

Crucial meeting today

No broad-based US sanctions against Japan if talks fail

WASHINGTON, Sept 29: The United States plans no broad-based sanctions against Japan if the ongoing trade dispute between the two nations defies quick resolution, Secretary of the Treasury Lloyd Bentsen says, reports USIS.

Bentsen discussed the current US-Japan negotiations at a press briefing September 28, before his departure for Madrid to attend the annual meetings of the World Bank and International Monetary Fund (IMF).

The Clinton administration could decide September 30 to impose retaliatory trade sanctions against Japan if long-standing US complaints about barriers to Japanese procurement and insurance are not resolved. "If sanctions are imposed, I would expect them to be with great specificity and go to some of the more egregious

(approaches) in so far as denial of market access in Japan," Bentsen said.

"I would not expect some overall, broad-based sanctions," Bentsen said, adding that a more likely prospect would be restrictions on procurement contract opportunities for Japanese companies.

AFP says: US and Japanese trade ministers failed to break a trade deadlock in more than two hours of talks in Washington Wednesday, but agreed to meet again Friday, the deadline for US sanctions, the Japanese minister said.

Japanese Minister for International Trade and Industry Ryutaro Hashimoto said he was unsure if the two sides would be able to reach agreement Friday.

US Trade Representative Mickey Kantor met with Hashimoto for two and three

quarter hours Wednesday after two sessions Tuesday, but there was no sign of agreement.

Hashimoto said he had to return to Tokyo Wednesday for a parliamentary session but would return for further talks with Kantor Friday.

Kantor is also due to meet with Japanese Foreign Minister Yohei Kono here on Friday.

Kantor has said that if the two sides do not agree on ways to boost Japanese government purchase of foreign telecommunications and medical equipment by Friday it will impose sanctions.

Friday is also the deadline for a wider sanctions decision against Japan for unfair trade practices under the US Super 301 trade law, although it would be some time before any sanctions were actually implemented.

Al-Saddoun told the state-run agency that he expected the government to borrow again or try to reschedule payments.

But the economist, who also owns a consulting company, said a better way to raise the money was to save it by squeezing expenditure.

A plan to sell government-owned companies and privatise public services that have been subsidised or offered free of charge is under way in the emirate, whose citizens have been pampered by the government for decades.

Al-Saddoun warned the government against trading the payment for oil saying that solution would eat away at much needed oil revenues. The oil-for-debt trade-off has not been mentioned by the government.

Kuwait is considering allowing foreign companies to drill for oil, but no decisions have been made in this regard.

Russia planning moves to halt gold exports

MOSCOW, Sept 29: Russia is planning moves that will halt its gold exports, starting this year, a senior official at the State Precious Metals Committee said.

"We will set up a mechanism before the end of the year under which it will be unprofitable to sell gold abroad, but it will pay to sell it all domestically," Valery Skripchenko, head of the committee's Scientific and Technical Department, told Reuters.

The precious metals committee is the only organisation in Russia authorised to export gold.

Skripchenko said Russia was selling gold abroad at 12.5 dollars per gramme, while the domestic price was 30-40 dollars a gramme.

"We will sell all our gold inside the country at a price of about 20 dollars a gramme. This will bring much more profits both to producers and to the budget," he said.

Russia is traditionally a big gold exporter. But the figures from the precious metals committee showed the country had sold only 6.6 tonnes of gold abroad in the first five months of the year, compared with 21 tonnes in the same period last year.

"Senior committee officials said earlier Russia may produce 150 tonnes of gold this year, with 35 per cent of this amount likely to be exported."

The news came as Russia was drawing up plans to set up a domestic gold market, while retaining state control over extraction and refining.

Visitors can even view edible gold food, which has been known to be consumed by Japanese who believe gold contributes to good health and virility.

The participating countries include Hong Kong, Japan, Italy, India, South Korea, Malaysia and Singapore.

The Singapore display is aimed at providing Asian buyers and sellers a comprehensive view of the gold market," said Kerr Croukshanks of the World Gold Council, the exhibition's organizers.

The Daily Star

BUSINESS

Plague has little impact on India's tourism industry

NEW DELHI, Sept 29: The outbreak of plague ahead of India's booming tourist season is likely to have only a temporary impact on its tourism industry, officials and analysts said today, reports Reuter.

They said while there were some cancellations of hotel and airline bookings, most of them were in the packaged tour segment and the business traveller was still keen to visit India.

Officials of several international airlines operating to India said there had been no dramatic changes in booking patterns on incoming flights.

SS Boparai, India's Director-General for Tourism, told Reuters, that plague had largely spread in non-tourist areas and the traditional tourist destinations were unaffected.

He said travel advisories issued by several countries cautioning their citizens against travelling to India, as well as bans on flights to and from the Gulf region, could affect the number of tourists coming to India.

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on September 29 and 30.

Currency	Selling		Buying		(Figures in Taka)
	TT & OD	BC	TT	OD	
US Dollar	40.3860	40.4150	40.0850	40.0365	39.8700
Pound Sterling	63.9666	64.0125	62.5382	62.4626	62.2028
DM	26.2974	26.3163	25.5763	25.5453	25.4391
F Franc	7.7078	7.7134	7.4961	7.4870	7.4559
C. Dollar	30.3903	30.4121	29.5445	29.5087	29.3860
S Franc	31.7135	31.7362	30.8298	30.7925	30.6645
Jap Yen	0.4152	0.4155	0.3998	0.3993	0.3977
Indian Rupee	1.2939	1.3036	1.2722	1.2531	—
Pak Rupee	1.3210	1.3309	1.2988	1.2793	—
Iranian Ryal	0.0232	0.0234	0.0228	0.0225	—
Al T. T. (DOC) US Dollar Spot Buying Tk	40.0607				
Bi Usance Rates:					
30 Days DA	60 Days DA	90 Days DA	120 Days DA	180 Days DA	
39.7348	39.4509	39.1669	38.8830	38.3151	
CI US Dollar sight export bill-3 months forward purchase: Tk. 40.0365					
DI US Dollar 3 months forward sale: Tk. 40.6150					

Al T. T. (DOC) US Dollar Spot Buying Tk 40.0607

Bi Usance Rates:

30 Days DA 60 Days DA 90 Days DA 120 Days DA 180 Days DA

39.7348 39.4509 39.1669 38.8830 38.3151

CI US Dollar sight export bill-3 months forward purchase: Tk. 40.0365

DI US Dollar 3 months forward sale: Tk. 40.6150

(Figures in Taka)

(Figures in Taka)