

DHAKA, MONDAY, JANUARY 23, 1995

**Bangladesh gets 20,000 tons of French wheat**

France has given Bangladesh 20,000 tons of wheat as food aid for the 1994 exercise, says a press release.

This grant arrived in Chittagong at the beginning of this month, and has been handed over to Mohamed Abdul Kader, Joint Secretary at the Ministry of Food, by Francois de Grailly, Deputy head of Mission, at the French Embassy on behalf of the French government during a ceremony held recently and attended by many personalities and officials in Chittagong.

While delivering their speeches, Abdul Kader and Francois de Grailly stressed the deep historical roots of French-Bangladesh friendship and their common hope that the cooperation between the two countries will not only fulfil a temporary need but will also help to build the future of a developed Bangladesh.

**Japanese quake may cost Lloyd's \$ 1.57b**

LONDON, Jan 22: Japan's deadliest earthquake since World War II could eventually cost London marine insurers nearly one billion pounds (\$ 1.57 billion dollars), The Sunday Telegraph reported quoting Lloyd's of London agents, reports AP.

"Cargo is the key," an unidentified Lloyd's spokesman was quoted as saying. He predicted a stack of claims on marine risks.

Brokers at Wallis Corroon, a Japanese market specialist, were quoted by The Sunday Telegraph as saying claims for cargoes and other marine losses could be heavy, though it will take weeks for the damage to be assessed.

The port of Kobe, one of the world's busiest, was not insured at Lloyd's. But hulls and cargoes in Kobe were insured and one London broker has a client with an 80 million pounds (\$ 126 million dollars) cigarette consignment at risk, the paper said.

**Country importing 10 lakh tons of foodgrains**

Some 10 lakh tons of foodgrains are being imported to meet the country's requirements, the Food Minister said yesterday listing government measures to contain price spiral.

Public sector is importing 1 lakh tons of rice and 5 lakh tons of wheat and the private sector 4 lakh tons of rice and wheat, Abdul Mannan Bhuiyan told UNB.

"More one lakh tons of food is in the pipeline also," said the minister when his attention was drawn to the present price hike of foodgrains.

Manan, who is also the Food Ministry secretary, said a minor reshuffle of the government's food policy had not or will not be considered, as food price also had begun to

fall due to massive Open Market Sale (OMS) across the country.

He also listed some other measures already taken to arrest the price hike of foodgrains. The measures are: duty-free import of rice, intensifying Food for Works Programme and movement of food on priority basis.

Some 40 OMS centres have so far been opened in the capital and, if necessary, more centres will be opened here, the minister said.

Responding to a question, he said that the committees headed by Thana Nirbahi (TNO) were supervising the OMS in their respective areas.

Foodgrains supply through

OMS will be doubled during the coming month of Ramadan, Bhuiyan assured.

At OMS, price of per kg rice is Tk 10.50 outside Dhaka and Chittagong cities where it sells at Tk 11. Price of a kilogram of Atta is Tk 9 and wheat Tk 7.

Replying to another question, the minister said seven lakh tons of present food stock is adequate to meet any emergency.

The new Food Minister sought cooperation of all concerned, particularly social and political workers, in making the countrywide OMS drive a success.

He also asked for "not doing politics" capitalising on food.

**Vietnam, Cambodia to end disputes thru' discussions**

HANOI, Jan 18: Vietnam and Cambodia plan to peacefully settle the two most explosive problems dividing them — migration and border disputes — by setting up special joint commissions, it was announced today, reports AFP.

The announcement came in a joint communique signed on Tuesday by Vietnamese Prime Minister Vo Van Kiet and the Cambodian co-premier, Prince Norodom Ranariddh, at the end of his ground-breaking visit here, which he hailed as a great success.

The governments said a joint group of experts agreed upon in 1993 to deal with the prickly problem of Vietnamese living in Cambodia would meet for the first time next month.

And they rested their commitment to establishing a second joint panel to settle demarcation disputes on their common land and sea borders, which have plagued relations between the two former french colonies for years.

Although both countries had already decided in principle on the establishment of the committees, neither has so far begun work.

The document reaffirmed the neighbours' will to settle their problems through peaceful negotiations, equality and mutually beneficial cooperation and peaceful co-existence.

**Fake US dollars seized, 5 held in Italy**

MILAN, Italy, Jan 22: Italian police said on Saturday they seized fake US dollar bills totalling 13 million dollars and arrested five people, reports Reuters.

A police spokesman said four of those arrested had been caught red-handed printing money in a high-tech plant on the outskirts of Milan.

**The Economist quotes FBCCI chief****Political confusion may lead to economic ruination in Bangladesh**

The business community of Bangladesh, fed up after ten months of political agitation, met in Dhaka recently and told the politicians that unless the political confusions were settled the economy would come to a standstill, reports BSS.

This was stated by the prestigious British Economic weekly "The Economist" in its last issue in a commentary entitled "Bangladesh, road to ruin."

The magazine quoted Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) President Salim F Rahman as saying if the "political confusion" continued, economic recovery would be "very difficult."

The economist said, "The federation and other business groups believe that, given the chance, the economy would

take off. Since taking power in 1991, the government of Khaleda Zia has seen inflation fall, foreign exchange reserves grow to almost three billion US dollars, and exports rise.

Bangladesh was also proud to hold its first-ever international trade fair in December. Some 60 foreign and 130 Bangladeshi companies displayed their wares. But, speaking at the event, Mrs Zia said that "peace and stability" are needed if the improvements are to be maintained," the magazine added.

The Economist further said, "Foreign investors have been put off by civil disorder such as general strikes and mass demonstrations. A visit to Bangladesh this month by Douglas Hurd, the British Foreign Secretary coincided with a general strike called by

the Opposition, as did that of a British trade delegation in November. Hurd made it clear that investors were bound to be deterred if such disruptions to the economy continued.

The Opposition parties started boycotting the national assembly (Jatiya Sangsad) in March last year, demanding that the next general election be held under a neutral administration, and claiming that the present government would rig the polls.

The government says the Opposition is grumbling because it was defeated in the 1991 general election, which observers said was conducted fairly. It has offered some concessions to the Opposition, including a pledge by Mrs Zia to stand down 30 days before the next election," the weekly said.

**SilkAir to fly to four new places in Indonesia**

SilkAir will fly from its homebase Singapore to four new places in Indonesia under its new summer schedule for 1995. These airports will be served by SilkAir's new Fokker 70 with 77 Economy seats, says a press release.

SilkAir's F70 will fly three days a week to Padang from March 26, 1995 — on Tuesdays, Thursdays and Sundays — departing from Singapore at 1015 hours and arriving in Padang at 1030 hours, and departing from Padang at 1100 hours and arriving in Singapore 1325 hours.

SilkAir's F70 will fly three days a week to Solo from March 27, '95 — on Mondays, Wednesdays and Fridays — departing from Singapore on Mondays at 1215 hours and arriving in Solo at 1405 hours, and departing from Solo at 1435 hours and arriving in Singapore at 1820 hours, while on Wednesdays and Fridays the flights will depart from Singapore at 0800 hours and arriving in Solo at 0950 hours, and departing from Solo at 1020 hours and arriving in Singapore at 1405 hours.

SilkAir's F70 will fly four days a week to Lombok from March 28, '95 — on Tuesdays, Thursdays, Fridays and Sundays — departing from Singapore on Tuesdays, Thursdays and Sundays at

1420 hours and arriving in Lombok at 1720 hours, and departing from Lombok at 1755 hours and arriving in Singapore at 2050 hours, while on Fridays the flight will depart from Singapore at 1500 hours arriving in Lombok at 1800 hours, and departing from Lombok at 1830 hours and arriving in Singapore at 2125 hours.

SilkAir's F70 will fly three days a week to Pekanbaru from March 29, '95 — on Mondays, Wednesdays and Saturdays — departing from Singapore on Mondays and Saturdays at 0840 hours.

**China vows to put stricter controls on foreign exchange**

BEIJING, Jan 22: China has vowed to place stricter controls on foreign exchange used for capital funds to limit the flow of short term money into the country, reports Xinhua.

Director of the State Administration of Foreign Exchange Control (SAFE) Zhu Xiaohua urged banks to carefully watch foreign exchange transactions to prevent so-called "hot" money from coming into China under current practices.



Nurul Husain Khan, Chairman, Board of Directors of Eastern Bank Ltd, inaugurated 10th branch of the bank in Jessore recently. Bhuiyan Rafiqul Kabir, General Manager, M. Ghousul Haque, Director, A I M Bhakar, Chairman, Acting Managing Director and M Aminuzzaman, Deputy Managing Director of the bank are also seen in the picture.



Metropolitan Meat-Sellers Association brought out a procession in the city yesterday protesting closure of meat shops for three days a week in the city during the month of Ramzan. — Star photo

**Bangladesh: best investment choice in the sub-continent: US magazine**

Bangladesh has become, unexpectedly, the best investment choice in the Indian sub-continent with its booming capital market, expanding export base, increased reserve and low inflation, reports UNB.

The Emerging Stock Market Report, a bimonthly magazine published from Erlington in USA, made this comment in the "Market Focus" column of its latest issue (November-December 1994).

It said the typical response when one mentions Bangladesh as an investment opportunity is an incredulous look followed by a question about whether Bangladesh is still suffering from devastating drought, flooding and famine.

The image of Bangladesh for most Americans remains one of hopeless abject poverty — the paradigm of the "basket case" country. "This image is out of date and could result in many investors missing out on excellent investment opportunities," the magazine remarked.

Bangladesh remains a poor country of over 120 million with a per capita income of only 212 US dollars. But its prospects look better than at any time since it achieved independence from Pakistan in 1971.

The report mentioned that under Prime Minister Khaleda Zia, the government has embarked on an ambitious programme of economic reform that seeks to promote growth

through the lowering of taxes, tariffs and barriers to incoming foreign investment, and privatization of state-owned enterprises.

It said Prime Minister Zia's reforms are beginning to pay off. Euro money magazine projects annual real GDP growth of over 45 per cent for 1994.

Inflation is low and expected to be no more than 3.5 per cent in 1995. Industrial growth is accelerating and is expected to be 10 per cent for 1994.

The exchange rate between the US dollar and the taka has been kept stable for the last year. Low inflation and growing foreign exchange reserves resulting from expanding exports should permit the government to minimise any depreciation in the currency.

The report referred to the remarks of Smith New Court, a portfolio investment institute, which anticipated the taka stabilising at Tk 41-42 to the US dollar in the medium term from the current rate of Tk 40 to a US dollar.

Begum Zia's reforms provoked the opposition parties, which are boycotting the parliament and have orchestrated nationwide protest strikes against the government, it observed.

Yet the next general election is not till early 1996 and Begum Zia stands firm against calls that she resign or appoint a caretaker government to hold the elections. She re-

mains committed to her economic liberalisation programme.

Driven by sales of ready-made garments, Bangladesh's exports are growing at a 20 per cent annual rate. The country is universally recognised as having an international competitive advantage in textile production, given its cheap labour.

Exports of ready-made garments and household linens are booming, having grown at an annual rate of 46 per cent for the last three years, the Report said quoting Abhijit Chakrabarti, an analyst at the Smith New Court.

It said the outlook for corporate profits looks bright as Ayaz Ebrahim, Manager of Indusuez Bangladesh Mutual Fund, sees profits of Bangladeshi corporations achieving hefty annual gains of 35 per cent in 1995 and 1996, according to the Far Eastern Economic Review.

Dhaka Stock Exchange (DSE), regulated by Securities and Exchange Commission, lists 145 companies and has a total market capitalisation of only US 835 million dollars, which equals just three per cent of Bangladesh's GDP, said the Report.

The government has recently liberalised rules regarding foreign investment. Foreign investors purchasing an initial public offering or a stock listed on the DSE can now freely repatriate dividends



M Anis Ud Dowla, President of Metropolitan Chamber of Commerce and Industry, Dhaka, along with Samson H Chowdhury, Vice-President, and C K Hyder, Secretary-General, MCCCI, made a courtesy call on the Minister for Commerce M Shamsul Islam in the city yesterday.

**Multinational co-made toiletries occupy city markets: Survey**

Toiletries produced by a multinational company have the largest market share in Dhaka metropolitan area, revealed a survey conducted by noted marketing expert Dr Abdullah Faruq reports UNB.

Presenting the findings at a seminar in Dhaka University on Saturday, he said local producers may face difficulty in getting bank loans for their projects as their market shares are so low to yield profit from their products.

The survey sponsored by Dhaka University Bureau of Business Research, was carried out from April-December 1994 on the market shares of washing soaps and detergent, shampoo and toothpaste.

Some 100 students of the Commerce Faculty of DU interviewed 276 retail shopkeepers in 10 points — Banani, Dharmnandi, Gandaria, Gulshan, Hazaribagh, Mahakhali, Mirpur, Motijheel, Sadarghat and Tongi.

The survey found that there are 65 brands of washing soaps and detergents, both locally produced and imported, now sold in the Dhaka markets, but 10 products command 81.56 per cent of the market.

Wheel soap produced by multinational Lever Brothers commands 25.30 per cent of market share followed by Nirala Ball (12.16 per cent), Jet detergent (10.81 per cent), Alama Pacha Saban (10.21 per cent), Tibet Blue Bar (7.76 per cent), Tibet-570 (7.20 per cent), Nirala Green (3.12 per cent), Medal (2.09 per cent), Surf Ultra (foreign detergent) 1.5 per cent and Wheel Power (foreign detergent) 1.40 per cent.

The survey showed that detergent has as yet a very low market share, despite of advantages in its use. Washing soaps, which are relatively cheaper, are used more, perhaps because there are very few washing machines and servants do much of the washing.

There are 51 brands, local and foreign, of shampoo available in the market, a relatively new product in Bangladesh. These brands have a total market share of 87.74 per cent.

Sunsilk (all sizes) commands over 28.81 per cent of market share while Clinic Clear Special 25.90 per cent, Mirth 11.60 per cent, Bounce 8.80 per cent, Fresh and Clean 7.80 per cent, Cute 3 per cent, Head and Shoulder 0.62 per cent, Flex 0.60 per cent, Liz Arden 0.35 per cent and Sunsilks (foreign) 0.26 per cent. Sunsilks, Clear and Bounce are produced by Lever Brothers.

The survey revealed that mini-package of shampoo is more popular in Dhaka than the bigger containers. But this packs are sold more in the low and middle income segments like Gandaria, Hazaribagh, Mirpur, Motijheel and Tongi.

Foreign shampoo that comes in big bottles and are priced high, is sold in every segments, but relatively more in Banani, Gulshan, Dharmnandi and Tongi including Uttara.

The survey found 35 different brands of toothpaste, local and foreign, available in Dhaka markets, but the top 10 have a total market share of 96.65 per cent.

The top ten toothpaste and their market shares in Dhaka are: Close Up (33.51 per cent), Pepsodent (14.73 per cent), Peps Gel (12.06 per cent), Colgate (9.35 per cent), Tibet D-5 (6.26 per cent), Mgril Fresh Gel (6.01 per cent), Fresh and Clean (5.97 per cent), Dento-Clean (3.87 per cent), Cute Floride (2.97 per cent) and Peps Clove (1.92 per cent).

Close Up and Pepsodent are produced by Lever Brothers while Peps Gel and Peps Clove by its subsidiary Pisona Toiletries. Colgate is an Indian product that has the highest market share among the foreign toothpaste.

**Big bucks paid for Beatles, Cobain items at rock auction**

NEW YORK, Jan 22: A collection of six rare Beatles albums sold for 32,000 dollars and a guitar stained with the blood of the late Kurt Cobain brought 15,000 dollars Saturday at an auction of "rock 'n' roll" memorabilia, reports AP.

But one of the biggest items — a 1954 Elvis Presley recording of "I'll Never Stand in Your Way" — failed to sell in day three of the four-day "40 Years of Rock & Roll" auction.

The acetate recording, done at the Memphis Recording Service for four dollars, failed to reach the reserve price of 100,000 dollars, said Arlan Ettinger, President of Guernsey's auction house. It was expected to bring up to 200,000 dollars.

Acetates discs were used to transfer music from an electronic signal to pressed vinyl. Presley's 10th grade Humes High School yearbook was sold, however, for 5,000 dollars. The book includes photos of Elvis as a junior varsity basketball player.

**Hill districts' dev seminar begins today**

CHITTAGONG, Jan 22: A three-day national seminar on 'experiences of development in the hill districts of Bangladesh' begins at Rangamati tomorrow, reports BSS.

The national seminar has been organised by the Chittagong Hill Tracts Development Board (CHITDB), Rangamati in cooperation with the International Centre for Integrated Mountain Development (ICIMOD) based in Kathmandu, Nepal, says a PID handout today.

The member-countries of the ICIMOD are Afghanistan, Bangladesh, Bhutan, China, India, Myanmar, Nepal and Pakistan. About 100 scholars and specialists in related fields of the member-countries will participate in the seminar.

Heads of various international organisations in Bangladesh and Ambassadors and High Commissioners from the ICIMOD member countries in the Himalayan range are expected to attend the seminar.

Sixteen professional papers will be presented and discussed with a view to identifying related problems and issues along with recommendations for the future. The papers will cover hill area development approaches in Bangladesh, environmental aspects, social organisation of the hill people in Bangladesh, agriculture system shifting cultivation system, land use management, low-cost water harvesting system, innovative traditional farming related technologies for hill areas.

Jhumia settlement, schemes in the hill forests and upland settlement and rubber plantation in Bangladesh.

This seminar has been sponsored by the special affairs division of the Prime Minister's office. This is for the first time problems and issues related to economic development of the hill people in Bangladesh will be discussed in an important forum. Official sources here indicated that more such workshops and seminars will be held in near future with a view to evolve a development approach for the districts in Chittagong hill tracts.

**AT&T executive in city to attend investors' confce**

Telecom giant AT&T Global Business Communication System's Managing Director for South Asia, K Vijay Rao, arrived in the city to attend the investor's seminar to be held on the 24th and 25th January at Sonargaon Hotel, which will be hosted by Euro money and BOI, says a press release.

Rao is on an exploratory mission to understand telecom opportunities and challenges in Bangladesh. He is also looking forward to identify potential distributor for AT & T.

During his visit Rao will meet some senior bureaucrats and business leaders. He is scheduled to leave on January 25 afternoon.