

Oil at \$60 may hurt Asia's confidence: Economists

AFP, Singapore

As oil prices keep setting new record highs, there are growing concerns that Asia's energy-hungry economies can no longer continue absorbing the impact with crude creeping toward 60 dollars a barrel. The risk of stagflation -- persistently high inflation and low economic growth -- is seen as low so far but 60-dollar oil could puncture business and consumer confidence in the region, economists told AFP. "I think it will have an impact... sentiment will be affected," said Nizam Idris, deputy head of

research at IDEAglobal.com.

"As a consumer, you will be careful with your expenditures. It will have a psychological effect which will filter through to decision-making from consumers to producers," he said.

Julian Jessop, the chief international economist at London consultancy Capital Economics, also agreed crude prices at 60 dollars a barrel would deal a psychological blow to the region.

"There is no doubt 60 dollars would have a significant impact. Psychologically, clearly a price that high is going to be a big problem," he

said.

Despite the warnings, Jessop said Asia was still in a better position to cope with higher oil bills than other regions because its economy is in stronger shape.

"I think paying a bit more for oil is not going to be the end of the world for Asia where growth has been strong for some time," Jessop said.

"Asia can afford to pay more for its oil compared to, say, Europe where the economic recovery is still very weak," he said.

Analysts say crude prices are now within striking distance of 60 dollars a barrel after New York's

main contract, light sweet crude for delivery in December, set a record of 55.50 dollars in New York trading Friday and finished at a record settlement of 55.17 dollars.

"I certainly wouldn't rule out 60 dollars in the current environment. Virtually anything is possible," said Daniel Hynes, a Melbourne-based energy analyst at ANZ Bank.

Unusually low US heating oil stocks ahead of the northern hemisphere winter and insatiable demand from a still booming Chinese economy are among the key reasons behind the sharp spike in crude prices in recent weeks.

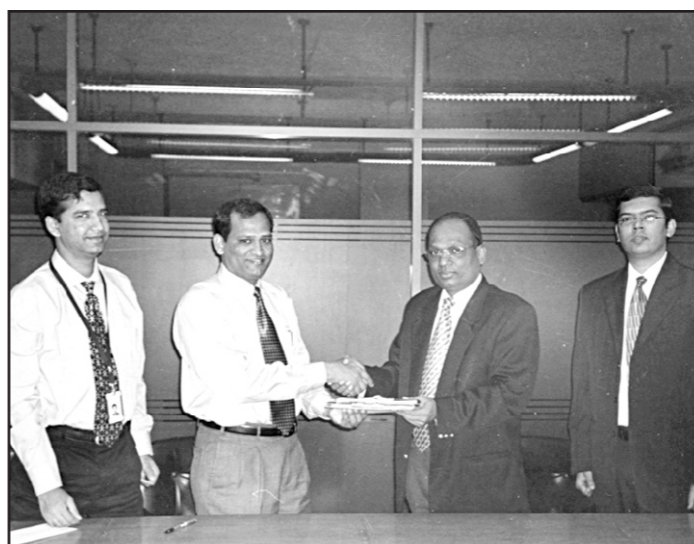


PHOTO: PRIME FINANCE

Prime Finance and Investment Ltd Managing Director Tapan K Poddar and ENA Properties Ltd Managing Director Enamul Haque exchange documents after signing an agreement recently in Dhaka. Under the deal, Prime Finance will extend real estate finance facility for the construction of two apartment projects of ENA Properties.

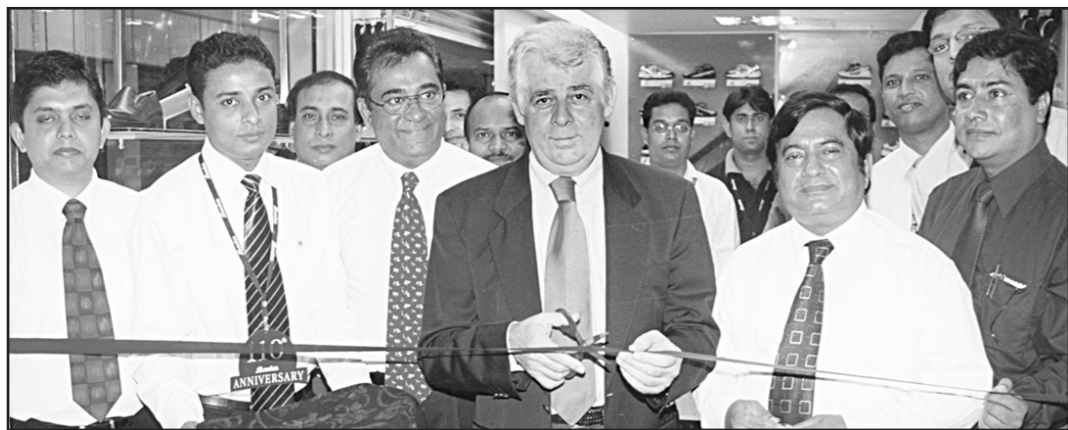


PHOTO: BATA SHOE CO

Bata Shoe Company (Bangladesh) Limited Managing Director GL Zanacco inaugurates Bata City Store at Bashundhara City, a shopping mall on Panthapath in Dhaka recently. M Saiduzzaman, CFO and company secretary, and MA Quader, retail marketing manager of the company, were also present.

Lankan minister slams WB, IMF as forex reserves tumble

AFP, Colombo

Sri Lanka is accusing international lenders and donor nations of dictating policy as the island's hard currency reserves drop sharply amid a slowdown of foreign aid.

Finance Secretary P. B. Jayasundera criticised the World Bank, the International Monetary Fund (IMF) and bilateral aid donors for forcing policies unsuitable for the country.

"We can talk to the fund and the bank about programs suitable for Sri Lanka, but here they have taken a dominant role," Jayasundera said. "Their consultants are dominant. Their policies are dominant."

"We are somewhat subservient to the fund and the bank. We should not be," he added.

He said the country's "external resources department," through which all foreign aid is channelled, should be able to negotiate what was actually needed for home-grown projects rather than accept what is imposed.

Despite averaging 5.5 percent annual growth rates in the past 15 years, poverty remained a serious problem, he said.



PHOTO: RUPALI BANK

Rupali Bank Limited Managing Director Md Abdul Hamid Miah speaks at a branch managers' conference of the bank held in Dhaka recently. Among others, general managers of the bank Md Selim Khan, Jaglul Karim, Md Zillur Rahman and Md Nezamul Hoque were present.

CURRENCY

Following is Sunday's (October 24, 2004) forex trading statement by Standard Chartered Bank

Sell		Buy			
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
59.8500	59.9000	USD	58.7050	58.5326	58.4625
76.8773	76.9416	EUR	73.5280	73.3120	73.2243
110.3754	110.4676	GBP	106.3852	106.0727	105.9458
45.2945	45.3323	AUD	42.5494	42.4244	42.3736
0.5650	0.5655	JPY	0.5425	0.5409	0.5402
49.8169	49.8585	CHF	47.9851	47.8442	47.7869
8.3304	8.3374	SEK	7.7147	7.6920	7.6828
48.9370	48.9779	CAD	47.1526	47.0141	46.9578
7.6958	7.7022	HKD	7.5302	7.5081	7.4991
36.0868	36.1170	SGD	36.0164	34.9136	34.8718
16.4274	16.4411	AED	15.8538	15.8072	15.7883

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai bath	Nor kronet

Local Interbank FX Trading
Local interbank FX market was subdued on Sunday. Dollar rose slightly against Bangladesh taka due to higher import demand.

Local Money Market
Money market was active. Call money rate eased and ranged between 2.25 and 2.75 percent compared with 3.00-3.50 percent previously.

International Market
International market was closed on Sunday. The dollar stumbled on Friday as persistent concerns over the

US economy and comments throughout the week from European Central Bank and Federal Reserve officials allowed the currency no respite. Later in the session, traders took advantage of thin market conditions and sent the dollar to fresh eight-month lows against the euro, an 8-year low versus the Swiss franc and a 12-year trough against the Canadian dollar. Traders cited the confluence of mixed US economic data, a record trade deficit and warning capital inflows as reasons to sell the currency.

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SHIPPING

Chittagong port

Berthing position and performance of vessels as on 24/10/2004

Berth No.	Name of vessels	Cargo call	L. Port agent	Local arrival	Dt of Leaving	Import disch
J/1	Johnny-P	Wheat (P)	Argan	BSL	15/10/24/10	3065
J/2	Pu Cheng	Gi	Tian	Bdship	25/10	2354
J/3	Badulu Valley	Gi/St. Pipe	Mumb	Cla	21/10	25/10
J/4	Keng Tung	Gi/St. C/Log	Yang	Everett	23/10	2078
J/5	Tug Al-Rahim	--	Bank	Total	20/10	28/10
J/6	Berge Sapt-1	Sugar(P)	Bank	Total	20/10	28/10
J/7	B. Borak	Cont	P. Kel	Bdship	20/10	147
J/8	Xiang Hang(Liner)	Gi	--	Bdship	23/10	29/10
J/9	Pigi	Wheat (P)	Varna	Pol	18/10	29/10
J/10	Eastern Star	--	Yang	BSC	16/10	26/10
J/11	Sapanca	C. Clink	Kaki	PSAL	14/10	25/10
J/12	Micronesian Heritage	Cont	Col	Everbest	21/10	26/10
J/13	Xpress Manaslu	Cont	P. Kel	RSL	16/10	24/10
Cct/1	Rio Negro	Cont	P. Kel	QCSL	23/10	27/10
Cct/2	B. Borak	Cont	Sing	Bdship	21/10	25/10
Cct/3	Orient Freedom	Cont	P. Kel	PSAL	21/10	27/10
Rm/6	Rubin Dragon	Wheat (G)	Sing	Benam	21/10	27/10
Rm/6	Temasek	Hsd	Kuwa	MSTPL	20/10	25/10

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
New Blessing	24/10	P. Kel	Fuerbest	Cont	Sing.
Ocean Pride	25/10	Bkk	PSAL	GI	-
Banga Bodor	25/10	P. Kel	Bdship	Cont	Sing
Tug Boat Mic Nancy-10	25/10	Sing	Sing	Bdship	Towing Barge Mic-3006
Berge Mic-3006	25/10	Sing	Bdship	Spun Pile	-
Continent-4	25/10	Bangkok	Cla	B. Sugar	-
Kota Naga	25/10	Sing	Pil (Bd)	Cont	Sing
Kota Tampuan	24/10	Sing	Pil (Bd)	Cont	Sing
Thia Matina	24/10	--	Move	Clink	-
Banga Bonik	25/10	Col	Baridhi	Cont	Col
Mukda	25/10	--	Litmond	--	-
Banga Barta	26/10	Sing	Bdship	Cont	Sing/Pk
Maribor	25/10	Jinzang	Seacin	Urea Bcic	-
Zapin Lima	25/10	Mala	Sigma	Scraping	-
Banga Borti	28/10	Sing	Bdship	Cont	Sing
Jim Cheng	25/10	--	Bdship	GI	L/Chines

Tanker due

AT Kuwaitah	27/10	Kuwait	MSTPL	Skorjp-T
Siam Supha	25/10	--	Kmz	CPO (RM/4)

Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Revelation	Dr. Equip	Sing	Ibsa	14/09
Dea Captain	--	--	Aber	R/A (18/10)

Outside Port Limit

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Revelation	Dr. Equip	Sing	Ibsa	14/09
Dea Captain	--	--	Aber	R/A (18/10)

Vessels at outer anchorage

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Sumi Jaya	S. Log	Indo	--	23/10
Banglar Moni	Cont	Sing	BSC	23/10
Kota Naga	Cont	Sing	Pil	24/10

Vessels not ready

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Dolly	Wheat (P)	Varna	Pakr	21/10
Amanat Shah	Rice	Hanga	Cla	23/10
Tab Tim	Cpo	Sing	SNCL	24/10

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

STOCK