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Bangladesh has low level of food security, says FAO

BANGKOK, Apr 22: Thailand is among the Asian countries classified as having a medium level of food security, according to a official bulletin available here Wednesday, reports Xinhua.

The United Nations Food and Agriculture Organization (FAO) was quoted as saying that for most of the countries in Asia, the outlook for wheat and rice crops in 1994 is favourable.

Among Asian countries, only Afghanistan ranks critical, while Bangladesh, Cambodia, Sri Lanka and Vietnam are classified as having a low level of food security.

India, Laos, Myanmar, Pakistan, the Philippines, Sri Lanka and Thailand are classified as having a medium level of food security while Indonesia and the Republic of Korea are at the high levels, the bulletin said.

Toyota, Nissan sales decline at home

TOKYO, April 22: Japan's two biggest carmakers, Toyota Motor Corp. and Nissan Motor Co. Ltd., announced Wednesday declines in domestic output and sales of motor vehicles in March, accompanied by double-digit falls in exports, reports AFP.

Toyota, however, announced an increase in overseas production for the month while Nissan said its output at overseas affiliates declined.

The two companies also announced figures for the year to March, showing declines in domestic production and sales along with lower exports. But both Toyota and Nissan reported increased production abroad for the year.

Toyota said its domestic production dived 7.8 per cent from year earlier to 346,38 vehicles in March. Mainly because of the decrease in exports linked to increased output abroad.

Car production dropped 8.3 per cent to 275,76 units while output of trucks and buses was 3.9 per cent lower at 70,605 units.

Domestic registrations fell 3.3 per cent to 284,148 vehicles with car registrations dropping 3.7 per cent to 209,758 units. Registrations of trucks and buses were down 2.1 per cent at 74,390 units, the company said.

Toyota's exports plunged 11.3 per cent to 135,176 vehicles in the same period, mainly due to lower exports to Europe and Asia, car exports tumbled 13.6 per cent to 94,5354 units while exports of cars and buses were down 5.5 per cent at 41,242 units.

But production abroad grew over 12 per cent from March last year to 92,960 vehicles, the company said.

Nissan suffered an even sharper decline in domestic output than its bigger rival, with production plunging 1.39 per cent to 160,266 vehicles, marking 21 months of uninterrupted declines.

Car output dived 11.8 per cent to 138,578 units and output of trucks and buses plunged 25 per cent to 21,688 units.

Domestic sales in March were down 10 per cent from a year earlier at 149,143 vehicles with sales of cars down 10.6 per cent at 113,3132 units and sales of trucks and buses falling 8.1 per cent to 35,831 units.

Mexico's stock market rebounds

MEXICO CITY, Apr 22: Mexico's stock market rebounded Thursday from a three-day slump, rising about 6 per cent as bargain hunters snapped up stocks beaten down by fears of rising interest rates and Mexican political upheaval, reports AP.

The main IPC index rose 117.99 points to 2,075.32 per cent, getting a boost just before midday on the dramatic recovery of the Dow Jones industrial average, which rose 53.83 to 3,652.54.

The Bolsa had lost 11.39 per cent since Monday's announcement by the US Federal Reserve boosting short-term rates for the third time this year. Mexico also has raised its prime rate, about 10 per cent since February.

The main Mexican index was still short of the 2,166.18 points achieved on Nov. 18, 1994, after the US Congress approved the North American Free Trade Agreement. On Tuesday the market dropped below that level.

South now more willing than North to help the needy: IMF

WASHINGTON, Apr 22: Developing countries have come of age and are now often more willing than the industrial world to offer a helping hand to those still struggling. IMF Managing Director Michel Camdessus said yesterday, reports AFP.

"We are all of us used to a world where developing countries are there as the recipients of lessons and financing, and finding that the financing they receive as never sufficient," Camdessus told a press conference ahead of the spring meetings of the IMF and World Bank beginning here at the first IMF.

As a result, of the 43 countries contributing to IMF two which took effect early this year, 20 are developing countries.

Camdessus said developing countries had shown an equal willingness to open their doors, particularly for the transition economies of the former Soviet bloc, on the question of a new allocation of Special Drawing Rights (SDRs).

Camdessus wants fund members to agree to a new allocation of 36 billion dollars in SDRs, much of which would go to Russia, but several major industrial countries oppose the idea.

This first became apparent when the IMF was seeking to establish a new Economic

Structural Adjustment Facility (ESAF) a programme for the world's poorest countries, last year, Camdessus said.

It soon became apparent that the industrial countries, heavily involved in budget consolidation, could not do the job, so "we went to the developing countries and in particular to those who had been given a new chance thanks to the first IMF."

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transition economies — 1.5 billion dollars would be available to Russia, and about a billion to the rest of the former Soviet Union; several developing countries had offered to transfer their SDR rights to needy countries.

On the sidelines of the IMF/World Bank sessions proper, finance ministers and Central Bank Governors of the group of seven (G7) leading industrial nations are to meet Sunday.

Camdessus defended the IMF's decision Wednesday to release a second 1.5 billion dollar tranche of the Systemic Transformation Facility (STF), which had been delayed from late last year because of concern that Russia was not keeping the reform track.

"If we have agreed on starting again our financing for Russia it's because we have observed that Russia is doing everything possible to continue in their progress to stabilisation and structural transformation," Camdessus said.

He also said he was optimistic that three billion dollar standby credit facility could be agreed by the end of the year.

The meetings would also discuss the transition econo-

mies, where there had been some notable success stories, such as Estonia and Poland, but other countries, notably Russia, had not yet managed to turn things around.

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G-7 ministers meet Sunday US for lower interest rates

WASHINGTON, Apr 22: Recent rises in long-term interest rates, persistent unemployment problems in Europe and Russia's economic woes are on the agenda for Sunday's meeting here of Finance Ministers of the world's leading industrial countries, reports AFP.

US Treasury Secretary Lloyd Bentsen said yesterday he would like to see an easing of US long-term interest rates, which have climbed to more

than seven per cent on inflation fears.

Bentsen said he was worried that the rise would construct economic activity and slow down the recovery.

He said he would be stressing to his G-7 colleagues Sunday that faster-than-expected growth in the United States in recent months had not meant inflation, and that "the recent rise in long-term interest rates has to be viewed against these good fundamen-

tal". The US economy is doing well, but "recovery is still not firmly rooted in Japan or continental Europe," Bentsen said yesterday.

He said the recent rate cuts in Germany "should help turn around the disturbingly high and rising unemployment in many European countries," but added that "given the slack that still exists in continental Europe, there's still room to reduce interest rates further."

Bentsen also said that Japan must forge a recovery that brings down its massive trade surplus.

"May be the US economy is doing well now despite the drag from that surplus. But it's essential over the longer run for Japan to help global recovery rather than impede it."

If Washington is concerned over the high level of unemployment and interest rates in Europe, along with the fragility of recovery there and in Japan, its G7 partners — Britain, Canada, France, Germany, Italy and Japan — have their own worries.

Japanese Finance Minister Hiroshi Fujii has said the rise in long-term interest rates is likely to come up for discussion Sunday.

Israel urges Euro traders to pour capital into ME

BUCHAREST, Apr 22: Israeli Foreign Minister Shimon Peres yesterday urged European businesses to pour capital into rebuilding the Middle East in what he foresaw as a new era of peace and prosperity, reports Reuter.

"European governments have budgets but they don't give money, whereas firms have money but don't have ideas," Peres said in a debate at an international political and economic conference which he co-chaired with PLO Leader Yasser Arafat.

"Therefore, governments should encourage companies which invest in the Middle East and give them guarantees," he said in the debate, part of a Bucharest conference of the Swiss-based foundation, the Crans Montana Forum.

As the Palestine Liberation

Peugeot-Citroen losses \$ 247m in '93

PARIS, Apr 22: French automaker PSA Peugeot-Citroen on Thursday announced 1993 losses of 1.41 billion francs (247 million dollars), plunging into the red from profits of 3.37 billion francs (600 million dollars) in 1992, reports AP.

Still, the loss was not as great as the 1.7 billion francs (300 million dollars) predicted by many industry analysts. President Jacques Calvet said the automaker would return to profitability this year.

But Calvet said Europe's third-largest auto manufacturer, which produces the Peugeot and Citroen brands, would not pay a dividend this year. Last year, it paid 10 francs (1.75 dollars) a share.

Peugeot-Citroen recovered from a deep slide in the first six months of 1993, when it lost 1.12 billion francs (196 million dollars), to narrow second-half losses to 292 million francs (51 million dollars).

This year is beginning with "measured optimism," amid a surprising rebound in the French market despite the woeful overall European auto market, Calvet said at a news conference.

The European market plunged 15.1 per cent last year — its worst performance in four decades — and nosedived 18.3 per cent in the French market.

But industry figures show French car sales up 14 per cent in March, due largely to a government plan to spur sales by offering a 5,000-franc (877 dollars) rebate on cars older than 10 years traded in for new vehicles.

Calvet said the government's prediction this week that the French market would grow 10 per cent "doesn't seem impossible. It could even be higher."

Paris pledges \$17m to AIDS research

PARIS, Apr 22: Prime Minister Edouard Balladur pledged yesterday his government would donate 100 million francs (17 million US dollar) to research into AIDS after a programme on seven television channels raised the same sum this month, reports Reuter.

More than 33 million people watched the unprecedented joint programme "All against AIDS" shown on April 7 to fight the spread of the disease and public ignorance and prejudice.

The AIDS evening raised 100 million and I have decided that we will double that amount — the government will add 100 million," Balladur said in a television interview of the private TFI channel.

The funds raised by the programme were destined mainly for research into the disease.

France has the highest number of AIDS cases in Europe. The disease kills 15 people a day in France.

There have been 32,000 cases since the epidemic began in 1981 and an estimated 150,000 people are thought to be infected with the HIV virus which causes Acquired Immune Deficiency Syndrome.

India may privatise railway ticket control job

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He said the government had several other plans to improve travel facilities for passengers, a sizeable number of whom are low-budget foreign tourists.

Forest cover increases

Xinhua says India's forest cover has registered a marginal increase during the past few years, according to a report of forest survey of India on Wednesday.

The state of the forest report 1993 said the increase has amounted to an annual augmentation of 1,100 hectares since 1989-91 fiscal year.

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Greenback rises against yen in New York

NEW YORK, Apr 22: The dollar rose against the Japanese yen Thursday after Treasury Secretary Lloyd Bentsen said the Clinton administration isn't trying to devalue the US currency as a way to narrow the American trade deficit.

The dollar was mixed against other major foreign currencies, reports AP.

Gold prices rose. On the New York Commodity Exchange, gold for current delivery closed at 373.10 dollars a troy ounce, up 90 cents. Republic National Bank of New York quoted gold at 373.50 dollars as of 4 pm (2000 GMT), up 1 dollar.

Analysts said the dollar rose after news tickers quoted Bentsen as saying the US does not advocate a higher yen as a way of cutting into Japan's huge trade surplus.

Also affecting the market were rumours of European central bank intervention to buy dollars for yen on behalf of the Bank of Japan.

In Tokyo, the dollar closed at 102.90 yen, down 0.50 yen from Wednesday's close. Later in London, the dollar rose to 103.65 yen. In New York, the dollar rose to 103.65 yen from 103.03 late Wednesday.

Margaret Kudarauksas, foreign exchange analyst at Technical Data, a financial research firm in Boston, said the central bank intervention reports pushed the dollar to an intra-day high of just under 104 yen in New York.

The British pound closed at 1.4948 dollars, up from 1.4855 dollars late Wednesday. In New York, the pound fell to 1.4905 dollars from 1.4925.

According to Qian Qizhi, a

Bureaucracy hampering China's reforms

BEIJING, Apr 22: China's

sweeping economic reforms are being hampered by a government bureaucracy intent on self preservation in the face of drastic personnel cuts, senior officials were quoted as saying today, reports AFP.

While structural reforms have made some progress, serious attention must be paid to "outstanding problems," Qi told a symposium on administrative reform that opened Thursday in Beijing.

As a result, there is a lack of co-ordination between administrative reforms and reform in other fields.

"Structural reforms must advance in harmony with economic, political and personnel reforms," Qi said.

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Going for growth in Southeast Asia

The Philippine island of Mindanao has long been a trouble spot, with both Muslim and Communist guerrillas fighting government forces. But now, reports Gemini News Service, the coastal city of Davao is going for growth by using a new idea gaining ground in the region: regional "growth triangles" which ignore national borders.

business boom. The signs include more office buildings and three recently-opened shopping malls.</p