

Oil prices ease back below \$48

AFP, London

World oil prices ducked back below 48 dollars a barrel on Thursday amid speculation that US government may tap strategic reserves as inventories plunge due to Hurricane Ivan, analysts said.

New York's main contract, light sweet crude for delivery in November, eased 42 cents to 47.93 dollars a barrel in pre-opening electronic trading.

The contract surged 1.59 dollars to 48.35 dollars a barrel on Wednesday, approaching a record close on August 19 of 48.70 dollars and an all-time high of 49.40 dollars seen on August 20.

Benchmark Brent North Sea crude oil for delivery in November dropped 27 cents to 44.66 dollars a barrel in early deals in London.

Markets cooled amid speculation that the United States might release some crude oil from its strategic petroleum reserves (SPR), said Commerzbank analyst David Thomas.

"They did it back in 2002 when there were extraordinary circumstances and security of supply was at risk, so they have done it historically and they might do it again."

The White House has pledged to fill the reserve to its capacity of 700 million barrels. The reserves are kept in salt mines on the Gulf Coast

in Louisiana and Texas.

"A couple of refiners have apparently made a request to the government to borrow from the SPR, because their stocks and tankers are too low. It would be a question of borrowing it and giving it back as soon as supplies arrive towards their storage centre," said Thomas.

"But obviously the market would take it nervously because it would be seen as a release of strategic reserves rather than just a borrowing."

Prices surged on Wednesday on news that US oil inventories tumbled to their lowest levels since February last week in the wake of

Hurricane Ivan.

The US Department of Energy said crude reserves fell by 9.1 million barrels in the week to September 17 to 269.5 million barrels, the lowest levels since February 6.

The American Petroleum Institute, a private trade association, said its survey showed an even steeper drop of 12.9 million barrels to 266.7 million.

"This was one of the largest week-on-week draws in history," said US-based analyst Jason Schenker at Wachovia Securities.



PHOTO: GP

Bangladesh Telecommunication Regulatory Commission (BTRC) Chairman Syed Marghub Murshed hands over a crest to GrameenPhone Managing Director Ola Ree at a citation awarding ceremony held in Dhaka on Wednesday for GPs reaching the two million subscriber mark.



PHOTO: BANGLADESH LAMPS

Managing Director of Bangladesh Lamps Limited Latifur Rahman and Managing Director and CEO of Central Depository Bangladesh Limited (CDBL) MH Samad sign an agreement on behalf of their organisations recently in Dhaka. Under the deal, CDBL, the service provider of central depository system, will convert paper share certificates of Bangladesh Lamps into electronic scrips.

India to raise sugar imports, policy seen unchanged

REUTERS, New Delhi/London

India will increase raw sugar imports in the new season beginning in October to bridge a production shortfall, but analysts said Wednesday they did not expect key changes to sugar policy soon.

Millers in India, the world's largest sugar consumer, have signed deals this year to import 800,000 tonnes of raw sugar in the face of a domestic cane shortage, officials said.

Traders discounted talk of white sugar imports.

India's sugar output is seen falling to about 13.5 million tonnes in the year ending September 30, from 20 million in the previous year. Indian traders say output is likely to drop further to 12.5 million tonnes next year.

But high production in past years have allowed India to build up huge sugar stocks, with a carry-over likely of nearly eight million tonnes into the new year starting in October.

India's annual consumption is about 18 million tonnes.

The International Sugar Organization (ISO) said this week that most of the world's sugar deficit is locked in India, where stocks are enough to cover a two-year shortfall in domestic production.

Indian analysts see no urgent need to change state sugar policy, and do not foresee a cut in the import duty soon.



PHOTO: STANDARD CHARTERED

M Sajidur Rahman, head of customer banking of Standard Chartered Bank, and Trevor MacDonald, general manager of Dhaka Sheraton Hotel, pose for photograph with other senior officials of both organisations at a memorandum of understanding (MoU) signing ceremony in Dhaka recently. Under the MoU, Dhaka Sheraton will offer special privileges to the priority customers and credit cardholders of the bank.

CURRENCY

Following is Thursday's (September 23, 2004) forex trading statement by Standard Chartered Bank

Table with columns for Sell, Buy, and Transfer rates for various currencies including USD, EUR, GBP, JPY, CHF, SEK, CAD, HKD, and AED.

Exchange rates of some currencies against US dollar

Table with columns for Indian rupee, Pak rupee, Lankan rupee, Thai bath, and Nor kronet.

Local Interbank FX Trading: Local interbank FX market was active. Dollar strengthened further against Bangladeshi taka on back of import related demand. Local Money Market: Money market was active. Call money rate was steady and ranged between 2.75 and 3.25 percent as compared to 3.00-3.50 percent previously. International Market: Yen dipped to 5-week lows against US dollar and euro hit by steep oil prices and the resulting slump in Asian Stock markets. Euro gained some ground against the dollar following 25 basis point rate rise by US Federal Reserve on Tuesday and Fed's cautious outlook on inflation. Market still believes that Federal Reserve would increase funds rate by another quarter percentage point in the next policy setting meeting in November, but they are unsure of further rate hikes from that point onward. Market players are also focusing on developments in the oil market as analysts feel costlier fuel prices may push the dollar lower in future.

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.

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 23/9/2004

Table with columns: Berth No., Name of vessels, Cargo, L. port call, Local agent, Dt of arrival, Leaving, Im port disch.

Vessels due at outer anchorage

Table with columns: Name of vessels, Date of arrival, L. port call, Local agent, Type of cargo, Loading ports.

Tanker due

Table with columns: Name of vessels, Date of arrival, Local agent, Type of cargo.

Vessels at Kutubdia

Table with columns: Name of vessels, Cargo, Last port, Local agent, Date of arrival.

Outside port limit

Table with columns: Name of vessels, DR-Equip, Sing, lbsa, 14/9.

Vessels at outer anchorage

Table with columns: Name of vessels, DR-Equip, Sing, lbsa, 14/9.

Vessels not ready

Table with columns: Name of vessels, TSP(BAG), China, Pacific, 18/9; R-Phos, Egypt, Pmt, 22/9; Gi (Pulse), Yang, Jardine, 23/9.

The above are the Friday & Saturday (24/9/2004 & 25/9/2004) shipping position and performance of vessels at Chittagong Port as per berthing sheet of GPA supplied by Family, Dhaka.

STOCK