banga Bodor	Cont	Sing	Bdship	3/6	7/6	--
CCT/11	QC Honour	Cont	P. Kel	QC SL	4/6	7/6	--
CCT/12	Sima Bahar	Cont	Sing	PII (Bd)	4/6	7/6	--
CCT/13	Kota Tampan	Cont	Sing	PII (Bd)	5/6	10/6	204
RM/3	Sakura	CPO	Paser	MTCL	5/6	8/6	--

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Cargo	Load port
Sinar Sejati-2	7/6	CAL	MBL	GI (Wt.Ce)	-
QC Dignity	7/6	P. Kel	QC SL	Cont	Sing Col
Banga Bonik	7/6	Col	Baridhi	Cont	Col
F.V. Nonzee-3	7/6	--	Oil	Fishing Trawlers	--
Eco Vigour	7/6	Port Ling	RCL	R. Seed	--
Yousheng	7/6	Aust	Litmond	Dun Peas	--
Kota Singa	7/6	Sing	PII (Bd)	Cont	Sing
Banga Borti	8/6	Sing	Bdship	Cont	PKL/Sing
Orient Excellence	8/6	Hald	PSSL	Cont	Col
Pyongyang-813	10/6	Bank	USL	Sugar (P)	--
Byzantio	8/6	Tianj	Rsship	Demolition	--
Kengtung (Liner)	10/6	Yangon	Everett	GI(SL.C)	--
Kota Naga	8/6	Sing	PII (Bd)	Cont	MGL
Novgorod	9/6	Santo	KSM	Sugar (P)	--
Banglar Shikha	9/6	Sing	BSC	Cont	Sing
Kranj	10/6	Sing	ANCL	GI 31 Units	--
Shivaji	10/6	P. Band	Intraport	Scraping	--
Banga Borak	11/6	--	Bdship	Cont	Sing
Rio Negro	10/6	P. Kel	QC SL	Cont	Sing
Express Resolve	11/6	CBO	Everbest	Cont	Col
Mardios	11/6	P. Kel	RSL	Cont	Sing

Tanker due

Salamat-2	7/6	Sing	OLM	Bitumen(RM/3)
Gaz Master	7/6	Hald	MBL	Ammonia

Vessels at Kutubdia

Name of vessels	Cargo call	Last Port	Local agent	Date of arrival
Dea Captain	--	--	IBSA	R/A (7/6)

Outside port limit

Dea Captain	--	--	IBSA	R/A (7/6)
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Vessels at Outer Anchorage

Vessels ready

New Blessing	Cont	P. Kel	Everbest	7/6
Nand Srishli	GI(Hr.C)	Jaka	RSA	7/6
Maritime Chiangmai	Gyl/L.Ston	Krabi	BSL	5/6

Vessels not ready

Pagan	Sugar (P)	Bank	GPSL	27/5
Pathein	Sugar (P)	Bank	GPSL	29/5
Pearl	R. Phos	Sing	Pacific	30/5
Belgorod	Sugar(P)	Santo	KSM	1/6
Maritime Songkhla	C. Clink	Tanj	BSL	6/6
Evelyn	Sugar (P)	Thai	Litmond	6/6
Lion	HSD/SKO	Mina	MSTPL	7/6

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

STOCK