

Call for energy security amid global uncertainties

AFP, Kuala Lumpur

Malaysian Prime Minister Abdullah Ahmad Badawi Monday urged cooperation amongst influential oil firms to promote energy security amid global uncertainties, especially in the oil-rich Middle East.

Abdullah said national and multinational oil companies should work towards securing energy resources in an "effective and sustainable way" to meet rising demand, especially in Asia.

"The issue of energy security continues to be a highly-charged concern," Abdullah told more than 1,200 delegates at the opening of the two-day Asia Oil and Gas Conference here.

"For instance, much of Asia's oil and gas supply will continue to

flow from politically volatile areas such as West Asia (the Middle East)," he said.

"How the various political issues and conflicts in the region play out will have a significant impact on energy security."

West Asia or the Middle East accounts for two thirds of the world's oil and gas reserves and almost all of the world's excess capacity but political uncertainties in the area are threatening energy security, Abdullah said.

National and multinational oil companies should forge partnerships to secure energy supplies and quell fears over increasing consumption and declining reserves, he said.

Oil companies are already expected to pump in 300 billion

dollars of investment annually in key infrastructure up to 2030, a sum he said required greater collaboration to protect interests.

"Energy security lies in a shared recognition of our energy interdependence," Abdullah said.

"This state of interdependence should be based on multilateral cooperation of producers and consumers, as well as governments and businesses," he said.

Abdullah noted that Asia's robust economic growth, with China and India leading the way, would continue to see a rise in the region's energy needs and said demand will grow 3.7 percent annually.

Money market

Money market was active on Monday. Call money rate was stable and most of the deals ranged between 8.25 and 8.50 percent.

CURRENCY

Following is yesterday's (June 11, 2007) foreign exchange rate statement by Standard Chartered Bank

Major currency exchange rates	Exchange rate of some currencies			
	BC Sell	TT Buy	Per USD	BDT per Currency
US dollar	69.20	68.20		
Euro	93.93	89.54	40.78	1.68
Pound	137.43	132.55	Pak rupee	60.71
Australian dollar	59.72	56.11	Lankan rupee	110.90
Japanese yen	0.58	0.58	Thai baht	34.65
Swiss franc	56.85	53.83	Malaysian ringgit	3.46
Canadian dollar	66.38	63.50	USD forward rate against BDT	19.86
Hong Kong dollar	8.88	8.71	Buy	Sell
Singapore dollar	45.90	44.10	1M	68.30
UAE dirham	19.00	18.42	2M	68.42
Saudi riyal	18.60	18.04	3M	68.56
Danish kroner	12.99	11.71	6M	69.00
Kuwaiti dinar	236.83	235.06		70.45

* All currencies are quoted against BDT
* Rates may vary based on nature of transaction

Local Market

FX: Local inter-bank FX market was active on Monday as the international market opened for the week. The demand for USD was stable, and the volume of cross currency transactions was more compared to Sunday. The USD eased slightly against the Bangladeshi taka.

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International Market

The New Zealand dollar tumbled as much as 2 percent from a 22-year high versus the US dollar on Monday. This happened after selling by the Reserve Bank of New Zealand, but the impact on funding currencies such as the yen was limited. The RBNZ intervention to curb the soaring New Zealand dollar came four days after the central bank surprised markets by raising its key interest rate to 8.0 percent, which was already the highest in the industrialised world.

Huge deficit financing major risk in curbing inflation

Unnayan Onneshawn says

Since huge deficit financing from the domestic sources would impose further constraints on monetary authority to fight against inflation, the budget for the

2007-08 fiscal would make the macroeconomic problem -- fiscal and monetary -- worrisome with further income inequality, observed a post-budget analysis released by Unnayan Onneshawn, a local research organisation.

"The GDP growth rate has been set at 7 percent for the upcoming fiscal, which is likely to be an ambitious target if the price spiral continues to upward given that other things remain constant," the report said, according to a press release.

It also noted that the finance adviser, who has little to do with inflation (as the monetary authority is key functionary here), has championed to curb inflation at

6.5 percent for the next fiscal with some sporadic measures like tariff withdrawal on few essential commodities.

Though withdrawal of tariff on crude edible oil and lentil and continuation of duty-free benefit on essential commodities, including rice, wheat, onion and pulses, would give a respite to the commoners, there is no reason to believe that this measure would lead to a drastic price cut on essentials, the report pointed out.

"Instead, sooner or later this price would be adjusted as taka against dollar continues to depreciate given the increasing dependency on imported items" it added.

The Unnayan Onneshawn report observes that low and middle-income group would continue to bear the brunt of government's further dependence on indirect taxation scheme (the assumption is that as the indirect tax is more elastic to GDP than direct tax i.e. if GDP increases revenue from indirect tax increases faster than direct tax) for its revenue collection.

Moreover, the apprehension is that the proposed withdrawal of infrastructure development surcharge on finished products and withdrawal of zero duty on capital machineries and increased tariff on industrial raw materials and semi-products would lead the domestic industry to death knell as they would lose the competitiveness with the imported finished products, it said.

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 11/6/2007

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/2	Jin Cheng (Liner)	Gi	Inch	Cosco	30/5	14/6	632
J/6	Cota Ratna	Cont	Sing	Pil(Bd)	9/6	13/6	--
J/9	Pac Palawan	Cont	P. Guda	Cel	8/6	12/6	--
J/10	Csav California	Cont	P. Kel	Psl	10/6	13/6	--
J/12	Wisdom	Cont	Sing	Apl	10/6	--	--
J/13	Oel Freedom	Cont	P. Kel	Psl	9/6	14/6	--
CCT/1	Xpress Makalu	Cont	Col	Seacor	6/6	13/6	--
CCT/3	Precious River	Cont	P. Kel	Vega	6/6	12/6	--
NCT/1	Banga Bodor	Cont	P. Kel	Bandhi	11/6	--	--
TSP:	Bangler Mamata	Repair	--	Bsl	R/A	15/6	--

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Hun Jiang(Liner)	11/6	Ping	Cosco	Gi	--
Success	11/6	Viza	Mbl	Urea	K(U)
Banga Borak	11/6	Spore	Bdship	Cont	Sing
Ks Hope	11/6	Nant	Saraf	C. Clink	--
Santa Suria	11/6	Krabi	Asll	C. Clink	--
Valetta	11/6	Jebel	Rsship	Scraping	--
Santa Barbara	11/6	Krabi	Unship	C. Clink	--
Banga Bijoy	12/6	Cbo	Baridhi	Cont	Cbo
Energy Falcon	12/6	Kohsi	Litmond	C. Clink	--
Hansa London	12/6	Sing	Pssl	Cont	Sing
Bi Ro Bong	12/6	Kaki	Hsa	Rice(P)	--
Trust Fortune	12/6	Vanc	Usl	Wt(P)/R.S.	--
Cape Bonavista	12/6	Pkl	Bdship	Cont	P. Kel

Tanker due

Yanee	11/6	Dumai	Pol	Cpo(Rm/4)	--
Jag Viraj	13/6	Viza	Mbl	Ammonia	K/A
Vernal Grace	15/6	Pada	Rainbow	Cpo(Rm/3)	--
Overseas Primar	15/6	--	Psl	Hsd	Doj/6
Tabtim	16/6	Indo	Jnship	Cpo(Rm/3)	--

Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Wira Kers	--	--	Ibsa	R/A(9/6)
Rich Duchess	Crude Oil	Rast	Dsl	3/6
Banglar Jyoti	C. Oil	--	Bsc	R/A(11/6)
Sarin	C. Clink	Krabi	Litmond	10/6

Vessels at outer anchorage

Vessels ready

Ama-3	Cpo	Dumai	Est	7/6
Rhone Borg	Cont	P. Kel	Qcs	10/6
Eagle Pioneer	Cont	Sing	Ct	11/6

Vessels not ready

Champion Spirit	Cdso	Braz	Usl	5/6
Asrar-A-Mostafa	Reo(P)	Kaki	Cla	8/6
Banglar Robi	C. Clink	Sing	Olm	9/6
Theodor	G. Slag	Viza	Saraf	10/6
Ju Yong Guan	Gi	Chin	Cosco	10/6

Vessels awaiting employment/instruction

Banglar Shikha	--	--	Bsc	R/A(11/6)
Tank Oil	L. Oil	--	Ecs</td	