

A lady declared Japan's biggest individual bankrupt

TOKYO, Aug 25 : An upmarket Japanese restaurant owned by Nui Onoue, mysterious woman investor arrested for forgery last week, was declared insolvent Thursday in the country's second-biggest post-war bankruptcy, reports AFP.

Teikoku Databank Ltd said Egawa, one of two restaurants owned by the so-called dark lady of Osaka, had liabilities of 410 billion Yen (2.9 billion Dollars), making it the biggest individual bankruptcy in Japan ever.

The Credit Research Company said the insolvency was also the biggest since troubled shipping company Sanko Misen Kaisha Ltd went bankrupt in 1985 with liabilities of 520 billion Yen (3.6 billion Dollars).

The 61-year-old restaurant proprietress, renowned for her wining and dining of bankers and stockbrokers in the western Japanese city, is at the center of a 2.5 billion Dollar fraud which emerged with her arrest last week.

Onoue was charged with using false deposit records obtained from Osaka Credit Association Tokyo Shinyo Kinko to use as collateral to borrow 300 billion Yen (2.2 billion Dollars) from the Industrial Bank of Japan Ltd (IBJ) and others. A branch manager at the Credit Association faces similar charges.

Prosecutors suspect the loans were used to cover stock market losses incurred when the Japanese market plunged by more than 40 per cent last year.

Onoue, a former waitress who included the godfather of Japan's most powerful underworld syndicate among her restaurant patrons, has been quoted as saying she began trading stocks after receiving a divine message several years ago.

She regularly held weekend ceremonies with favoured brokers to consult oracles seeking investment advice. Onoue also reportedly took bankers and brokers on a pilgrimage to India where she donated 20 million Yen (145,000 Dollars) to Tibetan refugees to meet the cost of building a new temple.

The dark lady was also reported to be the biggest individual shareholder in IBJ, Japan's seventh-biggest bank, as well as top-ranked Dai-Ichi Kangyo Bank Ltd and telecommunications giant Nippon Telegraph and Telephone Corp.

US budget deficit to rise

WASHINGTON, Aug 25 : The Congressional Budget Office (CBO) on Thursday estimated that the US government deficit would balloon to a record 362 billion Dollars next year, reports Reuter.

The estimate, part of the mid-year economic update, pushes hopes for a balanced budget further into the future. The estimate was 14 billion Dollars more than the White House projected.

The federal government deficit is a drag on the US economy, the world's biggest. The shortfall helps force up American interest rates and causes the government to look to foreign lenders to help make up the deficit.

Because the CBO is non-partisan, its budget estimates are considered by many observers to be more reliable than those of other Federal agencies.

CBO blamed the costs of closing insolvent banks and savings and loan associations and the impact of the US recession for the rising red ink.

"The vision of a nearly-balanced budget ... has faded even further into the future," the agency said.

The government's commitment to bail out depositors who had insured funds at banks and savings associations that failed will cost an estimated 115 billion Dollars next year and is to blame for most of the immediate rise in budget costs.

Sluggish growth as the United States emerges from a recession also caused a drop in tax revenues, CBO said.

CBO's forecast is bleaker than its January estimate of a 298 billion Dollar deficit for fiscal 1992, which begins October 1. The White House forecast a 348.3 billion Dollar deficit a month ago, up from its February estimate of 280.9 billion Dollars.

In one bright spot, the budget outlook for this fiscal year, which ends September 30, is slightly better than previously estimated CBO expects a 279 billion-Dollar shortfall, down from its January forecast of 298 billion Dollars.

Deep sea fishing collapses

Deep sea fishing has collapsed as all the 58 trawlers ceased operation Friday entailing upon the country foreign exchange loss amounting at least Tk 40 lakh every day, reports UNB.

Owners said exorbitant price of diesel in the post-Gulf war period had turned the deep sea fishing into a 'losing business' from a booming one.

Deep sea trawlers have joined the countrywide strike of other modes of water transports to press the demand for slashing the diesel price from nearly Tk 14 per litre to Tk 6.31.

Fishing companies alleged keeping a diesel price at the pre-war rate, much higher than the current international price level, has virtually put at stake the existence of deep sea fishing sector, which fetches Tk 120 crore in foreign exchange.

Fishing companies regretted they had been operating every trip at a loss of about Tk

2 lakh since the diesel price was raised by 100 per cent in the wake of Gulf conflict.

Each trawler trip now costs about Tk 12 lakh, while it brings ashore fish worth about Tk 10 lakh, according to the striking owners estimate.

The loss had gone up further to 4.64pc unemployed in Hungary

BUDAPEST, Aug 25 : Hungary's jobless rate hit 4.64 per cent at the end of July with 216,568 jobless claims in a population of 11 million the National Employment Centre reported, says AFP.

The number of jobs ending since the end of June was 28,500, about 10,000 more than in any of the previous months, the report said.

Sixty per cent of job seekers were skilled men, including almost 18,000 school-leavers.

Figures released by companies said 74,000 more people would be laid off

after the sector was heavily affected by the April 29 cyclone.

Despite recurring losses, they said, exporters had to run their trawlers because keeping them idle would have been a yet heavier burden. Salary and other maintenance for a trawler requires about Tk 4 lakh a month.

At least 10 deep sea fishing companies laid off their operations during the last seven months and many others were also thinking about selling out their trawlers as mere scrap, according to sources in the marine fishing sector.

Even, sources said, four deep sea going trawlers of the Bangladesh Fisheries Development Corporation (BFDC) had kept ashore to avoid loss.

The owners also alleged repeated appeal to the authorities for some sort of concessions to the foreign exchange earners had hardly been heeded.



Nearly all kutchha markets have a clandestine version each on roadsides around the main market from where the consumers can buy vegetables at a bargain price. Photo shows a woman, as a casual seller, with her merchandise.

— Star photo by Mohsin

Aid to follow Soviet reform : Bush

KENNEBUNKPORT, Aug 25

: President Bush said Saturday the United States eventually may be able to provide cash to the beleaguered Soviet economy, but not before reforms take hold reports AP.

White House spokesman Marlin Fitzwater, in a brief written statement, said of Gorbachev's decision to abandon the top part post: "We welcome this news as another step forward in the reform process."

Fitzwater also said US Ambassador Robert S Strauss presented his diplomatic credentials to Gorbachev at the Kremlin Saturday and met with the Soviet President for about an hour. Later, Strauss had a 40-minute meeting with Boris Yeltsin, the president of the Russian Republic and Gorbachev's powerful new partner in reorganizing the Soviet government.

Strauss also delivered a message from Bush to mourners at the Moscow funeral of three of those killed fighting the coup. He said the three Russians "did not die in vain."

Bush who has offered the Soviets technical help and partial membership in such

Western lending agencies as

the World Bank, told reporters he sees no immediate need to step up aid for Moscow as it

struggles to get both its government and economy in order.

The position of the United States is well known. We want to help. Eventually there may be a way we can help with money. But before that we've got to see reforms in the Soviet Union," he said.

"We got to know who were dealing with these ministries. There's just a lot of things that have to happen before we can move forward," he said.

Bush, who hosts the leaders of Canada and Britain at his retreat this week, said he feels no pressure from allies to boost aid to the Soviets.

"I have not been contacted by any single member of the G-7 (Group of Seven) with that in mind. Nobody has suggested that to me," he said.

'Aid would not have checked coup'

LONDON, Aug 25 : British Prime Minister John Major, pressing for more aid for the Soviet Union, said on Saturday help should be given to the Soviet Republics as well as to the central government in Moscow, reports Reuter.

In a letter to opposition Labour Party leader Neil Kinnock, Major denied that instant cash for Moscow could have prevented this week's failed coup attempt against President Mikhail Gorbachev.

"Our ability to help was impeded by the old socialist order, which is collapsing in the Soviet Union," Major said. "Now we must deliver our help effectively and deliver it to be republics as well as to the centre."

Major said one priority was to help the Soviet Union exploit its vast natural resources.

Kinnock accused the Group of Seven (G-7) industrialised nations of "neglect and complacency" in failing to meet Gorbachev's needs at their summit in London last month.

To have given more instant cash aid would have achieved

nothing ... It would certainly not have prevented the coup," Major said in his letter.

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Japan grants \$41.8m to Nepal

KATHMANDU, Aug 25 : Japan has emerged as a major aid donor to Nepal with the signing of an aid agreement between the two countries, a spokesman for the Nepalese Ministry of Finance said here, reports AFP.

Under the pact, signed here Thursday, Japan agreed to give Nepal 1.759 billion rupees (41.8 million dollars) of aid in the 1991 fiscal year, much of it for use in seven rural development project, the official said.

More than one-quarter of the money will be used for water supply systems in urban and semi-urban centres.

promises of technical help and closer contact with agencies like the World Bank.

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Gold irregular, silver easier

LONDON, Aug 25 : The abortive coup against Soviet President Mikhail Gorbachev sent shock waves through commodity markets, rudely awakening operators from their traditional summer torpor, reports AFP.

GOLD: Irregular. The announcement of the putsch against Gorbachev saw an immediate jump of 4.75 Dollars an ounce (1.3 per cent) in gold prices. But these gains were quickly reduced as investors turned to the Dollar.

Fears that Moscow would sell gold currently deposited in western banks as guarantees against currency loans sent the metal below previous levels and news of the coup's failure only prompted slight gains. The slump of platinum on Friday further weakened the market.

SILVER: Easier. After a steady start. Initially firmer in the wake of other precious

metals, by the end of the week silver had eased back.

ALUMINIUM: Firmer then steady. News of the coup sparked a brief rally in prices before the market was calmed by more realistic appraisals of the nature of the threat to supplies. While the Soviet Union is a significant producer of aluminium, analysts saw no reason why a new regime would limit or restrict exports to already over-supplied western markets. In addition, a prolonged period of uncertainty was likely to dampen demand for a metal that is acutely sensitive to the economic cycle.

NICKEL: Firmer then steady. Nickel's reaction to news of the coup was the most spectacular. Prices jumped more than 200 Dollars per ton (2.5 per cent). President Gorbachev's return to Moscow and news that a new labour contract had been negotiated

at major producer Falconbridge's massive Sudbury plant in Canada brought the market back to previous levels.

TIN: Firmer. The emergence of tightness on October delivery dates enabled tin to avoid falling on the Dollar's strength. By the end of the week prices were slightly above previous levels.

LEAD: Firmer, then easier. After firming on the Dollar's rise, lead prices eased back to below their previous levels. Trading remained fundamentally dull. LME stocks of the metal rose 1,375 tons to 91,075 tons.

ZINC: Easier. Zinc prices were depressed by the Dollar's strength and delayed-recovery fears in the first half of the week. Towards the weekend prices had not quite recovered previous levels.

PLATINUM: Irregular. After rising Monday in the wake of

gold, platinum was weakened by fears that the coup leaders would sell Soviet deposits of the metal held in the West. According to analysts, 22 tons of platinum were deposited in Swiss banks in the first half of the year.

After an attempted recovery following Gorbachev's restoration, platinum slumped Friday in the wake of New York and Tokyo as investors liquidated positions.

COPPER: Irregular. Sterling quoted copper fluctuated irregularly, reflecting both uncertainty about economic prospects and the turmoil on world currency and equity markets in the wake of the Soviet coup. The Dollar's surge early in the week initially pushed prices sharply higher before concerns that a prolonged crisis could have a damaging effect on consumer confidence and delay economic recovery in Europe and North America began to bring the market back.

The panel's ruling may be taken up at a meeting of GATT's 108 member governments, including the United States, on October 8. They act

by consensus. Officials said eventually some arrangement is likely to be made — as the United States has generally differed in rulings went against it in other cases.

This time it would be hard to change the US law because of strong sentiment in this country to protect Dolphins.

One source said the experts on the panel had ruled against the US law and against provisions that give President Bush the power to act against countries that violate it. But he said the panel found acceptable a US requirement that cannot tuna sold here be labelled "Dolphin-safe" only when the tuna had been caught in ways that US law approves.

Under the law, the United States has banned imports of tuna from Mexico, Venezuela and Vanuatu — formerly the New Hebrides

countries are producing close to their maximum. Soviet crude and refined products exports were 3.14 million Barrels per day in 1990 of which 1.6 million barrels went to OECD countries, but their level has already decreased this year.

RUBBER: Quiet. Natural rubber prices moved in a narrow range influenced mainly by currency movements.

A senior Malaysian official forecast that his country's natural rubber output would fall to 1.23 million tonnes this year from 1.29 million tonnes in 1990, but that Thai production in contrast would exceed 1.3

million tonnes (against 1.26 million tonnes in 1990), making Thailand the world's leading producer.

GRAINS: Recovery after easier start. Prices were weakened, particularly in Chicago by fears that a suspension of western credits would put a stop to Soviet imports. But as the coup disintegrated, prices recovered strongly, the markets hoping that further credit guarantees would be extended to Moscow, now that the pace of reform seems likely to be stepped up.

COTTON: Firm. The price indicator firm in Liverpool, primarily supported by uncertainties relating to Soviet exports. A rumor that China was looking to buy 200,000 bales of US cotton for January-March delivery also supported prices.

Korean trade team due in city Sept 8

Star Economic Report

A trade and investment delegation from Republic of Korea will visit Bangladesh from September 8 to 10, 1991. The delegation will consist of five leading Korean companies who deal with concrete and mortar waterproof admixture concrete and mortar concrete and waterproof admixture for RMC plant, clear protective treatments, cold rolled steel strips, carbon tool steels, carbon steel for machine structural use, chemical plants, various chemical items, paper, fertilizer, autoparts (camshaft, connecting rod, rocker arm and crank shaft), nylon fishing net, nylon twine, PE rope, PP rope, nylon kuralon, etc.

The objective of this delegation is to increase economic relation and cooperation between Korea and Bangladesh, besides promoting their own products they will also explore the possibility of investment in Bangladesh, says a press of Korea Trade Centre (KTC), Dhaka.

The KTC will organise a session of business meetings between the members of the delegation and local businessmen on September 9, 1991 in a local hotel. Interested persons seeking appointments with the members of the delegation have been required by the KTC to contact its Dhaka office at 14, Kemal Ataturk Avenue (2nd flr) Banani, Dhaka-1213. Tel : 604866, 603012. Fax : 642417 KTC BJ. Fax : 880-2-883068.

5,000 orphans to be rehabilitated

Star Economic Report

The International Islamic Relief Organisation would foster 5,000 orphan children of the cyclone-hit coastal areas, a press release of Rabita-Al-Alam-Al-Islam said on Monday.