

Oil prices hover around record high points

AFP, London

World oil prices hovered Tuesday around historic closing peaks reached a day earlier when major producer Iraq stopped pumping crude from its southern oil fields.

Brent North Sea crude oil for September opened at 41.35 dollars per barrel in trading here on Tuesday, 21 cents below Monday's record high closing level of 41.56 dollars after the contract had surged 93 cents.

New York's light, sweet crude for September delivery edged down 10 cents to 44.74 dollars in pre-opening electronic trading Tuesday after soaring 89 cents to close at 44.84 dollars the previous day.

In Asian trading earlier Tuesday, the September contract had touched a high of 44.99 dollars per barrel, topping the record intra-day high of 44.98 dollars per barrel set during New York trading the previous day.

Prices had shot up Monday after Iraq's Southern Oil Company ceased production for "security reasons", spokesman Mohammed al-Mohammedi said. Shiite militia had threatened to attack infrastructure.

The south had been the only outlet for Iraqi oil. An attack on the pipeline to Turkey halted northern shipments last week.

Electronic dealing precedes the formal opening of trading in London and New York. Volumes of trade in electronic deals, which are carried out automatically by computer, tend to be much lower than during formal trading.

Meanwhile AFP from Kuala Lumpur says,

Soaring oil prices and a slowdown in China's economy are a double-whammy for Asian countries but will not plunge the region into a recession or derail economic recovery, economists said Tuesday.

They told a two-day Asian economic summit here that crude oil prices were expected to ease and a softlanding for China's economy appeared intact.

Despite the optimism, other analysts warned that supply disruptions in Iraq, persistent terrorist threats and the troubles of Russian oil giant Yukos could push oil prices to 50 dollars a barrel or beyond.

Singapore-based DBS Bank Vice-president and regional economist Chua Hak Bin said oil prices were expected to moderate amid signs of a consumption slowdown in the US and China.

Oil prices at 40 dollars a barrel could shave off 0.6-0.8 percentage points from Asia's gross domestic product (GDP) growth in 2005, and up to 1.5 percent if prices hit 50 dollars a barrel, he said.

"It is going to hurt but it is not like the oil shock episodes in the 1970s and 80s. It is not going to derail Asia's recovery. We believe prices will come down slightly from where they are now," he said.

MasterCard Int. Regional Economic Adviser Yuwa Hedrik-Wong said oil prices were experiencing a "temporary short-term spike" and would likely average around 34 dollars a barrel this year and ease to 32-33 dollars next year.

He said the global economy was becoming more energy efficient and could absorb the increase.

Despite uncertainties, he said the world economy was undergoing its "first synchronised global upswing in 15 years" with Asia-Pacific emerging as a high-performance economic region and showing its best fundamentals since 1990.

But other analysts in the region were concerned over the spectre of 50-dollar price levels.

"We are afraid prices might be on an increasing trend throughout the year, especially if there is an uncontrolled situation. That is why we should be taking preventive action," said Jakarta-based Asean Centre for Energy director Weerawat Chantanakome.

S America trade bloc, EU try to break free-trade deadlock

AFP, Brasilia

Representatives of South America's Mercosur trade bloc and EU negotiators prepared Monday to break last month's logjam to create a free-trade zone between the two blocs.

"There is no room for negotiating tactics," said Regis Arslanian, the negotiator for Mercosur, which comprises Argentina, Brazil, Paraguay and Uruguay.

"They will have to put their cards on the table," he said.

The two sides will meet in Brazil's capital Tuesday through Thursday.

An EU-Mercosur agreement would eliminate tariffs between the two blocs and raise importation quotas for a limited number of agricultural products sold in Europe.

Arslanian said that Mercosur broke off last month's talks in Brussels because the EU offer was "insufficient." Europeans had sought even lower quotas than those currently in force.

In 2003, 70 percent of Mercosur exports to the European Union were primary goods, mostly agricultural.

However, of EU exports to Mercosur, 89 percent were secondary, or manufactured, goods, while only seven percent were primary goods with little value added.

Europe is seeking further concessions allowing it access to Mercosur's services sector, investments and government procurements.

Arslanian said the outcome of this week's meeting in Brasilia will determine whether a deadline for reaching an EU-Mercosur agreement will be met by October 31.

Mercosur will also try some sweet persuasion regarding the European refusal to negotiate sugar tariffs.

EU negotiator Joao Jose Pacheco is to meet Tuesday morning in Brasilia with representatives of Brazil's agribusiness sector.



PHOTO: CITYCELL

Intekhab Mahmud (3rd from left), head of Marketing of CityCell, and Hasnain Khurshed (4th from right), executive director of International Television Channel Limited, the owning company of private television channel ntv, exchange documents after signing an agreement on Monday in Dhaka. Under the deal, CityCell subscribers will be able to get news service of ntv through their cell phone sets.

CURRENCY

Following is Tuesday's (August 10, 2004) forex trading statement by Standard Chartered Bank						
Sell			Buy			
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer	
59.6500	59.7000	USD	58.5050	58.3332	58.2633	
73.9481	74.0101	EUR	71.0894	70.8806	70.7958	
110.5672	110.6599	GBP	107.0173	106.7030	106.5753	
43.3894	43.4258	AUD	41.1232	41.0024	40.9533	
0.5468	0.5473	JPY	0.5254	0.5239	0.5232	
48.1476	48.1879	CHF	46.2307	46.0949	46.0398	
8.3038	8.3107	SEK	7.6193	7.5969	7.5879	
45.7088	45.7471	CAD	44.0384	43.9090	43.8565	
7.6558	7.6622	HKD	7.4944	7.4724	7.4634	
34.9771	35.0065	SGD	34.0066	33.9067	33.8662	
16.3730	16.3867	AED	15.8002	15.7538	15.7349	
16.0332	16.0467	SAR	15.4775	15.4321	15.4136	
10.2670	10.2756	DKK	9.2793	9.2520	9.2410	
202.9602	203.1303	KWD	191.3804	190.8183	190.5899	

Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kroner	NZ dollar	Malaysian ringgit
46.37	58.88	104.025	41.375	6.7545	0.7036	3.80

**Local Interbank FX Trading**  
Local interbank market was active. US dollar was mostly steady against Bangladeshi taka.

**Local Money Market**  
Money market was active. Call money rate was steady at 3.75 and 4.25 percent.

**International Market**  
The dollar held near recent two-week low against euro on Tuesday but moved little on the day as investors awaited an expected Federal Reserve interest rate rise and any new signals on future US rate changes. The Fed is widely expected to raise target borrowing costs by a quarter percentage point to 1.50 percent when it announces its decision at 1815 GMT, making it the second monetary tightening in four years after it began raising rates in June. But investors are also keen to hear more about the Fed's future pace of tightening after last week's disappointing non-farm payrolls report fanned worries about the health of US economic recovery. The Swiss franc held near last week's two-week high, supported by falling investor risk appetite. The other focus was higher oil prices, which hit a fresh record high near \$45 a barrel as violence in Iraq disrupted output and exports, compounding fears that tight global supplies may be inadequate to meet demand. The yen was coming under mild pressure due to Japan's reliance on oil.

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SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 10/8/2004

Berth No.	Name of vessels	Cargo	L. port call	Local agent	Dt of arrival	Leaving	Import disch.
J/2	Amar	Sugar(P)	Bang	Total	1/8	14/8	1173
J/3	Sinhai	C.Clink	Indo	Nwsl	1/8	15/8	--
J/4	Al Mohammed	Sugar(P)	Bang	Cla	4/8	14/8	1890
J/5	Defiant-T	Wheat(P)	Kiki	Pacific	3/8	14/8	1023
J/6	Proliv Viktoria	Sugar(P)	Sing	Otl	31/7	13/8	890
J/7	Orient Freedom	Cont	Sing	Pssl	10/8	--	--
J/9	Feng Kang Shan	Gl	Sing	Bdship	6/8	14/8	2504
J/10	Kota Naga	Cont	Sing	Pl(Bd)	8/8	10/8	336
J/11	Banga Borak	Cont	P.Kel	Bdship	7/8	11/8	318
J/12	Xpress Resolve	Cont	Col	Everbest	6/8	10/8	32
J/13	Dongtai Fortune	Cont	Sing	Nol	8/8	12/8	406
Ccl/1	Kota Singa	Cont	Sing	Pl(Bd)	7/8	11/8	319
Ccl/2	Banga Lanka	Cont	Sing	Bdship	6/8	11/8	135
Ccl/3	Mardios	Cont	P. Kel	Rsl	8/8	12/8	545
Doj:	Banglar Jyoti	C. Oil	K. Dia	Bsc	R/A	11/8	--
DD:	Banglar Robi	Repair	Mumb	Bsc	15/6	14/8	--
Ddj/1:	Banga Barta	Repair	P.Band	Baridhi	13/7	12/8	--
Ddj/2:	Cec Venture	GI(St.Pipe)	Bela	Beeline	9/8	--	--
Custom	Tug Sbm-1	P. Cargo	Sing	Otl	9/12	--	--
Jetty	Eagle Strength	Idle	Sing	Nol	21/9	14/8	--
Cuffj	Neptune	Urea	Col	Mbl	6/8	12/8	--
K(U)	F.V. Nonzee-4	Ballast	Bang	Oil	15/7	--	--

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. port call	Local agent	Type of cargo	Loading ports
QC Honour	10/8	P. Kel	Qcsl	Cont	Sing
Free Atlas	10/8	Hopl	Litmond	Clink	Shah
Banga Bijoy	11/8	Col	Baridhi	Cont	Col
Banga Borat	11/8	Sing	Bdship	Cont	Pkl/Sing
Sapanca	11/8	--	Beeline	R. Phos	Boic
Al-Sharjla-II	11/8	--	Jardine	Demolition	--
QC Dignity	11/8	P. Kel	Qcsl	Cont	Sing
Orient Enterprise	12/8	Hald	Pssl	Cont	Col
Tug Micranacy-10	12/8	--	Bdship	Towing Barge	Mic-330
Barge Mico-330	12/8	--	Bdship	Concrete Pipe	--
Continent-4	12/8	Col	Cla	--	--
Me Linh	13/8	Sing	Bsc	Cont	Sing
Feng Shun Shan	12/8	--	Bdship	Gl	--
Micronesia Heritage	11/8	Hal	Everbest	Cont	Col
Jaami	13/8	Col	Everbest	Cont	Col

Tanker due

Jag Preeti	11/8	Chenn	Ssl	Hsd
Mount Rainier	12/8	Sing	Gpsl	Naptha/Doj
Salamat-1	14/8	B. Bush	Olm	Bitumen/RM(3)
Gaz Master	16/8	Sing	Mbl	Ammonia/R/A

Vessels at Kutubdia

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

Ionikos	Crude Oil	Rast	Owsl	5/8
Banglar Shourabh	Crude Oil	--	Bsc	R/A

Vessels awaiting employment/instruction

Banga Biraj	--	--	Bdship	R/A (29/12)
Salamat-2	--	--	Olm	R/A (10/8)

Vessels not entering

Angeliki-D	Sugar	Sant	Litmond	3/8
Namemcha	Sugar(P)	P. Link	Rainbow	4/8
Louros	Scraping	Sint	Rship	9/8

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



PHOTO: GP

Md Eunus Mian, company secretary of Gas Transmission Company Ltd (GTCL), and Tanvir Ibrahim, head of Sales, GrameenPhone Ltd, sign an agreement on behalf of their organisations recently in Dhaka. Under the deal, GTCL has become a corporate client of GP. Among others, Manjur Morshed Talukder; managing director of GTCL, and Mehboob Chowdhury, director, Sales and Marketing of GP, were present.

STOCK