

Decrease in inflation shows no growth of economy: Moyeen

State Minister for Planning Dr Abdul Moyeen Khan Sunday said the gradual decrease in inflation rate at the macro level showed no growth of the national economy, reports UNB.

"Such fall in the inflation rate is a matter of concern," said Dr Khan, a former teacher of Physics of Dhaka University. The inflation rate dropped to a negative 0.37 per cent last month from 1.3 per cent in June 1993, triggering concern among the economists who called it a sign of stagnation in the economy.

The minister, however, said the low rate of inflation relieved a large number of people who have a very little purchasing capacity.

Dr Khan was speaking at the inaugural session of a day-long workshop-cum-expert consultation on 'national accounts compilation of Bangladesh' in

the NEC conference room.

Organised by Bangladesh Bureau of Statistics (BBS), the session was addressed by BBS Director General M Mokhelesur Rahman. National Accounts Adviser of BBS Dr A K M Ghulam Rabbani, BBS Director M Delwar Hossain and BBS Project Director M Zobdul Hoque.

The State Minister said production of accurate statistics is indispensable for pragmatic planning and framing appropriate policy measures sitting the economic and institutional reforms in the country.

"The government is keen to utilise statistics in a wide range of public policy formulation, monitoring and evaluation purposes."

Referring to the project on Assistance to National Accounts Development in Bangladesh being implemented with UNDP's

funding support, Dr Khan said the project would help strengthen the national accounting capability of the BBS.

"Our ultimate goal is to develop national income accounting into reliable comprehensive activity providing data for uses at all levels on a timely and sustained basis," he said and called upon the accountants to present data in a realistic manner.

Pointing at the management and institutional reforms policies being carried out by the government, the State Minister said these structural adjustment measures had to be continued and maintained.

Improving fiscal and external balances, removing price distortions, promoting competition and allowing market price signals to guide resource allocations had been the strategic reform package, he said.

Mokhelesur Rahman said the

BBS, one of the core activities of which is national accounting, is entrusted with the responsibility of providing all official statistics of the country, including national accounts, for policy-making, planning and research uses at all levels.

The objective of the workshop is to familiarise the user of the national accounts and other data production by the BBS about the activities of national accounts compilation of the BBS and to obtain expertise in this regard, he said.

The inaugural session was followed by two technical sessions. M Zobdul Hoque of BBS presented a paper titled 'Twenty Years of National Accounting of Bangladesh and Current Practices of National Accounts Compilation: Problems and Issues' in the first technical session.

Upgradation of vocational edn suggested

Education Minister Barrister Jamiruddin Sircar yesterday underscored the need for development and upgradation of technical and vocational education as well as innovation and expansion of indigenous technology, reports BBS.

He was addressing as chief guest the inaugural function of the joint grand convention of Bangladesh Vocational Technical Teachers Association, Bangladesh Vocational Employees Association and VIT Teachers Association.

Held at the Bangladesh Textile Engineering and Technology Institute premises the function was presided over by Nasiruddin Ahmed, President of Vocational Teachers' Association. Rafiqul Haq, Director General, Vocational Education Directorate, Ali Akbar of VIT Teachers Association, Abdul Hamid Shah, President, Employees' Association and other association leaders including Messrs Golam Mustafa, Shahabuddin Ahmed, Mostafa Abidus Samad and Rafiqul Haq took part in the discussion.

Barrister Jamiruddin Sircar said that in a populous country like Bangladesh there was no alternative to vocational education for solving massive unemployment problem. He said that due position had to be given to the vocational training certificate holders in the social and national life so that youths could be well-attracted towards this discipline of education.

The minister said that qualitative changes should have to be brought about in all spheres of our national life so that the nation could march towards a prosperous future.

The association leaders while speaking on the occasion raised a number of demands including formulation of a national policy for the expansion of vocational education in the country. The minister assured that their legitimate demands would be looked into sympathetically by the government and their problems would be solved in phases.

US firms optimistic of better trade ties with Bangladesh

By Masud Hasan Khan

With hi-fi stereos playing loud, billboards dazzling with colourful posters and computers crackling with sight and sound, a high-tech 3-day US Trade Show '94 has started amid growing expectation of a better American business in Bangladesh in future.

Some 35 US firms and their Bangladeshi partners are now

keeping their fingers crossed with the hope that their on-the-floor deals will double this year, besides sales promotion.

"Some three to four thousand people have visited the 58 stalls on the first day," said A Gafur, Executive Secretary of the American Bangladesh Economic Forum (ABEF), one of the sponsors of the this

year's American business exposition. "We are yet to get any figure on the transaction of the first day," he said.

The US embassy in Dhaka is the other host of the trade show. The second exposition on the American business in Bangladesh, which was held in January last year, drew about 25,000 visitors.

During that show, the 93 participating companies made on-the-spot trading worth 4,00,000 US dollar.

The posh winter garden of Hotel Sheraton has been tastefully decorated with stalls in rows.

From computers to construction hardware, medicines to sewing machines, from milk powdered alternatives to tyre milks were put on display.

Some of the companies offered special discounts for their products on the occasion of the exposition.

However, computer hardware, software and peripherals dominated the show with all the leading computer firms of the country taking part.

American strategy is to go for a long-term business with the clients, commented one computer stall owner. For the computer products long-term relation was essential and participation in such show was a must, he said.

M Abul Kalam Managing Director of the Kalam Enterprise, said that such trade shows had helped a lot in promoting his business in the country.

His company imports 3M computer diskettes, over-head projectors and office stationary, among other products.

"But the sales of computer diskettes and other memory technology products was more than other products," Kalam said.

No private citizen of Bangladesh has ever bought one Bell helicopter, informed Major (Retd) Q M Nazibullah of the Skyways-Techno Services.

"But still we are enthusiastic about such trade show keeping the fact in our mind that more than 200 people can afford buying choppers," he commented, though laughingly.

However, side by side the high-tech equipment in the exposition, there was one stall which drew a large number of visitors.

This is the stall of the Krishak Bandhu deep-set irrigation pumps being promoted by the International Development Enterprises (IDE).

"Krishak Bandhu pump, perhaps, is the only product here in the show that is produced in Bangladesh and not imported," said W H Derrenger, IDE Country Director.

Explaining the concept of promotion of IDE's low cost irrigation pumps, Derrenger said IDE's aim was to generate wealth at the grass-root level by increasing productivity of the farmers.

Majid calls for comprehensive use of local technology

NARAIL, Jan 23: Minister for Agriculture Water Development and Flood Control, M Majid-ul Haque called for comprehensive use of local technology for attaining self sufficiency in the country, reports BBS.

It has become imperative to boost agricultural production through utilising local technology for improving the condition of the masses, he added.

He was addressing a seminar on application and expansion of local technology at local Narail auditorium Wednesday.

Presided over by Additional Divisional Commissioner Khulna Md Shamsul Karim the seminar was participated, among others, by Shamsun Nahar Ahmed, Dharendra Nath Saha, MP, Adviser of Science and Technology, Dr Md Osman Ali, and a number of scientific officers of BCSIR.

Referring to various indigenous and locally innovated technologies, the minister called upon the agronomists agriculture scientists and research scholars to reach these technologies and know how to the door steps of the farmers.

In this connection an exhibition of different tools and implements made of local technology including improved type of fire wood stove, hygienic latrine, wooden and steel apparatus and instruments was held.



Power Vision Colour TV, a new range of next generation Philips was formally launched on January 19 in Bangladesh. The programme included demonstration of the unique features of the new Philips Powervision Colour TV range in 21", 20" and 14" models. Philips dealers and in-service personnel from all over the country were highly enthusiastic about the superior picture, exceptional sound quality and futuristic design of the Philips Powervision TV's.

Govt to install 2,600 new int'l tele circuits

Government is planning to install 2,600 more new international telephone circuits by middle of this year to facilitate smooth telecommunication service, reports UNB.

"The steps are being taken in view of the country's growing trade and commerce relation with foreign countries," Post and Telecommunication Minister Tariqul Islam said here Saturday while inaugurating some circuits with Singapore and Japan.

Nineteen new telephone circuits, were installed with Singapore and 10 with Japan. The minister inaugurated the circuits by speaking over telephone with the Bangladesh High Commissioner in Singapore, M A Malik and Minister of Bangladesh Embassy in Tokyo S A L M Mustakim, said an official handout.

NBL's annual confce held

The eleventh annual conference of the executives and branch managers of National Bank Ltd was held at a local hotel on Thursday, says a press release.

The Chairman of the Bank Mahbubur Rahman inaugurated the conference.

Addressing the officers, Rahman expressed satisfaction over the performance of the bank and assured all out cooperation for achieving target.

In his welcome speech, the Managing Director (current charge) M A Wahab congratulated the officers for success of the bank.



Mahbubur Rahman, Chairman of Board of Directors, National Bank Ltd, delivering his inaugural speech at the executives and branch managers' annual conference on Thursday at a local hotel.

Renewal of China's MFN status with US uncertain

WASHINGTON, Jan 23: President Clinton said Saturday that his first year in office had helped to revive the economy and reduce the federal budget deficit for the coming year to under 180 billion dollar—even more than he had expected, reports Reuters.

In his weekly radio address, the president said he had just learned from his Budget Director, Leon Panetta, that the deficit projection for fiscal year 1995, beginning October 1, "is now under 180 billion dollar."

Before his economic plan passed last summer, the deficit for that year was projected at 300 billion dollars, he said.

The amount is also lower than Panetta reported in December, when he told a White House briefing that his best estimate for the deficit in the fiscal year beginning October 1 would be in the neighbourhood of 190 billion dollars.

Clinton said good news on the deficit was the result of the economic and budget plan he proposed and Congress passed last summer, which is scheduled to reduce the

deficit by 500 billion dollars over five years.

He said the plan also helped the country "turn the corner" economically. "We built the foundations for a real recovery that will endure and enrich the lives of all our people."

"Of course, the recovery is not yet complete. Many Americans haven't felt it yet,"

and our work can't be done until every American has the security to embrace the future without fear. We do have a long way to go. But clearly, we've turned the corner and we're moving in the right direction."

He said last year the private economy created 1.1 million new jobs, 1.5 times as many as in the previous four years.

Aluminium market nervous, oil prices hesitant over week

LONDON, Jan 23: The aluminium market remained very nervous all week, waiting for results from the Brussels meeting of main world producers aimed at cutting output and firming up prices, reports AFP.

The latter firmed a little on Friday when the market learned that the negotiators were close to an agreement. The other metals traded on the London Metal Exchange (LME) all benefited from prospects for stronger industrial activity and stock drawdowns.

Oil prices were more hesitant during the week despite higher US demand because of a cold wave. Analysts said it appears increasingly unlikely that OPEC and other oil producers will agree in the near future on lowering output to help fight low oil prices.

Cocoa prices remained fragile, a week after a 50 per cent devaluation of the CFA franc, among other places in Ivory Coast, the leading world producer. Traders fear Ivory Coast growers may boost output to offset the drop in their purchasing power.

Coffee prices were on a downturn because of speculative movements, despite the prospect of a cut in Colombian exports. But sugar remained stable at a good level, helped by the likelihood of a reduction in world stocks this year.

Cereals were weak because of a drop in world demand.

GOLD: Lower on the week. After a stable beginning to the week, gold prices dropped markedly on Friday, going below the 390-dollar-an-ounce mark after Australian sales on the Asian market.

According to American Precious Metal Advisor

(APMA), availability should decline due to sustained demand. The supply shortfall should rise to 17.2 million ounces this year, against a mere 0.3 million in 1993. The APMA explains this trend by a reduction in gold sales by central banks, and by higher demand in Asia.

Guyana increased its production last year by a factor of four compared with 1992, to a total of 26,940 ounces thanks to a new mine.

SILVER: Higher. Prices rose firmly, going above the 5.30-dollar-an-ounce level. On Monday, they reached their highest level since December 1989, at more than 5.43 dollars an ounce.

The metal is still in high demand in India, which now accounts for a fifth of world demand.

PLATINUM: Sustained. Platinum prices reached their best level since last August, at more than 390 dollars an ounce, though the metal stood at 382.50 late Friday afternoon.

COPPER: Higher. Three-month prices rose to their best level since last September in the wake of the New York market, before easing back slightly.

The rise was due to strong interest among Chinese operators and to the announcement of a 6.2 per cent jump in US housing starts in December. As construction in an important outlet for copper, prospects for demand look positive.

LEAD: Up. Lead rose in the wake of other metals on the LME, and uptrend helped by breaking up through the resistance levels of 500 dollars a tonne and the 510 dollars.

The uptrend was not broken by a rise of 3.350 tonnes

in LME stocks, to a new record high of 309,100 tonnes.

ZINC: Also Higher. Three-month prices on Tuesday reached their highest level in eight months, but then eased slightly. Zinc remained sustained by anticipation of adoption in coming months of a programme for cutting European production.

Operators also expect troubled group metallgesellschaft to close several facilities in Germany in connection with its restructuring programme. The market ignored a rise of 27.450 tonnes in LME stocks to a new record high of 978,525 tonnes.

ALUMINIUM: Irregular. Prices started the week off with a rise in anticipation of an agreement among major world producers on cutting output and stocks, at a meeting that started in Brussels on Tuesday.

But prices dropped as the meeting went on beyond the expected two days, as operators feared that the participants would not come up with a satisfactory agreement.

NICKEL: Higher. Three-month prices hit their highest level in eight months, as the new Caledonia mines were almost paralyzed in mid-week by a miners' strike. The territory has 20 to 25 per cent of world reserves.

But price gains were held down by fears of Russian deliveries to the LME warehouses, increasing stock, which were up by 1,32 tonnes on the week to a record 128,478 tonnes.

TIN: Firm. In the absence of new developments, tin was influenced by other metals trends on the LME. A dip of 90 tonnes in LME stocks to 20,745 tonnes helped support prices.

COCOA: Lower. The 50 per cent devaluation of the CFA franc that occurred the previous week brought rocketing consumer prices in Ivory Coast, the world's leading cocoa producer. Traders fear that the planters may increase output and put pressure on cocoa prices because of higher prices of consumer products.

COFFEE: Down on the week. Coffee prices were firm at the start of the week, but fell suddenly on Wednesday on speculative sales by commission houses, reaching the levels of early October 1993 at least 1,170 dollars a tonne.

Colombia, the world's second-biggest producer (after Brazil), cut its export target for the 1993-94 season by a million bags to 11 million, a move that reduced coffee price losses late in the week.

SUGAR: Sustained. Sugar prices remained slightly below the 290-dollar-per-tonne mark, encouraged by long-term prospects for reduction of world stocks.

The International Sugar Organization put world consumption at 114.9 million tonnes this year, and production at 113.4 million. Foliht has reduced its estimate of world output by 1.3 million tonnes to 112.9 million, a level that should do away with part of the stocks.

VEGETABLE OILS: Stable. Prices of soyabean oil started the week on an uptrend, encouraged by estimates of a 47 per cent plunge in US stocks. But they eased back late in the week when brokers learned that weather conditions were becoming more favourable to harvest in South America, particularly because of rains in Brazil.

Palm oil prices rose slightly after the announcement of Indonesian imports of 100,000 tonnes in anticipation of Ramadan. Indonesia, the world's second-biggest producers after Malaysia, had imported only 50,000 tonnes of palm oil last year. Signature in the near future of a contract for Iran to buy 100,000 tonnes from Malaysia should contribute to giving the market a firmer tone.

OIL: Unsteady. The price of North Sea Brent fluctuated above and below 14 dollars per barrel, but showed no real advance despite an increase in demand in the United States caused by cold weather.

Market sentiment was discouraged by what were seen as scant chances that the Organization of Petroleum Countries (OPEC) would agree on reducing output.

RUBBER: Rising. The price of rubber advanced steadily on a recovery in demand. The market was also stimulated by strong sales of cars in the United States and the effects on the tyre industry. Dealers said that as the recession ended, consumers who had been waiting to replace their cars would not wait much longer.

CEREALS: Weak. Prices fell slightly under the influence of the trend on markets in Chicago, weakened by the liquidation of positions held by investment funds. The current weakness of US exports and the likelihood that the amount of wheat imported by Russia and China would fall contributed to the decline. US traders were also worried by the unstable situations in Russia.

Recent flooding in Southeast England had little

direct effect on prices because reserves of barley remain excessive and exports of wheat too small, dealers said.

The wave of cold weather in the US Midwest had little impact. Temperatures rose towards the end of the week, doing away with fears that serious damage would be done to the crop of winter wheat.

TEA: Unsteady. At the weekly London auction, the average price of tea was 165 pence per kilogramme for superior qualities from 170 pence the previous week, 108 pence for medium qualities from 103 pence, and 90 pence for inferior qualities from 92 pence. Demand remained firm and prices were being maintained at a strong underlying level, in line with the trend in 1993.

Indian trade estimates put production of Indian tea at a record high of 750 million kilograms in 1993 from 703.9 million in 1992. Dealers said that harvests in Kenya, Tanzania and Uganda had also increased.

COTTON: Strongly higher. The indicator price in Liverpool rose further to the highest point since September 1991. Dealers noted an increase in world demand driven by us recovery. In addition recent estimates revising US output downwards because of flooding in the Midwest during the summer had strengthened prices. Meanwhile drought in Australia is likely to affect local output substantially.

WOOL: Firming. Prices rallied and returned to the levels of November 1993 on the Bradford market owing to the outlook for a recovery of world demand. But high stocks damped the increase.

BIWTA to implement 12 projects

Bangladesh Inland Water Transport Authority (BIWTA) will implement 12 projects at a cost of Taka 500 crore in the next four years, reports UNB.

This was disclosed at the installation ceremony of the newly elected office bearers of the BIWTA employees union at the BCIC auditorium here Saturday.

Shipping Minister M K Anwar attended the function as chief guest. The projects included construction of a container port at Pangoon beside the river Buriganga near the city, construction of 100 new launch ghats at different parts of the country, modernisation of conservancy system of the BIWTA and improvement of telecommunication system in the inland routes, said official handout.