

# Tokyo hopes to resume stalled trade talks with Washington

TOKYO, Apr 4: Japan hopes to resume collapsed trade talks with the United States later this month and begin mending relations, government officials said Monday, reports AP.

Chief government spokesman Masayoshi Takemura said the two countries are discussing the possibility of talks between Japanese Foreign Minister Tsutomu Hata and US Trade Representative Mickey Kantor. Both are scheduled to be in Morocco in mid-April for a meeting of the General Agreement on Tariffs and Trade, a world trade group.

A meeting there between the two would be the first official trade negotiations between the two governments since talks between President Clinton and Prime Minister Morihiro Hosokawa collapsed in February.

Those talks failed because

of Japan's rejection of US demands for numerical indicators to measure foreign access to Japanese markets.

In an effort to break the impasse, Japan announced last week a package of market-opening measures aimed at cutting its huge trade surplus with its major trade partners, including a drs 59 billion annual imbalance with the United States.

However, US officials called the package insufficient and incomplete and said they would wait until the Japanese government decides more details.

The Nihon Keizai, a leading Japanese financial newspaper, said Japan also is thinking of sending a vice minister of foreign affairs or trade to Washington within a week for "unofficial" talks with US trade officials.

It said the talks would focus only on deregulation of Japan's

insurance market and government purchases of communications and medical equipment, two areas that are near agreement.

A Foreign Ministry official refused to comment on the report. He said it was important to resume trade talks quickly to maintain the nation's economic stability, and that Japan plans to make use of every opportunity to do so.

Japan and the United States have agreed to "Keep the door open," said the official, who spoke on condition of anonymity.

Because of Japan's current political uncertainties, however, it is unclear whether Hata can obtain parliamentary approval for a trip to Morocco. It said Japan's import barriers far exceed those of other major industrial countries and place "an unacceptable burden on the global trading system."

personal finances, particularly loans he received from a scandal-tainted trucking company.

The opposition Liberal Democrats say they will boycott budget deliberations unless the ruling seven-party coalition agrees to summon Hosokawa's former secretary and several trucking company officials for sworn testimony in Parliament about the loans.

A law regulating settlement of the debt might have to be changed to facilitate collection of money from the 3,500 debtors who failed to declare repayment plans by a Thursday midnight deadline, Rodhan said in remarks published on Sunday, reports Reuter.

Economists say the success of the programme would give a psychological boost to a banking system stagnant because of the debts, low oil prices and worries about Iraq.

The debtors, who owe 900 million dinars (3.0 billion dollars) and probably include companies as well as individuals, face the threat of bankruptcy because their debts immediately fall due plus 3-1/2 years worth of interest.

Experts say bankruptcies are not inevitable because the law gives the government, which owns the debt, disre-

tion to take whatever action it thinks best to recover its money.

The total 5.7 billion dinars (19 billion US dollar) in debt, equivalent to 90 per cent of Gross Domestic Product, derives from the sudden 1982 slump of an unofficial stock exchange and from commercial losses worsened by Iraq's 1990-91 occupation of Kuwait.

Economists say the success of the programme would give a psychological boost to a banking system stagnant because of the debts, low oil prices and worries about Iraq.

Bankers say the debtors who owe the largest amounts bowed to the threat of bankruptcy and declared repayment plans under a debt settlement law that took effect on September 6.

The debtors, who have never been publicly named but include some of Kuwait's richest citizens.

## ROK's consumer prices rise by 0.9 pc in March

SEOUL, Apr 4: South Korea's consumer prices climbed an additional 0.9 per cent in March, showing a 3.3 per cent gain during the first three months this year, the Economic Planning Board (EPB) announced here today, reports Xinhua.

The first-quarter inflation rate was a 0.6 percentage point higher than the 2.1 per cent increase in the same period last year.

The March price gains of 0.9 per cent, however, showed declines from the comparable rises of 1.1 per cent in the previous month and 1.3 per cent in the same month in 1993.

Agricultural product prices as well as public and individual service charges continued to lead the overall price spiral last month, while manufacturing products and rents remained stable.

"As the major public service charges have already been raised and newly harvested agricultural goods will enter the market next month, I am certain that the price spiral of the first three months will begin to fall in the second quarter," said Kim Jeong-Kuk, director-general of the National Livelihood Bureau of the EPB.

The prices of 30 popular products, including rice, garlic, beef and television sets,

also fell 0.3 per cent from February to remain at a level 2.2 per cent higher than a year earlier, Kim noted.

Kim said producer prices also remained at a stable 1.2 per cent gain from a year ago.

All figures show that this year's inflation rate can be kept down at 6 per cent if the government does its best during the remainder of the year, he said.

### Malaysia to send team abroad to promote palm oil

KUALA LUMPUR, Apr 4: Malaysia, the world's top palm oil producer, is to dispatch a high-powered delegation to promote the commodity in Japan, South Korea and Taiwan next month, government officials said today, reports AFP.

The May 22 to June 7 mission, to be led by Primary Industries Minister Lim Keng Yik, will organise seminars, factory visits, small exhibitions and cooking demonstrations to encourage palm oil use in the three East Asian countries, ministry officials said.

The mission is seen as part of Malaysia's increasingly aggressive efforts to enhance sales in traditional markets as well as break into new ones. Rival producer Indonesia is also active.



Platoon Commander 2nd Lt. Richard Gray, a member of the British UN force stationed in the Bosnian town of Maglaj, stops to test the grips of children accompanying his unit. The patrols walk through the streets four times a day in an effort to show UN presence not only to residents, but to nearby Serbian snipers as well. — AFP photo

### Taiwanese eager to set up petrochemical industry in Java

JAKARTA, Apr 4: A consortium of Taiwanese businessmen has expressed to officials its readiness to develop a billion dollar petrochemical industry in East Java, the official Antara news agency said yesterday, reports AFP.

It said the 45 businessmen, led by Taiwan's Thai Ying Liu, conveyed their interest at a meeting with the East Java Deputy Governor, Suprapto.

Antara added that during the talks the Taiwanese said they were interested in doing business in Indonesia over the long term, and were ready to start by developing the province's petrochemical industry.

Suprapto said the East Java provincial administration would provide some 1,000 hectares (2,470 acres) for the project in Tuban, an area close to a harbour.

Suprapto said East Java's exports to Taiwan in 1993 were estimated at 65 million dollars in timber, plastic, footwear and shrimp.

Taiwan's investment in the province last year reached some 284.5 million dollars, he added, without giving details.

One of the Taiwanese delegation, Jung Hui Liang, said they were also interested in expanding their investment in Jakarta and Medan.

### Move to tighten grip on capital flows

## Beijing opens interbank currency market

#### the swap markets.

Chinese enterprises are required to sell their foreign exchange earnings to local banks for trading on the new interbank market. By channeling hard currency flows through the banking system Beijing will have greater control over capital flows.

Financial authorities kept foreign bankers waiting almost until the last minute before giving details about how the new foreign exchange system will work.

There is still some uncertainty about how the market regulations will be applied in practice.

The People's Bank of China will actively intervene in the new market to ensure stability. In addition, the central bank has imposed tight limits on fluctuations so that the rate can move only within a narrow band.

Movement in the dollar-yuan exchange rate will be

limited to 0.3 per cent of the previous day's weighted average, according to traders citing central bank regulations.

Banks can quote their customers a price fluctuating within a band of 0.25 per cent of that rate.

The weighted average last Friday on the old five-city swap centre based in Shanghai, the precursor of the new market, was 8,6987. This limited Monday's fluctuation of the yuan to a low 8,248 and a high of 8,6726, traders said.

Traders on the new interbank market said each trade was kept within 20 basis points of the last quoted price.

It was not immediately clear how many of China's 18 city-level swap centres had joined the new market.

The original plan was to add another five cities to Beijing, Tianjin, Hangzhou, Shanghai and Shenzhen that hooked up on March 1 to form the nucleus.

## Bank of Jordan's 1st branch in West Bank

not encountered any problems yet, our operations got off to a normal start today,"

Mohamed Ali Ibrahim, Assistant Manager of the Bank of Jordan said in Amman on Sunday that the Ramallah branch would have full banking operations including transfers in dinar and foreign currencies, loans and letters of credit.

Manager of the Ramallah branch, Ishaq Badawi Akari, told Reuters the bank started full operation today. The next step will be to open branches in Nablus, Jenin, Hebron and this will take place within the coming three months.

We will also open branches in Bethlehem, Gaza, Jericho and Qalqilia later on. We have

The Bank has bought land in Jericho for a future branch in Palestinian self-rule areas.

### Directorate General Defence Purchase Ministry of Defence

New Airport Road, Tejgaon, Dhaka-1215

### Tender Notice

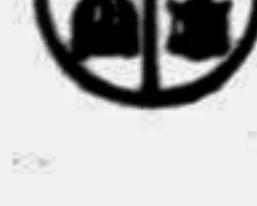
- Sealed tenders in foreign currency are invited from bona fide Manufacturers/ Dealers/ Suppliers/ Indentors (not necessarily enlisted with DGDP) for supply of Riveting Machine with standard accessories. Qty-01 No. for the Army.
- Tender schedule with detail specification will be available on payment of Taka 30/- (Not-refundable) from 05-3-94 to 14-4-94 on any working day between 0800 AM to 1200 Noon. The tender will be opened on 18-4-94 at 1000 AM in presence of tenderers (if any).

ISPR (Misc) 94/413

DDP (G) 4051-28/2

G-548

Major for Director General



## Kuwait fails to settle \$19b debt problem

KUWAIT, Apr 4: Kuwaitis owning 3.0 billion dollars have missed a deadline for taking part in a government plan to settle a 19 billion dollars debt problem. Finance Minister Nasser Abdullah Al-Rodhan said in remarks published on Sunday, reports Reuter.

A law regulating settlement of the debt might have to be changed to facilitate collection of money from the 3,500 debtors who failed to declare repayment plans by a Thursday midnight deadline, Rodhan said in remarks published on Sunday, reports Reuter.

Economists say the success of the programme would give a psychological boost to a banking system stagnant because of the debts, low oil prices and worries about Iraq.

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sition to take whatever action it thinks best to recover its money.

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## Dhaka Stock Prices

At the close of trading on April 4, 1994

### Market improves slightly

#### Star Report

Share business on the floor of the Dhaka Stock Exchange improved slightly on Monday.

Both the turnovers rose while index and market capitalisation fell.

Although the number of issues participating in the trading was equal to Sunday's gainers recovered slightly. A total of 51 issues traded of which 14 gained, 34 lost and three remained unchanged.

The DSE All Share Price Index declined by 2.85 per cent to 728,40876 from 749,75359.

Turnover in volume increased to 48524 shares and debentures with a rise of 10.40 per cent while turnover in value reached Taka 780,9244.00 from Taka 862,4055.00 with an increase of 17.89 per cent.

Total market capitalisation lowered to Tk 331,3741,4201.36 from Tk 340,8452,085.10.

Though Beximco Synthetic lost Tk 31.18 per share, it was the highest volume leader of the day trading 6200 shares.

In terms of volume, Rupun Oil led the gainers trading 6000 shares. Ashraf Textile (3500), Eagle Star (2180), Ambec Pharma (3250) and Beximco Ltd (5000) were other major volume leaders.

#### Trading at a glance

DSE All Price Index 728,40876  
Market Capitalisation Tk331,3741,4201.36  
Turnover in Volume 48524  
Turnover in Value Tk 780,9244.00

Company's Change Number  
name (per share of shares traded)

#### Gainers (14)

Islami Bank Bd	6.00	10
BD Lamps	13.54	280
Apex Foods Ltd	56.74	80
Dhaka Vegetable	2.02	190
Ashraf Textile	0.92	210
Saham Textile	0.96	2180
Eagle Star	2.82	260
Taluk Spinning	0.35	460
Padma Textile	1.32	3250
Modern Industries	6.00	50
Beximco Ltd	0.13	5000
BCI Deb	11.43	47
Rupun Oil	0.07	6000

#### Losers (34)

IFC Bank	5.00	346




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