Iran's oil sale to reach \$17b

TEHRAN, Jan 11: Iran projects revenues from crude oil sales to reach about 17 billion US dollar for the year starting in March, Iranian Oil Minister Gholamreza Aqaza deh said on Saturday. Tehran radio quoted Aqazadeh as saying the expected revenue for the period March 1993 to March 1994 was based on crude exports of 2.7 million barrels per day (BPD) at 17 dollar per barrel. "In the last four years. Iranian crude oil prices have never fallen below 16.30 dollar per barrel. Agazadeh was quoted as say ing, reports Reuter.

Seoul denies deal on plutonium extraction

SEOUL, Jan 11: South Korea denied Monday that it sought to concluded a contract with Britain to extract plutonium, a key material to manufacture nuclear bombs. Chung Tae-ik, director-general of the Foreign Ministry's America Bureau, made the dental in response to a report by The New York Times that the Seoul government had sought the contract since 1991. "The report is totally groundless. The Republic of (South) Korea does not plan to seek such a contract in the future, either," Chung said. Chung said South Korea and Britain signed an agreement on the peaceful use of atomic energy in 1991, but the accord has no clause on plutonium extraction, reports AP.

Police to probe cargo ship's distress call

SINGAPORE, Jan 11: Police said Sunday they were investigating events on a cargo ship which put a call for help two days ago after reportedly picking up pas sengers on the high seas. A marine police official said that the 499-tonne Galahad, whose distress call was picked up by Singapore radio centre here, had anchored at Singapore Port where it was being searched. The vessel had earlier triggered concern after putting out the distress eall and then going off the air while in Indonesian waters near Natona island, marine sources said, reports APP.

China for MNF status from US

WASHINGTON, Jan 11 Commerce Secretary Barbara Franklin, just back from China, said on Friday she thought Beijing was aware that if it wanted continued trade benefits with the United States it had to reform its human rights and other practices. Franklin told a meeting of the Washington international trade association that China wanted its Most Favoured Nation (MNF) trade status continued. But she told Chinese officials of widespread US concerns, citing China's transfer of US missiles and other weapons to quotas and violations o human rights, reports

BRIEFS Most Australians interested to invest in UK SYDNEY - Will Australia be

able to keep up with the dy namic economic expansion of the countries of East Asia? That is the question being

asked in Australian business circles as global economic realities prompt closer trade and investment ties with Asia.

More than ever before, Australian business is increasingly accepting the fact that the island continent is part of the Asia-Pacific region - if only because trade and economic expansion can best be served by closer links with Asia's growth potential.

But will Australia make the grade in the region? There are many in Australia who have doubts. They believe the country lacks the will and incentive, that despite the wealth of natural resources, the "economic miracle" mentality is missing

In cold economic terms, it is clear that while Australia cannot expand in line with front running Asian countries without their cooperation, Australia is not essential to the continued rapid growth of Asian economies.

from other sources most, if not all, the goods they currently import from Australia. And the small Australian market is not essential for the export of

their industries. Government leaders have frequently urged Australian company managements to increase offshore investments in the Asian region, but responses have been tentative. Australian executives have been accused of tardiness. laziness and downright ignorance in failing to grasp Asian investment opportunities.

N Senior government ministers have no doubts that trade and investment are often linked in Asian markets, with investment frequently being the precursor to trading links. But, given the choice, too many Australian companies would rather invest in the United Kingdom than in Taiwan or Vietnam.

It seems that senior Australian executives feel more comfortable dealing with people with whom they can also discuss cricket. A business trip to London during the Wimbledon tennis, season seems also to be preferable to a week or so in Kuala Lumpur

or Manila. Australian Industry, Technology and Commerce Minister John Button has lamented the fact that Australia's direct investment offshore seemed "to reflect more our pre-World War II markets rather than our contemporary pattern of trade and opportunity."

In an address to the Asia-Australia Institute recently, Prime Minister Faul Keating noted that 'every year our interdependence with Asia increase in proportion to the rest of the world." He noted that in the growing political liberalisation of Asia, "We are not an aberration, but a natural fit," and insisted that Australians should not think that they had anything less than a rightful presence in the

He added: "We do not know that the shape of Asia, geopolitically or economically, will be. But we do know that the key question for Australians is how to position themselves to

take maximum advantages of the changes."

In an earlier address to the Hong Kong-Australia Business Association in Sydney, Prime Minister Keating said that because the nation's future quite literality depends on it. few things press so urgently on the Australian government as the need to create the right environment for Australian trade and investment in Asia.

But prominent Australian businessman Bill Irvine is not impressed with the current emphasis being placed on economic links with the country's northern Asian neighbours. Mr Irvine, who is Chairman of the National Australia Bank (one of the four biggest banks in the country), believes Prime Minister Keating is wrong to focus so much attention on Australia's trade and investment opportunities in Asia.

In a recent luncheon speech to the New York Society for International Affairs, Mr Irvine dismissed the view that Australia should consider itself part of Asia be-Ocause most Australians had their origins in Europe, not

Manila plans to

launch lottery

to generate

revenues

ppines' cash-strapped govern-

ment has decided to launch a

new lottery intended to

generate nine billion peso

(360 million dollar) in rev-

enucs annually, officials said on

This was one of several pro-

jects discussed at a meeting of

cabinet officials and business-

men held on Saturday to study

measures to boost the econ-

omy, presidential spokeswom-

an Annabelle Abaya told

nature of the planned numbers

game. President Fidel Ramos

recently ordered the Philip-

pine Amusement and Gaming

Corp to study the mechanics of

state lotteries in the United

States.

Abaya did not specify the

Sunday, reports Reuter.

MANILA, Jan 11: The Phili

He said the National Australia Bank's strategy was to concentrate its investment in Australia, the UK, Ireland and the United States, largely because it felt more comfortable in these parts of the world-

same language, regulations, ac-

counting and legal systems. Respected Asian academic Professor Wang Gungwu, on a recent visit here, conceded that Australia should not relinquish its ties with the Western world, but he insisted it should at the same time pursue new opportunities in Asia.

Professor Wang, Vice-Chancellor of the University of Hong Kong, said more Australian businessmen should "go out in support of the handful of brave and entrepreneurial pioneers who have already demonstrated their ability to operate successfully in the new Asia-Pacific environment."

He stated: "Fortunately, and not by choice, Japan has become the big player in Australia's recent development, and that relationship

has kept economic growth reasonably healthy. But few Australians have offered new initiatives to enhance Australia's economic relations with other parts of the region."

Professor Wang added that many Asian businessmen were not impressed by the low rate of economic growth in resource-rich Australia, compared with other countries of East Asia, and consequently they tended to avoid Australia in making investment deci-

During her recent visit to Australia, Malaysian Trade Minister Dato Seri Rafidah Aziz raised the question of whether Australia could find enough common ground to recognise itself as being part of Asia, or was Australia "east and west at the same time?"

She noted that Australia too often presented itself to its neighbours as being too remote and lacking an adequate appreciation of regional sensitivities. "Australia must have a strong economic anchor in Asia, particularly East Asia, she said. - Depthnews

Clinton turns focus on

President-elect Clinton is turning the spotlight on America's soaring health care costs as he tries to craft a plan

top health-care advisers Monday to review the issue, which he calls critical to solving the country's broader economic problems.

"It's obviously central to the success of our economic plan and central to the long-term health of our society," said Clinton spokesman George Stephanopoulos. "If we don't get health care costs under control, American families won't get the health care they need.

attend the strategy session

tion team's director of health policy, and a representative of health and Human Services Secretary-designate Donna During the presidential

unveil within the first 100 days of his administration a healthcare reform package that would bring down health-care costs while increasing Americans' access to medical care. An estimated 37 million Americans are without health insurance and millions more are under-insured.

Clinton proposed that employers be required to provide medical coverage to their workers or pay into a fund covering people without insurance. He also proposed to set an annual health budget for the nation to limit both public and private spending.

health care costs were Judith Feder, the transi-LITTLE ROCK, Ark, Jan 11

to both stimulate the economy and pare the deficit, reports Clinton was convening his

Among those expected to

campaign, Clinton pledged to

US trading may create 1.59m jobs "The delayed effects of the

WASHINGTON, Jan 11: Economic forecasters predicted Sunday American businesses will create 1.59 million jobs in 1993, the most in four years but a weak showing compared to other economic recoveries, reports AP. 1

If the forecasters are right, President-elect Clinton will enter the White House aided by the best employment performance since payrolls grew by 2.11 million during President Bush's first year.

The consensus prediction of the 50 economists surveyed by Blue Chip Economic Indicators compares to and anemic 557.000 non-farm payroll growth in 1992, the final year of the Bush administration.

The economy lost 955,000 jobs in 1991 and 56,000 in 1990 as the last recession took its toll.

The actual job growth in 1992 and the projected payroll additions in 1993 illustrate the sluggishness of the current re-The number of new jobs

MOGADISHU: A US marine guards Somalis looking for work at the American Embassy

compound Jan 10. The international coalition forces have secured the regions of Baidoa,

Bardera, Bali Dogle, Hoddur, Belet Huen and Jalaxsi and also plan to secure the shattered

and still politically and physically divided capital Mogadishu.

grew by 3.5 million in 1983 and by 3.98 million in 1984, the years following the previous recession.

The Blue Chip survey — the first of the new year — projects the economy will grow just 2.9 per cent this year. Although it would be the fastest pace since a 3.9 per cent expansion in 1988, it would be just half of the average growth following other recessions since World War 11.

The government will not issue its estimate of 1992 growth until late this month, but Bush's budget projected last week the economy expanded by 1.8 per cent.

The Bush projections, based on assumptions by the Blue Chip economists, call for 2.6 per cent growth this year and 3.0 per cent in 1994. The Blue Chip survey projects economic growth at 3.2 per cent nest

-AFP/UNB photo

Economic growth surged by 3.9 per cent in 1983 and 6.2 per cent in 1984.

But the modest growth will continue to curb inflation, the survey predicted. The consensus calls for the Consumer Price Index to increase 3.1 per cent this year and 3.6 per cent in 1994. For the first 11 months of 1992, inflation was rising at a 3.1 per cent annual

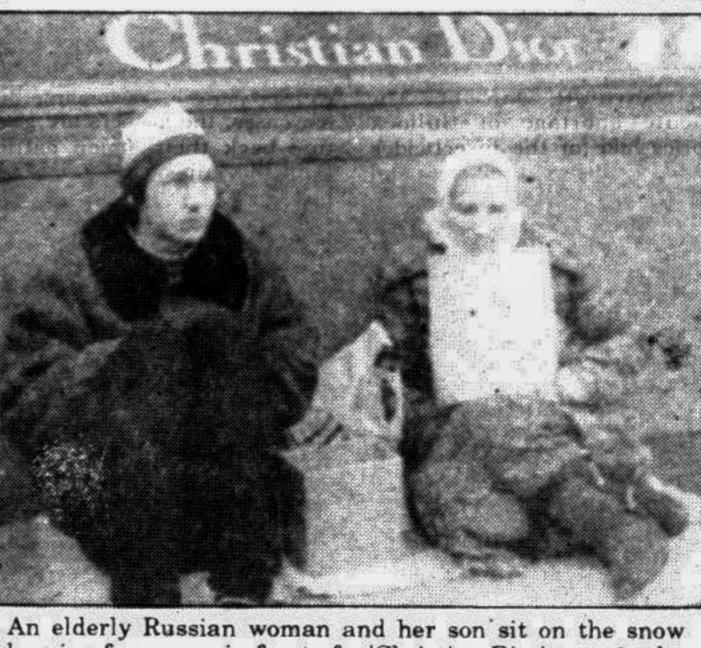
Survey participants represent banks, businesses, economic forecasting services. universities and Wall Street firms,

Economist Robert J Eggert Sr, who conducts the monthly survey and edits the Sedona, Ariz, newsletter, said increased business investment spending topped the list of major factors that would contribute to growth in 1993.

sharp drop in interest rates during the past several years was rated as the second most important factor likely to aid the economy in 1993," he said.

"The rebound in consumer and business confidence was the third highest-rated factor," he added. "Among the new factors added to the list were improved business and consumer liquidity and the probable enactment of fiscal stimulus (including and investment tax credit) by the incoming Clinton administration.

Eggert said continued cuts in military spending and white-collar jobs was the factor ranked most likely to restrain growth this year. Second was continuing weakness in the economies of America's trading partners that will crimp US exports, a major source of economic strength in recent years.



begging for money in front of a 'Christian Dior' store in the center of Moscow Jan 10. Unofficial reports say there are now thousands of homeless and unemployed people living in the Russian capital. Most of them find shelter at right at -AFP/UNB photo railway stations.

plan to halve the deficit.

Dollar lower, shares mixed in Tokyo

TOKYO, Jan 11: The US dollar opened lower against the Japanese Yen Monday, while share prices on the Tokyo Stock Exchange were missed in early trading, reports AP.

The dollar started at 125.30 yen, down 0.12 yen from Friday's close. It finished its Friday New York trading at 125.35 yen.

Kenji Tsujimura, an exchange dealer with Citibank in Tokyo, said the dollar's lower opening came on weekend news that Iraqi President Saddam Hussein apparently backed down and removed antiaircraft missiles in the "nofly" zone in southern Iraq.

But Tsujimura said a new report that about 200 Iraqis crossed into Kuwait early Sunday was helping the dollar in morning trading.

The dollar is regarded as a safe haven in times of interna-

tional unrest. The Kuwait News Agency quoted the U.N. Observation Mission in Kuwait as saying that the invading Iraqis seized missiles and other weapons is six trenches of the Kuwait side before returning to Iraq later.

Meanwhile, the 225-issue Nikkei Stock Average gained 2.41 points, or 0.01 per cent, to stand at 16,637.10 after the first 30 minutes of trading. The average fell 146.29 points, 0.87 per cent, on Friday.

The Tokyo Stock Price Index of all issues listed on the first section was down 1.87 points, or 0.14 per cent, to 1,289.52. The TOPIX shed 8.73 points, or 0.63 per cent, on Friday.

World commodity markets start the year on optimistic note

LONDON, Jan 11: The commodities markets started the year in low gear in a rather optimistic atmosphere in view of expectations of a stronger economy this year, reports AFP.

Precious metals, especially platinum and silver, benefitted from hopes for stronger industrial performance in the United States and for a more dynamic auto industry, in the wake of announcement of higher new car sales in December in Britain and Spain. But the gold market suffered from sales by Middle

East operators and by Australian and South African producers taking advantage of the dollar's firmness and of moderate inflation.

North Sea Brent crude oil, the British marker crude, was depressed by world over production and lack of cohesion among OPEC members. Growing UN-Iraqi tensions did not reverse the downtrend, since Iraq is already under an embargo cutting off oil ex-Coffee prices, after a recent surge, fell by nine per

cent during the week under the pressure of profit-

taking and on fears of produce sales. Producers had

limited exports the last few months, speculating on a continued market uptrend. Copper and nickel made good progress on the London Metal Exchange (LME), while other metals continued to suffer from low industrial demand and high stocks. Copper benefited from a decline in

new production cutbacks. Gold: Weak. Prices fell to the lowest point for seven years, and dipped beneath 330 dollar an ounce, depressed by sales by speculators profiting from the strength of the dollar and by liquidation by operators in the Middle East.

stocks, while nickle was helped by announcement of

South African and Australian producers also sold in response to the rise of the price of gold in terms of local currencies. The outlook that inflation in 1993 would be moderate weighed on gold, traditionally a hedge against inflation.

Instability in the Middle East and the weakness of the price of oil, which is the main resources in the region, also depressed prices. Investors in the Middle East were selling gold to cover requirements for cash. The market was unaffected by rumours that Japan needed 300 tonnes of gold for striking coins to com-

Platinum: Slightly up. Prices benefited from an improved outlook for the auto industry, which provides the main outlet in the form of catalytic exhaust converters, and from the continuing rise in the price of

memorate the wedding of crown prince Naruhito.

palladium. The SMMT British car trade organisation said sales

of new cars had risen by a very slight 0.08 per cent in Britain last year compared with the figure for 1991 to 1.594 million units owing to an increase of 37 per cent in sales in December compared with the figure one year earlier.

Platinum was also boosted by palladium, a precious metal of the same family, which is used in the dental, electrical and car industries palladium, which recently rose to the highest point for 28 months, benefited from fears that world supplies would be constrained particularly by a sharp fall in exports from Russia, which is the biggest supplier to the world.

Silver: Prices rallied from a weak beginning. Having opened the year at the lowest price for six December from the figure in November to 620,000 tonnes, but market gains were limited by forecasts by analysts that production by Malaysia, the biggest producer in the world, would rise to 6.7-7.2 million tonnes in 1993 from 6.3 million tonnes in 1992.

Coconut oil suffered from estimates by the specialist review Community that world output is expected to rise by 3.3 per cent in 1993 from the figure in 1992 to 9.2 million tonnes. The review also increased by 4.5 per cent its estimate for world production in 1992 to 8.91 million tonnes representing an increase of 1.8 per cent from the figure in 1991 when prices had doubled on fears that exports by leading producers might fall sharply. But they had fallen by nearly one third in 1992 because drought had not had so severe an impact as had been expected.

Oil: Weak. Crude oil prices fell to their lowest level in 10 months, depressed by world overproduction, lack of cohesion among OPEC members, and the high level of stocks despite the fact that it is now winter in the northern Hemisphere.

The new tension between the United Nations and iraq did not affect the market, which does not expect any change in the present oversupply situation, even in case of new fighting in Iraq. The latter's oil exports have been cut off by an em-

bargo since August 1990. Cereals: Down. Prices, after having profited in recent months from the fall of sterling, suffered from the firming of the pound and the fact that US credit guarantees for Russia remained suspended because of financial problems in the republic. Debts owed by Russia to the United States in the cereal sector now

total 127 million dollar. Concern about the quality of Australian wheat and delays in harvesting in Argentina because of rain contained losses in this sector. The Australia wheat board said that more than 40 per cent of the Australian harvest, estimated initially at 14.4 million tonnes, was thought to have been seriously damaged by heavy rainfall during Christmas. Australia is the ninth-biggest producer in the world, accounting for nearly three per cent of the market.

Tea: Firm. Prices remained firm at the weekly London auction, falling to 210 pence per kilo for superior qualities from 225 pence the previous week, to 155 pence from 160 pence for medium qualities and was held at 115 pence for inferior qualities.

Cotton: Slightly up. The price indicator rose on the Liverpool market encouraged by the outlook for tightening world supplies because of floods in Pakistan and the spread of the boll weevil parasite in China. Local sources said that production in Pakistan might fall to below 10 million bales this year, far below the figure for the harvest in 1991-92. ·Chinese production might fall to 19 million bales in

the year to July 1993 from 25 million bales last year. Wool: Calm. The prices of combed wool remained unchanged on the Bradford market and were affected by the high level of stocks, notably in Australia, and by the firming of sterling.

The international wool textile organisation said that world stocks should fall in 1992-93 to 592,000 tonnes from 719,000 tonnes one year earlier because of a fall in production. World output was expected to fall this season to 1.67 million tonnes from 1.74 million tonnes in 1991-92 and 1.97 million tonnes in 1989-90.

months, quotations rallied on hopes that the US economy would recover in 1993. Satisfactory sales by the jewellery industry at Christmas also supported prices.s

Copper: Higher, Sterling-quoted copper prices initially rose to their highest level since September 1990, helped by Asian buying and an anticipated decline in LME stocks. Profit-taking and a firmer pound then cut gains, but the market remained well above the level of 1,500 pounds per tonne.

GNI brokers said that China had reportedly purchased 85,000 tonnes of copper; 50,000 from Chile and the rest from LME stocks, and had further needs to satisfy.

Threats of a February strike at important Chile mine ventanas also helped prices. Since December 18, LME stocks have dropped by

22,425 tonnes to 314,900, their lowest since the end

of October.

Lead : Lower. Lead prices, in sterling, suffered from sterling's firmness but the market remained optimistic in view of a likely economic rally in the United States this year.

LME stocks rose by 17,250 tonnes to 230,050 tonnes, their highest since October 1983.

Zinc : Quiet. Zinc prices dipped slightly in the absence of demand for manufacturers, who were slowly resuming activities after a long holiday break.

The new increase of 43,175 tonnes in LME stocks to a record high of 493,175 tonnes depressed prices.

Aluminium: Lower. Aluminium prices trended

down to below the level of 1,200 dollar tonne, depressed by high stocks, world overproduction and weak industrial demand. Analysis said prices should fluctuate between 1,200

and 1,250 dollar per tonne this year because of overproduction, but should rally next year. The market expects products to announce steps to cut output because of a steady decline in demand, particularly in

The Bonneville power authority, forced at the start of the year to reduce production by 25 per cent at its units in the north eastern United States, has decided to resume normal output at 10 such facilities with a capacity of 1.2 million tonnes.

Nickel: Up. Prices rose to their highest level in 10 weeks on fear of lower Russian exports and after a temporary suspension by Falconbridge Dominica of its activities because of weakness on the international market.

The Dominican republic turned out 16,974 tonnes of nickel between January and September last year. 26.9 per cent less than in the same period in 1991.

The announcement by Norilsk Nickel, the biggest Russian producer, that it planned to limits its exports this year to 70,000 tonnes sustained prices. . Nickel stocks on the LME rose by 4,836 tonnes to

a new record high of 72,030 tonnes. A year earlier, they had been only 11,000 tonnes. Tin: Slightly higher. Tin rose above 6,000 dollar a tonne to its highest level in almost three months,

LME stocks were up to 970 tonnes to 15,680 tonnes. Vegetable oils: Irregular. Prices of palm oil were encouraged by the estimate of the Palm Ofl Registration and Licensing Authority (PORLA) that Malaysian stocks had fallen by 13 per cent in

stimulated for hopes for higher industrial demand.

unrest in Vietnam BANGKOK, Jan 11: Drug addiction, prostitution and other social problems are growing as Communist-ruled Vietnam moves toward a market economy, and authorities

Market economy

leads to social

haven't come up with workable solutions, the official media say, reports AP. The country has an estimated 800,000 addicts and 600,000 prostitutes, along with an increasing number of people engaged in gambling and other wrongdoing," said the report, dated Sunday and

seen in Bangkok Monday. It quoted the Communist Party daily newspaper Nhan Dan, or The People: "We still lack a realistic view We have not yet come up with a workable solution to the problem of social evils. There is not yet even a clear provision on this issue in any of our legal documents.

In late 1986, Vietnam began nationwide economic reforms that also resulted in a loosening of social strictures, Prostitution and other woes have increased markedly in Ho Chi Minh City and other areas, and the official media have been more frank in ac-

knowledging such problems. The news report said the switch to a market economy has increase difficulties partieularly for orphans, people disabled by war and families of those killed in battle. These groups used to rely almost entirely on government subsidies, but now those subsidies are not nearly enough and communities must help out, it

Millions of Vietnamese have died in the country's wars, almost continuous for 4 1/2 decades until 1989, when Vietnam withdrew its troops from Cambodia.

Clinton's budget chief to face Senate hearing

WASHINGTON, Jan 11: Adds President-elect Clinton's appointed budget chief was heading to his Senate confirmation hearing Monday-with Republicans ready to ask if Clinton is abandoning his campaign vow to cut record budget deficits in half during his first term, reports AP.

Rep Leon Panetta, D-Calif, tapped to head the new administration's Office of Management and Budget, was to appear before the Senate Governmental Affairs Committee Monday.

And the Senate Environment and the Public Works Committee was ques-tioning Carol Browner. Clinton's choice as administrator of the Environmental Protection Agency.

Rapid Senate approval of Panetta, the respected chairman of the House Budget Committee, for the last four years, was in little doubt.

But with last week's admissions by both Clinton and President Bush that the federal deficit looks worse than they said during the campaign, Republican lawmakers were ready to ask Panetta-if Clinton would stick with his four-year