

G8 seeks optimistic message on economy despite high oil price

AFP, Savannah, Georgia

World leaders open a summit Tuesday to instill confidence in the fastest economy since the 1970s, even as they grapple with the twin menaces of searing oil prices and rising rates.

US President George W. Bush, hosting the Group of Eight summit at a palm-fringed private island off the coast of Georgia, can finally boast to his partners of a robust US economy that also creates new jobs.

The US economy generated some 248,000 jobs in May, US government figures showed, capping off a one-million-strong gain in three months.

That strength, combined with the threats posed by high energy prices and the prospect of higher interest rates in major economies, will be used as leverage by Washington to step up pressure on Europeans to make their economies more like America's.

It is an "optimistic message, but also a message that we need to continue to work," a senior US official said on condition of anonymity.

Federal Reserve policymakers are widely expected to raise the key federal funds target rate, which banks charge each other overnight, by 0.25 percentage points from the current 1958 low of 1.0 percent when they next meet June 29-30.

But "the outlook again is so strong for the global economy and the US economy that even if interest rates go up, the global economy and the US should still be able to maintain very strong growth going forward," the official said.

The main crude oil contract in New York peaked at a record of more than 42 dollars a barrel last week, fuelled by fears for the security of Middle East supplies, but fell sharply after Opec promised to raise output.

"Anytime oil prices go up, it is like a bit of a tax on the global economy, a bit of a headwind against global growth," the US official conceded. But "again, the economy is so strong and the US in particular can handle a bit of head-

wind."

Europe, however, would be encouraged to speed up reforms to free up the economy, which lagged far behind the United States and even behind Japan, which appears to be emerging from more than a decade of stagnation.

"The discussion is on how to keep this strong growth over the longer term and raising growth throughout the world, not just have the US economy drive growth," the official said.

Private analysts underscored the importance of righting unbalanced global economic growth, which is blamed by the United States for feeding the US trade deficit.



PHOTO: AIRSPAN

Mohammad Behesti Monfared (left), Iranian ambassador to Bangladesh, Mahmood Berangi (centre), second secretary of Iranian embassy in Dhaka, and Kazi Wahidul Alam (right), managing director of Airspan Limited, passenger and cargo sales agent of Mahan Air in Bangladesh, pose for photographs at a function marking the opening of an office of Mahan Air, a private sector airline in Iran, in Dhaka on Monday.

CURRENCY

Following is Tuesday's (June 8, 2004) forex trading statement by Standard Chartered Bank

TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
61.9000	61.9500	USD	60.1550	59.9783	59.9065
76.8922	76.9543	EUR	73.2568	73.0416	72.9542
114.5955	114.6880	GBP	109.8912	109.5684	109.4372
44.2833	44.3190	AUD	41.5611	41.4390	41.3894
0.5709	0.5714	JPY	0.5434	0.5418	0.5412
50.5760	50.6169	CHF	48.1048	47.9635	47.9061
8.3607	8.3674	SEK	7.6100	7.5877	7.5786
46.3740	46.4114	CAD	44.2870	44.1569	44.1040
7.9496	7.9560	HKD	7.7106	7.6879	7.6787
36.4804	36.5099	SGD	35.1414	35.0382	34.9962
16.9906	17.0043	AED	16.2458	16.1981	16.1787
16.6375	16.6510	SAR	15.9136	15.8669	15.8479
10.6803	10.6890	DKK	9.5625	9.5344	9.5230
210.6589	210.8290	KWD	196.7521	196.1742	195.9394

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringgit
45.01	57.8	99.8	40.565	6.6520	0.6812	3.80

Local Interbank FX Trading

Local interbank market was active Tuesday. US dollar continued to get stronger against Bangladeshi taka on back of import payments of edible oil and scrap vessels.

Local Money Market

Money market was active. Call money rate remained almost at the same level and ranged between 3.50 and 4.00 percent compared with 3.00 and 4.00 percent previously.

International Market

The dollar hit a fresh two-month low on the euro on Tuesday and stayed near a one-week trough on the yen with investors doubting whether the

Federal Reserve would hike interest rates aggressively this month. The greenback began its descent on Friday as US jobs data, though backing the view of a quarter-point rate hike this month, left doubts as to whether the Fed would go beyond its pledged "measured" pace of tightening and raise by a larger 50 basis points. The yen held its ground against the dollar with Tokyo stocks ending up 0.72 percent after posting the biggest percentage gain this year on Monday. Currently the focus is on the International Monetary Conference in London where Fed Chairman Alan Greenspan, European Central Bank President Jean-Claude Trichet and Bank of Japan Deputy Governor Toshiro Muto are due to speak.

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Rato spends first day as IMF head

REUTERS, Washington

Spain's former finance minister Rodrigo Rato began work as the International Monetary Fund's managing director Monday.

On his first day, Rato videotaped an internal message to staff, then began meetings with the IMF board, heads of departments and senior management officials that included his deputy Anne Krueger, spokesman Bill Murray said.

Rato's appointment on May 4 followed criticism by developing countries of the inside political deals and lack of transparency that has kept a European at the head of the global lender for the past 60 years.

But he comes to the fund with a reputation as a competent finance minister who helped oversee growth of the Spanish economy.

Rato is faced with restoring the credibility of the fund as a global lender and guardian of the international monetary system, analysts and IMF observers said.

Rato's immediate task will be to ensure a debt restructuring agreement between Argentina and its foreign creditors owed about \$100 billion since a 2001 economic crash.



PHOTO: BGMEA

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Annisul Huq (5th from left) presides over the association's 21st annual general meeting held in Dhaka on Monday. Among others, First Vice-president of BGMEA Md Abdus Salam, Second Vice-president Alamgir Rahman, Vice-president M Golam Faruque, Vice-president (Finance) Anwar-ul Alam Chowdhury, and former president Quazi Maniruzzaman were present.



PHOTO: MERCANTILE BANK

M Nurul Islam, managing director (acting) of Mercantile Bank Limited, and MH Samad, managing director and CEO of Central Depository Bangladesh Limited (CDBL), exchange documents after signing an agreement on behalf of their organisations recently in Dhaka. Under the deal, CDBL will convert the bank's paper shares into electronic scrips for trade settlement under the central depository system (CDS).

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 8/6/2004

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	617
J/3	Santa Maria	W/Ld Sug	Viza	Park	7/5	12/6	--
J/5	Nand Srishti	GI (Hr C)	Jaka	RSA	7/6	10/6	2579
J/6	Mawlamyine	GI (St C)	Chenn	Everett	4/6	8/6	1955
J/8	Tiger	Idle	Mumb	Everett	30/5	10/6	--
J/10	Me Linh	Cont	Sing	BSC	5/6	9/6	71
J/12	Jaami	Cont	Col	Everbest	4/6	8/6	25
J/13	Qc Dignity	Cont	P Kel	QCSSL	7/6	10/6	334
CCT/1	New Blessing	Cont	P Kel	Everbest	7/6	11/6	218
CCT/2	Xpress Manaslu	Cont	P Kel	RSL	6/6	9/6	412
CCT/3	Kota Tampan	Cont	Sing	Pil(Bd)	5/6	10/6	362
CCJ	Maritime Chiangmai L. Stone	Krabi	BSC	BSC	5/6	10/6	--
RM/3	Sakura	CPO	Paser	MTCL	5/6	8/6	--
DOJ	Banglar Jyoti	C Oil	K Dia	BSC	R/A	8/6	--

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. port call	Local agent	Cargo	Load port
Orient Excellence	8/6	Hald	PSSL	Cont	Col
Kota Naga	9/6	Sing	Pil(Bd)	Cont	Mong
F.V. Nonzee-3	8/6	--	Oil	Fishing Trawlers	--
Mirm Belinda	8/6	Viza	ASA	Feldspar Chips	--
Byzantio	8/6	Tianj	Rship	Demolition	--
Novgorod	11/6	Santo	KSM	Sugar (P)	--
Banglar Shikha	9/6	Sing	BSC	Cont	Sing
Pyongyang-813	10/6	Bank	USL	Sugar (P)	--
Kranj	11/6	Sing	ANCL	GI 31 Units	--
Kengtung (Liner)	9/6	Yang	Everett	GI (St C)	--
Shivaji	10/6	P Band	Intraport	Scraping	--
Rio Negro	10/6	P Kel	QCSSL	Cont	Sing
Banga Borak	12/6	PKL	Bdship	Cont	Sing
Express Resolve	11/6	CBO	Everbest	Cont	Col
Mardos	11/6	P Kel	RSL	Cont	Sing
Jin Cheng (Liner)	14/6	--	Bdship	GI	--

Tanker due

Gaz Master	7/6	Hald	MBL	Ammonia
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Vessels at Kutubdia

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Dea Captain	--	--	IBSA	R/A (8/6)

Outside port limit

Dea Captain	--	--	IBSA	R/A (8/6)
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Vessels at outer anchorage

Vessels ready	Cargo	Local agent	Date of arrival
Salamat-2	Bitumen	Sing	OLM
Banga Bonik	Cont	Col	Baridhi
Kota Singa	Cont	Sing	Pil (Bd)
Banga Borti	Cont	Sing	Bdship
Lion	HSD/SKO	Mina	MSTPL

Vessels not ready

Pagan	Sugar (P)	Bank	GPSS	27/5
Pathain	Sugar (P)	Bank	GPSS	29/5
Pearl	R Phos	Sing	Pacific	30/5
Belgorod	Sugar(P)	Santo	KSM	1/6
Maritime Songkhla	C Clink	Tanj	BSL	6/6
You Sheng	D Peas/Wt	Aust	Limond	7/6
Eco Vigour	R Seed	Sing	RCL	7/6

Vessels awaiting employment / instruction

Banga Biraj	--	--	Bdship	R/A (29/12)
Banglar Shourabh	--	--	BSC	R/A (6/6)

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

STOCK