



40 oil mills shut down in Sirajganj

SIRAJGANJ, Feb 24: Forty oil mills throughout the district have been shut down as the demand for edible oil fell sharply, reports UNB.

"The demand for edible oil declined rapidly as fear spread among the consumers that spandell oil are being mixed with edible oil by a section of dishonest mill owners", said a local businessman.

Some 60 more oil mills may be closed down soon leaving 1,210 labourers jobless, he added.

Meanwhile, the price of mustard oil has come down from Tk 850 to 780 following the situation, he alleged.

Police, on February 22, seized two barrel mustard and one barrel soyabean oil from a oil mill, owned by Asit Kumar, in Sadar Thana apprehending that spandell oil has been mixed with them.

The oil has been sent to Dhaka for chemical test, police said.

Dutch potato firm setting up joint venture in India

NEW DELHI, Feb 24: The world's largest potato marketing company, Agrico of the Netherlands, is setting up a joint venture in India with Calcutta-based Quality Tea Plantations Private Limited (QTPPL), reports Xinhua.

The proposed joint venture company, with 50:50 equity participation, will be the first one of Agrico's kind in Asia.

Agrico Marketing Director F A Holstein said here on potato research in Asia and the easy availability of inexpensive agricultural inputs.

Agrico is a cooperative of about 2,000 potato farmers in the Netherlands with an annual production of 400,000 tonnes of seed potato and 800,000 tonnes of table potato.

Agrico's export constituted about 60 per cent of its production to more than 70 countries.

He said that India's current average potato yield is only 18 tonnes per hectare compared to 45 tonnes in the Netherlands.

Therefore, the new joint venture will be able to provide potato processors a more cost-effective potato as well as increased yields potato for farmers.

Besides providing select processing varieties, Agrico also intends to share its expertise in high quality seed production and use of farm equipment with Indian farmers.

New Pak airline plans expansion

ISLAMABAD, Feb 24: A new Pakistani airline, Shaheen Air International (SAI) said on Wednesday it planned to acquire two more Boeing 737 aircraft and smaller planes to expand its domestic and foreign services, reports Reuters.

SAI managing Director Air Commodore Shahid Kamal told reporters the airline, now operating for a year with two Boeing 737s leased from Thai Airways International and an Airbus A300, was trying to acquire two more Boeing 737s by the end of the year. Funds will be arranged through bank borrowing, he said.

SAI launched its first foreign service on Monday with the first of three flights a week between Pakistan's northwestern town of Peshawar and Dubai in the Gulf, a route currently dominated by the national carrier Pakistan International Airlines (PIA).

Kamal said the airline also had plans to fly to Jeddah to carry Muslim pilgrims to Saudi Arabia in the future. But he would not say when such a service would be launched.

He said SAI also planned to acquire smaller planes with 30 to 40 seats to fly on short-distance domestic routes.

France's GDP rises 2.5 pc

PARIS, Feb 24: France's gross domestic product rose 2.5 per cent in 1994, a major improvement after falling 1.2 per cent in 1993 and rising 1.2 per cent in 1992, the national statistics institute said Friday, reports AP.

The government predicts the economy will grow between 3 per cent and 3.5 per cent this year.

In the fourth quarter, GDP rose a provisional 0.6 per cent after rising 0.8 per cent during the third quarter.

The institute also said France's consumer price index rose 0.3 per cent in January from the previous month, while its gain for the past 12 months registered at 1.7 per cent.

Dhaka has great prospect for expanding oilseed output

WITH a large and growing market for vegetable oil and protein meal, Bangladesh has a great prospect for expanding oilseed crop production.

Officials at the department of agriculture extension told UNB that the country produces nearly two lakh tons of edible oil which is less than 25 per cent of consumption requirements.

And even with imports, the per head vegetable oil consumption per day was approximately five grams in 1990-91, representing only 4 per cent per capita calorie consumption.

This compares poorly with FAO/WHO recommendations for at least double that amount. Moreover, as incomes increase it is expected that the demand will rise rapidly to correct this deficiency.

Among the oil crops, rapeseeds and mustard account for nearly 70 per cent of the oilseed production and cropped area. Other oilseeds that grow well include niger, sunflower, safflower and soyabean.

The area under major oil crops — mustard and rape-

groundnut and sesame — increased from 434,644 hectares to 456,801 hectares although production increased only marginally from 315,354 tons to 317,355 tons during 1986-91 period.

Rape and mustard, groundnut and sesame are grown in almost all regions of the country.

There are concentrations of production in certain regions — rape and mustard in Comilla, Faridpur, Jessore, Tangail, Pabna, Rajshahi and Dinajpur, groundnut in Noakhali, Faridpur, Rangpur, Kishoreganj, Dhaka and Bogra and sesame in Faridpur, Rangamati, Barisal, Mymensingh, Dinajpur, Pabna, Comilla and Khulna.

Sunflower is a minor oil crop covering only about 4,000 hectares. It is grown mainly in Jessore, Kishoreganj, Dinajpur, Rangpur, Tangail, Noakhali and Jamalpur regions.

No crop statistics is available on soyabean, but it is known that it grows well in the char areas of Noakhali.

Some 227,530 tons of rapeseed and mustard were produced on 3,209,595 hectares

of land, 41,215 tons of groundnut on 38,589 hectares and 48,610 tons of sesame on 83,123 hectares of land in 1990-91.

Officials said economic analysis suggests that oil-crops are financially profitable both as sole-crops and inter-crops with other main crops such as sugarcane, maize or banana.

Financial returns per hectare for intercropped oilseeds are about one and a half times higher than sole-cropped oilseeds. The benefit-cost ratio of mustard, groundnut and sunflower is 2.77, 2.87 and 1.5 respectively.

Oil imports are taxed at an ad valorem rate of either 30 per cent or 45 per cent. However, refined palm oil is heavily taxed at 60 per cent ad valorem. The less processed the product, the lower its import duty.

Part of the reason for having a high import duty rate is to encourage domestic production, one of the goals in the Fourth Five Year Plan.

Experts suggest that production technology be improved, input and support services strengthened.

Call money rate

Money rates in the call money market during the week ended Wednesday ranged from 1.35 per cent to 5.50 per cent, says a press release.

During the same week interest rates offered by the Bank on Certificate of Deposits varied from three per cent to 8.25 per cent.

The bank rate, however, remained unchanged at 5.50 per cent.

Indian rupee slips

BOMBAY, Feb 24: The Indian rupee slipped slightly against the dollar in early trade on month-end remittances, dealers said.

Banks were quoting the local currency at 31.3850 per dollar against the previous closing at 31.3750.

The dealers said six-month premium edged up to around 6.60 per cent annualised from the previous 6.35-6.40 per cent on month-end roll-overs, he said.

Russia's lower house passes '95 budget

MOSCOW, Feb 24: Russia's lower house of parliament, the State Duma, passed the 1995 budget at a third reading by 268 votes to 93, reports Reuters.

The budget foresees expenditure of 248 trillion roubles (55.9 billion dollars), income of 175 trillion (39.5 billion dollars) and a deficit of 73 trillion roubles (16.5 billion dollars), equivalent to nearly eight per cent of gross domestic product.

Finance Minister Vladimir Panskov said after the vote he was "deeply satisfied that the State Duma has shown common sense and adopted the budget at the third reading, which will have a very positive effect on the talks with the IMF (International Monetary Fund) which have just started in the finance ministry".

Russia and the IMF are discussing granting Moscow a 6.3 billion dollar standby credit.

Japan's textile sector for curbs on cotton import

TOKYO, Feb 24: Japan's textile industry formally asked the government Thursday to rescue the sector by invoking emergency curbs on cotton imports from China, South Korea and Indonesia under an international safeguard rule, says AFP.

The textile safeguard is an internationally accepted rule under the 1974 Multifibre Agreement (MFA) and a 10-year textile accord of the newly established World Trade Organisation (WTO).

The Ministry of International Trade and Industry said it would spend two months on assessing the damage to the domestic industry and other factors before determining whether an investigation would be necessary.

The Japan Spinners Association said it had asked for curbs on cotton yarn imports from China, South Korea and Indonesia. At the same time, the Japan Cotton and Stable Fibre Weavers Association called on the ministry to restrict imports of cotton poplin and broadcloth from China and Indonesia.

Both textiles are used in manufacture of shirts and other clothing goods.

Japan's imports of cotton yarn in the year to October rose 28 per cent to 43,903 tonnes and imports of cotton cloth jumped some 40 per cent to 253.5 million square metres, the Spinners Association said.

As a result, the Japanese Textile Industry has slashed its manpower by 3,717 people to 4,129 in the cotton yarn sector and by nearly a half to 2,500 in the cotton cloth sector, the association said.

DSE index up 2.59pc over the week

By Sobel Manzur

The Dhaka Stock Exchange (DSE) closed last week with the main index 2.59 per cent up over the previous weekend after the prices of most of the blue chip shares rebounded following increased participation of the local traders.

Market analysts said the foreign players were in selling mood last week, sending the local traders into a buying spree.

The bourse was stimulated significantly by increased inflow of investments after a dull period of over two weeks, said the market analysts.

The index closed Thursday at 816.09 points rising steadily by 20.57 points over the week from only 795.52 points of the previous weekend.

Average daily turnover has also increased during the time compared to that of last week, although total turnover was slightly lower due to a public holiday on February 21.

A total of 350,670 shares and debentures worth Tk 66.40 million were traded last week as against 351,755 shares and debentures worth Tk 66.30 million of the previ-

ous week.

Dealers said the Beximco Pharma, Apex Tannery, Singer Bangladesh Limited and Bengal Carbide had significant role in pushing the market index up, as the prices of these scrips increased by more than Tk 20 per share during the week.

Beximco Knitting, Sonali Paper, Eastern Housing, Orion Infusion, Ashraf Textiles and Beximco Limited were the highly traded issues of the week.

Market capitalisation of the listed securities rose steadily over the week and closed at Tk 39.41 billion as against Tk 38.41 billion of the previous weekend.

DSE member Mostaque Ahmed said the market was corrected after ups and downs of share prices, leading the local investors to become the active buyers. The liquidity of the bourse has also increased substantially following the increased activity of the local traders, he said.

However, the Investment Corporation of Bangladesh (ICB) continued to remain less active in the market, he said.

UK trying for \$150b Iraqi business

BAGHDAD, Feb 24: Britain is the "last in the race" for \$150 billion worth of Iraqi business over the next decade, once UN sanctions are lifted, a British business spokesman said here Wednesday, reports AFP.

"We were surprised at the level of business going on in this city," Edmund Sykes said at the end of a four day visit in which French, Italian, Spanish and Jordanian businessmen were also in Baghdad.

"Because Britain had never before sent a major delegation to Iraq, our country had no idea of the enormous extent of the foreign involvement in Baghdad," Sykes said.

"If we didn't return (later this year) our entire mission would have been a complete waste of time," said Sykes, spokesman for the Iraqi-British Interests Group (IBI), a

non-profit making organisation.

He estimated the potential of the Iraqi market in the next 10 years to be around \$150 billion dollars.

A report on the future on Iraqi-British relations would be handed to the government on their return, Sykes said.

Britain, which joined a US-led coalition to oust President Saddam Hussein and his forces from Kuwait in the January-February 1991 Gulf War — is one of the strongest opponents to any lifting of the crippling sanctions.

The group of 27 representatives from the food, pharmaceuticals water and road building industries is the first major British delegation to travel to Iraq since sanctions were imposed when Baghdad invaded Kuwait in August 1990.

Asian stock markets close higher

HONG KONG, Feb 24: Asian stock markets ended the week mostly higher Friday, but the key index in Tokyo slumped to a 13-month low as the Japanese yen moved to a near-record high against the US dollar, reports AP.

Tokyo's 225-issue Nikkei Stock Average dropped 357.38 points, or 2.0 per cent, closing at 17,472.94. That was its lowest finish since 17,369.74 on Jan 4, 1994, and down 11.4 per cent since the end of last year.

In Hong Kong, share prices surged in reaction to the overnight record rally on Wall Street.

The Hang Seng Index, the Hong Kong market's key indicator of blue chips, rose 242.54 points, or 3.0 per cent, closing at 8,218.95. On Thursday, the index rose 67 points.

In New York, the Dow Jones industrial average closed above the 4,000 barrier after Federal Reserve chairman Alan Greenspan eased investors' fears about higher interest rates.

KUALA LUMPUR: Malaysian share prices closed higher, boosted by the rally on Wall Street Thursday. The KLS Composite Index rose 20.99 points to 970.45.

BANGKOK: Thai share prices closed higher in reaction to the overnight rise on Wall Street. The Stock Exchange of Thailand index rose 17.05 points to 1,294.19.

SINGAPORE: Share prices closed higher in moderate trading. The 30-share Straits Times Industrials Index rose 28.68 points to 2,114.52.

WELLINGTON: New Zealand share prices closed higher in busy trading, with brokers expecting the market to remain firm over the next week. The NZSE-40 Capital Index rose 17.01 points to 2,000.74.

TAIPEI: Share prices closed higher in light trading. The market's Weighted Index rose 43.12 points to 6,590.07 points after Thursday's 50-point drop.

MANILA: Share prices closed lower on expectations that the central bank would further raise local interest rates. The Philippines' unified composite index of 43 selected issues fell 10.32 points to 2,587.91.

SYDNEY: The Australian stock market closed higher, driven up by solid company profit results and strength in the US market overnight. The All Ordinaries Index rose 17.6 points to 1,911.1.

SEOUL: Share prices closed lower following news reports that some fund managers may be questioned by authorities for possible insider trading. The Korea Composite Stock Price Index fell 14.97 points to 892.89.

JAKARTA: The stock exchange's Composite Index rose 0.299 points, closing at 454.694.

BRIEFS

Call money rate in India

BOMBAY, Feb 24: Indian inter-bank call money rates edged down to 13.0-13.5 per cent in early trade from the previous closing of around 14.5 per cent, dealers said. "Funds are available through reports at around 13.5 per cent. So there is no pressure for funds," one dealer said. Three-day funds up to Tuesday were available at 13.0-13.5 per cent. Banks are closed on Monday for a Hindu festival, reports Reuters.

Telegraph profits hit by price war

LONDON, Feb 24: Newspaper group The Telegraph PLC reported lower 1994 profits today, hit by a fierce British newspaper price war and higher world newsprint prices. But Canadian media tycoon Conrad Black, Chairman of the group, said in a statement The Telegraph was "quite able to absorb the reduction in cover prices and the sharp rise in world newsprint prices." The Telegraph reported a fall in annual pretax profits to 45 million pounds (71 million US dollars) from 60.2 million (95 million US dollars) but held its dividend at 13 pence, reports Reuters.

Sugar consumption to outstrip production

LONDON, Feb 24: World sugar consumption this season will outstrip production by less than previously expected, commodity trader C Czarnikow Ltd said Friday. The commodity trading company raised its forecast of world production of raw sugar in the 1994-95 crop cycle by 1.57 million metric tons to 113.47 million, compared with 109.69 million estimated for 1993-94. Its forecast of 1995 consumption is little changed at 115.77 million tons (114.49 million estimated for 1994), reports AP.

\$10b budget okayed for Kobe

TOKYO, Feb 24: Japan's cabinet today approved a supplementary budget of 1.02 trillion yen (10 billion dollars) to help rebuild Kobe and its surroundings which were devastated by a massive earthquake last month. The cabinet also adopted four additional bills for emergency measures to restore quake-devastated areas. The five bills, submitted to parliament Friday, are expected to be enacted on Tuesday next week, Jiji Press said, reports AFP.

\$183m water project in Manila planned

MANILA, Feb 24: A Malaysian-Filipino Consortium plans to launch a 183 million-dollar water treatment project in Manila in the third quarter after securing tax breaks from the government, the Board of Investments said today. Hume Industries Bhd. will own a 40 per cent stake in the project to draw water from the Laguna Lake, which will be under a build-operate-transfer scheme, board officials said. The balance will be held by Filipino partners. The board said the group would be given a six-year income tax holiday and its duties on its capital equipment imports would be waived, reports AFP.

US agriculture expects record exports in '95

WASHINGTON, Feb 24: The Department of Agriculture expects US farm commodity exports to climb to a record 48,500 million dollars in fiscal year 1995. That is an increase of 3,500 million dollars from our November 1994 forecast and nearly 5,000 million dollars above the previous record high set in 1981, acting Secretary of Agriculture Richard Rominger, said. Speaking February 22 at the department's annual Agriculture Outlook Forum, Rominger said that the agricultural trade surplus is now forecast to be 20,000 million dollars, up from the previous estimate of 17,000 million dollars, according to USIS.

Jobless claims in US increase

WASHINGTON, Feb 24: The number of newly laid-off Americans filing claims for jobless benefits increased by 2,000 last week to the highest level in six weeks. The Labour Department reported Thursday that new applications for unemployment insurance to be tallied a seasonally adjusted 349,000, up from a sharply revised 347,000 a week earlier, reports AP.



Jack L Meyers (L), Vice-Chairman of Bank of America Corporation, Kai S Nargolwala, group Executive Vice President of Bank of America in Asia (C), and Luu H H Le, Vietnam's Manager of Bank of America, are seen together during the opening ceremony of their new office in Hanoi (Vietnam) yesterday. — AFP photo

1st hydrocracker refinery project starts functioning in Pakistan

KARACHI, Feb 24: Work started here yesterday on the country's first hydrocracker refinery project, jointly sponsored by Pakistan and the United Arab Emirates (UAE), officials said, reports AFP.

Hydrocracker is one of the most recently developed refining techniques where a wide range of petroleum products are produced by processing heavy residual oil. At the inauguration ceremony, Prime Minister Benazir Bhutto described it as the first step toward Pakistan's efforts to attain self-sufficiency in the production of petroleum products.

Pakistan is facing a shortage of 80 million tonnes of petroleum products.

The more than 530 million dollar project is to be completed in 1998. It is jointly sponsored by the state Petroleum Refining and Petrochemical Corporation (PERAC) and Crescent Petroleum International (CPI) of the UAE.

CPI will contribute 35 per cent of the equity in foreign currency and PERAC will share about 35 per cent in local currency while the general public will contribute the remaining 30 per cent, officials said.

The project, which is to employ 3,000 workers, will produce 15,900 tonnes of liquid petroleum gas, 188,800 tonnes of motor gasoline, 335,100 tonnes of kerosene, 474,600 tonnes of diesel, 537,000 tonnes of furnace oil, and 25,200 tonnes of sulphur

capacity of the port by 80 per cent, officials said.

Bhutto said Karachi Port, a lifeline of foreign trade, anticipates future demands of central Asian republics.

Karachi port is handling 13.3 million tons of liquid cargo and 9.2 million tons of dry cargo including cargo containers.

The World Bank has provided 91.4 million dollars for the modernisation of port facilities in Pakistan.

German workers begin wage strike in 41 yrs

MUNICH, Germany, Feb 24: Thousands of workers struck before dawn Friday against metal and electronics companies in Bavaria, beginning the first full-blown strike there in 41 years and the first phase of what could become a nationwide action, reports AP.

The strike by Germany's largest union, IG Metal, could widen if there was no progress in negotiations on its demand for a 6 per cent wage increase while reducing the work week from 36 to 35 hours.

The union called for 11,000 workers at 22 companies in Bavaria to strike starting with the 6 am (0500 GMT) shift.

Two Nuernberg plants of Siemens AG, the computer and electrical machinery manufacturer, were the first affected.

The employers' group said

it would make no counteroffer until negotiations resume, but there was no talks scheduled.

The employees want flexibility from workers on implementing the reduced work week, and other measures to help reduce costs.

AEG AG, which makes refrigerators, electronics and other products, was also targeted among companies mainly in the Nuernberg, Augsburg and Ingolstadt regions.

Union chairman Klaus Zwickel, at a strike post in Nuernberg before daybreak, said workers were heeding the call to stay out.

Twelve more companies will be added Wednesday and seven more on March 6 if there is no progress, the union said. Among those not yet hit were the Bavaria-based luxury car makers, Audi and BMW.

Soil erosion may create food problem for 5b global people

WASHINGTON, Feb 24: Millions of tons of farm soil are being swept away by water and wind, leaving the Earth increasingly unable to feed the more than 5 billion humans now living on the planet, says AP.

Davi Pimentel of Cornell University reports Friday in the Journal Science that soil erosion is washing away the world's ability to feed itself, with more than 1 billion people already malnourished and with the future looking even more grim.

Pimentel said Thursday that

it takes about 1.2 acres (0.5 hectares) of land per year to provide a varied diet to one person, but there's only about 0.6 acre (0.2 hectares) per person worldwide available for farming now. In 40 years, erosion may reduce the farm land to only 0.34 acres (0.14 hectares) per person, he said.

"We know what to do to control erosion, but we aren't doing it," he said. "Few people really appreciate the seriousness of the problem."

In a worldwide study in Science, Pimentel and his associates at Cornell found that

erosion is destroying about 29 million acres (11.7 million hectares) of farm land a year. About 3.7 billion acres (1.5 billion hectares) worldwide can still grow crops.

"In many regions, limited land is a major cause of food shortages and undernutrition," said Pimentel. He estimates that about 20 per cent of the world's population is poorly nourished.

Erosion, he said, is hardly recognised by most people because its effects are subtle. A single rainstorm on bare ground can strip away a mil-

limeter (0.03 inch) of topsoil, he said.

"If you look at the land, you wouldn't even notice the loss," said Pimentel. "But that amounts to tons of topsoil lost per acre. It's insidious. Eventually, it catches up with you."

The effect is cumulative. In 1776, for instance, the average US topsoil was nine inches (23 centimeters) deep. The average soil now is 5.9 inches (15 centimeters) deep.

"That's not going to be replaced," said Pimentel. "It takes nature more than 200 years to form just one inch of

topsoil and we're losing it about 17 times faster than its being replaced."

More than 247 million acres (100 million hectares) of American agricultural land has been abandoned over the last