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South Africa to stop mine export

PRETORIA, July 29: South Africa announced Friday that it would stop exporting land mines, and concentrate on selling other countries its expertise in clearing land mine fields, reports AP.

Ronnie Kasrils, a former anti-apartheid guerrilla who became Deputy Minister of Defence after South Africa's first all-race election, said the new government was responding to a United Nations call for a moratorium on anti-personnel mines.

South Africa had gone "much further" by banning the export of all types of mines, Kasrils told reporters before a demonstration of anti-mine technology.

"With the lifting of the United Nations arms embargo many international programmes can now benefit from South Africa's expertise and equipment," he said.

In the past, South Africa had exported mines to rightists rebels in Angola and Mozambique.

Vietnam seeks to build second oil refinery

HO CHI MINH CITY, July 29: Vietnam wants a second oil refinery and is willing to approve of full foreign ownership of the facility to attract the necessary investment, a Vietnamese refinery specialist said Friday, reports AP.

PetroVietnam, the state-owned oil and gas monopoly, needs two refineries to meet Vietnam's projected domestic demand for refined petroleum products, said Van Tu, a deputy director for the firm.

A foreign consortium is now making a feasibility study for one refinery, which will have an annual capacity of about 6 million tons. Construction could begin by the end of next year, Tu said.

Tu spoke at an international conference, "Vietnam Oil and Gas '94."

France's Total SA and the Chinese Petroleum Corporation and China Investment and Development Company, both of Taiwan, are conducting the study for Vietnam's first refinery. The facility will probably be built at a deep water bay at Van Phong in Khanh Hoa province, 390 kilometers nor-

theast of Ho Chi Minh City. Tu said.

Southern Vietnam, including Ho Chi Minh City, accounts for 56 per cent of the country's demand for refined products. PetroVietnam may plan to build its second refinery in the north, Tu said.

PetroVietnam's chairman, Ho Si Thoang, said earlier this week that Vietnam could produce refined products by 1998.

The company has also started to plan a petrochemicals industry to produce plastics, detergents and synthetic fibers using the ingredients of natural gas as raw materials, Tu said. Vietnamese plastics consumption is rising, and PetroVietnam predicts that the demand for detergents and synthetic fibers such as polyester will double by the end of the century.

Beside fixing an exchange rate the budget scrapped the legal autonomous foreign exchange market where the dollar sold for 48 naira.

The measures, which marked a retreat from years of free market reforms, have been criticised by local producers and foreign creditor institutions.

Nigeria to stick to forex, interest rate control policies

LAGOS, July 29: Nigeria's military government said it has decided to stick with its policies of foreign exchange and interest rate controls, reports Reuter.

Finance Minister Kalu Idika Kalu said in a statement that after a review of the 1994 budget the government "had resolved that the exchange rate should remain pegged at 22 naira to the dollar while the interest and lending rates remain as provided for in the budget."

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Australian investors cast wary eye at US markets

SYDNEY, July 29: Australian investors shrugged off improving trade data today and cast a wary eye instead at markets in the United States, analysts said, reports AFP.

Australia's current account deficit shrank in June to a seasonally adjusted 1.439 billion Australian dollars (1.1 billion US) from 1.699 billion dollars the month before, the Australian Bureau of Statistics said.

The date capped off a week of good economic news, with inflation data on Wednesday showing a rate of 0.7 per cent in the three months to June 30 and an underlying rate of 0.4 per cent.

But the news failed to encourage domestic fixed-interest markets analysts said, as dealers awaited the release of US economic growth figures later Friday.

Market rates on 90-day bills remained steady in afternoon trade with their opening level

of 5.43 per cent while 10-year bonds weakened, with yields rising to 9.71 per cent from an open of 9.66 per cent.

Dealers said the US data could give markets a clue to future moves on official US interest rates and, in turn, the future for the official rate in Australia.

"In a week that was seen the confirmation of current low inflation and the absence of a major current account constraint, the failure of the bond market to rally clearly demonstrates how insignificant domestic economic fundamentals are to the markets in the present climate of global market uncertainty," said a report by Citibank Australia.

"Only with a strong and sustained rally in the United States will the Australian bond market see buyers emerge."

Analysts said Treasurer Ralph Willis had added to speculation over rates by telling reporters on Wed-

nesday that US rate moves would be a factor to be considered in Australian monetary policy.

Chris Knight, Foreign Exchange Dealer at Indosuez Australia, said the Australian dollar showed "a very small reaction" to the current account data, moving slightly up to 73.88 US cents from 73.76 US cents immediately before.

"We are moving in a very tight range with US GDP (Gross Domestic Product) figures out tonight," he said. "Willis has basically said that if the US increases its rates it will mean we will increase ours."

Ivana Bottini, chief economist at Societe Generale Australia, said the current account showed there was no major pressure for Australian authorities to tighten monetary policy.

Wholesales of consumer goods decline in Japan

TOKYO, July 29: Japanese wholesalers of consumer goods suffered their first decline in sales in at least 21 years in the year to March, accompanied by double-digit declines in earnings, according to a survey published Thursday, reports AFP.

The survey by the Nihon Keizai Shimbun found that combined revenues of 929 wholesale companies fell one per cent from a year earlier to 26,400 billion yen (264 billion dollars), the first decline since it started the survey in 1972.

Eight of the 15 categories surveyed showed a decline in sales during the period, led by textile wholesalers, whose earnings plunged 7.6 per cent.

Sales fell seven per cent for wholesalers of stationery and office goods, five per cent for furniture wholesalers, 4.9 per cent for clothing wholesalers, and 3.9 per cent for wholesalers of watches and jewellery.

Wholesalers of bedding and interior materials suffered a three per cent slide in sales while revenues fell 2.7 per cent for sporting goods wholesalers and 1.8 per cent for wholesalers of photographic equipment and materials.

The survey also found that the combined operating profits of 929 companies dropped 18.4 per cent from a year earlier, led by wholesalers of toys, furniture, textiles and clothing.

Operating profits fell in all sectors except books, compact discs, videos and musical instruments, where earnings jumped 20 per cent, and food wholesalers, where operating profits grew 1.5 per cent.

Floods threaten rice harvests in Vietnam

HANOI, July 29: Early floods

have hit parts of the rice-producing Cuu Long delta in southern Vietnam, and rising water levels threaten the summer harvest, the official Nhan Dan newspaper said today, reports AFP.

The floods present a serious threat because the delta annually provides two-thirds of Vietnam's rice output, and rice is a staple food here.

Washington denies using labour rights as protectionist tool

BANGKOK, July 29: The United States on Monday denied charges it was demanding certain labour rights and standards in other countries to protect its own economy from foreign competition, reports AP.

"Nothing could be further from the truth," a senior US official said in response to recent Asian allegations that some countries were including demands for better working and environmental conditions in world trade agreements.

Joan Edelman Spero, undersecretary of state for economic and agricultural affairs, told a news conference that the United States and other industrialized countries were reviewing only labour rights that were internationally recognized when working out trade agreements.

"We do not intend to talk about issues that would be perceived as protectionist such as wages, such as certain types of factory conditions," she said.

Some Asian officials have contended that the United States and other developed nations with high labour costs would try to penalize countries with low wages to offset their own competitive disadvantage.

Concerns about linking trade with labour and environmental standards were voiced in a communiqué Saturday by the Association of

Southeast Asian Nations. The bloc's foreign ministers held their annual conference here and this week are meeting with ASEAN's major partners, including the United States, Japan and the European Union.

Spero said the US delegation would stress the need for all nations to complete implementation of last year's Uruguay Round of the General Agreement on Tariffs and Trade, and set up the World Trade Organisation by next

India's external outstanding debt totals \$ 91b

NEW DELHI, July 29: An Indian senior official said today that India's total amount of external debt outstanding against the country is estimated at 91 billion US dollars at the end of March this year, reports Xinhua.

In a written reply, Minister of State for Finance M V Chandrashekara Murthy told the Senate that the total debt service payment were 8.22 billion US dollars in 1991-92, 8.16 billion US dollars in 1992-93 and 8.14 billion US dollars in 1993-94.

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ADB to discuss economic implications of aids

MANILA, July 29: The Asian Development Bank (ADB) will hold its final meeting on the economic implications of aids on August 2-4 in Manila, aimed at helping combat the rapid growth of the aids epidemic in Asia, reports Xinhua.

The three-day meeting will significantly increase the knowledge base of aids and will be beneficial to the bank's Developing Member Countries (DMCS) in formulating policies and projects to limit the spread of the disease.

Co-sponsored with the United Nations development programme, the meeting will discuss the extent of the epidemic, resulting economic costs and the impact on different areas of the economy.

Eight countries are included in the study: China, India, Indonesia, the Republic of Korea, Myanmar, the Philippines, Sri Lanka and Thailand.

The study ranges from the cost effectiveness of blood testing to the impact of the epidemic on tourism.

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