

Business

\$ shines again

NEW YORK, Jan 3: The dollar staged its best performance since the federal reserve cut US interest rates December 20, rebounding 1-1/2 pfn...

Defence top priority, development follows Riyadh adopts \$48.2b budget

RIYADH, Jan 3: King Fahd launched a 1992 budget Thursday with expenditures 27 per cent higher than the last budget two years ago...

Education, a major concern of King Fahd since his days as Education Minister in the 1970's, has taken on added importance over the past year...

Islamic education. "We are always endeavouring to promote education on the basis of complete preservation of the teaching of the Islamic faith in text and spirit through all stages of education," the king said.

Although the government borrowed on the domestic market when it was afflicted by budget deficits with the fall in oil prices in the 1980's this year it also went for the first time to the international market for loans.

Russian price reform: Full impact yet to be felt

MOSCOW, Jan 3: Russians greeted President Boris Yeltsin's shock therapy with a mixture of horror, resignation and hope, but the full impact of free prices has yet to be felt, reports Reuter.

Other people queued enthusiastically as scarce goods appeared suddenly in shops in Central Moscow on Saturday. Ukraine's President Leonid Kravchuk expressed confidence in a brief interview with Russian television on Thursday...



LONDON: US singer Diana Ross opening the traditional New Year sale on January 1 at Harrods department store in a red cat-suit accompanied by Harrods Chairman Mohammed Al Fayed.

Babangida bets on oil

LAGOS, Jan 3: Businessmen in Nigeria said on Thursday the military government of Ibrahim Babangida may have been overly optimistic in basing its 1992 budget on a 21 dollar per barrel world price for crude oil...

US growth dips, more layoffs seen

WASHINGTON, Jan 3: A closely watched barometer of US industry plunged back into recession territory in December, and one-third of top business executives said in a separate survey that they were preparing for more layoffs...

On Wall Street, the Dow Jones average of 30 industrial stocks eked out a 3.58 point gain to finish at 3,172.41, its fifth consecutive high. But in the broader market, more stocks lost value than gained.

The American Business Conference, composed of 100 of the fastest growing mid-size companies in the country, said its latest survey found optimism among its members down sharply from three months ago.

The weakness was blamed on a sharp 3.6 per cent fall in spending for non-residential projects with work on office buildings and hotels recording the biggest declines.

US lifts sanctions on Cambodia today

CANBERRA (Australia), Jan 3: The Bush Administration will lift its trade embargo against Cambodia on Saturday in recognition of that nation's progress toward democratic rule, US officials said Thursday, reports AP.

The United States has linked normal trade and diplomatic ties with Cambodia to a successful start of the Cambodian peace process, which is scheduled to culminate in free elections in 1993.

IMF may okay \$60m loan for Salvador

WASHINGTON, Jan 3: The International Monetary Fund (IMF) is expected to approve a 60 million dollar loan for El Salvador next Monday as the country seeks to rebuild and reform its economy after 12 years of civil war, diplomats said, reports Reuter.

Whatever the economic state, I'll be re-elected, predicts Bush

WASHINGTON, Jan 3: President George Bush says he expects to be re-elected whether or not the US economy recovers quickly but he still plans to run a hard-hitting campaign, reports Reuter.

"Sure," the president replied. According to an advance transcript of the conversation, Bush conceded that most Americans feel worse off economically than they did three years ago when he took office for his first term.

He added: "The point is we've got to get this economy moving. We've got to get more jobs. We've got to pass money. We've got to get more jobs. We've got to pass (economic stimulus) programmes."

On other world affairs, Bush declined to predict whether Iraqi leader Saddam Hussein might be overthrown in 1992.

Tougher time awaits Indonesian businesses

JAKARTA, Jan 3: Indonesians, with few happy memories of economic life in 1991, enter the new year with their foreign markets pinched and a cash-strapped government at home showing little sympathy for businesses paying the highest interest rates in Asia, reports Reuter.

could develop safely and healthily," Suharto said in his new year speech to the nation, giving no hope of early relaxation. "Our economic picture this year shows that we remain able to be economically resilient," he said.

Business Briefs

Indian rupee improves: The Reserve Bank of India (RBI) Friday announced an upward revision of the rupee by 0.12 per cent in relation to the pound sterling, making the British unit cheaper by six paise, reports PTI from Bombay. UN gets fund: Canada, Australia, Denmark, Finland, Iceland, Ireland, New Zealand, Norway and Sweden on Thursday made a dent in the UN's perennial deficit by delivering 78 million dollar, reports Reuter from United Nations. Israeli budget okayed: Israel's parliament approved the 1992 state budget by 60 votes to 59 on Thursday after Prime Minister Yitzhak Shamir bought support of rightist and religious parties to overcome a crisis in his coalition, Israel radio said, reports Reuter from Jerusalem. Tourism grows: Tourism rose worldwide last year despite the Gulf War and the Yugoslav conflict, figures released Thursday by the World Tourism Organisation indicated, reports AP from Madrid (Spain). Tea in Calcutta slumps: The auction in Calcutta, India, this week was marked by a sharp fall in the prices of all categories of tea along with the absence of the Russian buyers, reported The Time of India Friday, says Xinhua from New Delhi. Diesel arrives in Haiti: A cargo of 20,000 tonnes of diesel oil has arrived in the Haitian capital, Port sources said Thursday, the first major diesel fuel delivery in more than a month, reports AFP from Port-au-Prince. Diesel arrives in Haiti: A cargo of 20,000 tonnes of diesel oil has arrived in the Haitian capital, Port sources said Thursday, the first major diesel fuel delivery in more than a month, reports AFP from Port-au-Prince. Diesel arrives in Haiti: A cargo of 20,000 tonnes of diesel oil has arrived in the Haitian capital, Port sources said Thursday, the first major diesel fuel delivery in more than a month, reports AFP from Port-au-Prince.

Hungary on a thorny road to free economy

BUDAPEST, Jan 3: Hungary's privatisation watchdog, swamped with work, has been forced to emphasise speed above regulation as it moves toward the nation's goal of putting half the economy in private hands within the next three years, reports Reuter.

The overwhelming case loads, perhaps three times as big as experienced western investment bankers might handle with the help of a fully trained staff, could be letting some managers engineer selloffs designed to keep them in power, Csepel said.

Some potential investors complain that good connections remain the best avenue to buying assets being privatised. Csepel said some of the grumbling came from unsuccessful bidders unwilling to admit their own weaknesses.

Some seven to eight per cent of manufacturing industry is now foreign owned, private Hungarian investors hold another 10 to 15 per cent, and domestic cooperatives are sit-

ting on other property that will become private as soon as parliament says so. "If you put these things together, today we cannot be very far from the 40 per cent figure (for private ownership)," Csepel said.

tively advanced economic reforms and political and social stability create good prospects for privatisation, the process still faces a test of political will. A power struggle looms this month as the government decides which businesses stay completely or partially state-controlled.