

China imposes death penalty for economic crimes

BEIJING, July 1: China's legislature approved a law Friday extending the death penalty to those convicted of counterfeiting, forgery and other economic crimes, reports AP.

Japanese domestic auto production may drop

TOKYO, July 1: With plans by major Japanese automakers to boost production in North America, domestic automobile production will decline by 10 per cent in 1998 from last year's level, according to a private estimate Friday, reports AP.

The United States and Japan settled an automobile dispute in last-minute negotiations in Geneva on Wednesday, averting a potential trade war.

Along with the agreement, five major Japanese car makers announced plans to boost production in North America and use more US parts in vehicles assembled in Japan — both key US demands.

The five automakers produced a total of 2.4 million vehicles in North America last year. The figure will top three million in 2000 if the plans are carried out, the Nihon Keizai newspaper reported in an estimate jointly calculated with the Nikko Research Centre, an affiliate of Nikko Securities.

Scrapping of India-US corp'n power deal to be a wrong step: FICCI chief

NEW DELHI, July 1: Cancellation of a 2.8 billion dollar power deal with Houston-based Enron Corp would send "very wrong signals" to foreign investors, the co-chairman of the Indo-US Commercial Alliance said yesterday, reports AFP.

A K Rungta, who also heads the Federation of Indian Chambers of Commerce and Industry, told reporters here that investment security was a priority for foreign companies looking to launch ventures in liberalizing India.

He said the alliance of 10 of the largest US companies and 10 Indian firms hoped to increase Indo-US trade and investment by 30 per cent by 1997 "but the Enron thing could leave a bad taste in the mouth."

"A unilateral scrapping of the deal would send very wrong signals," he said.

"Foreign firms are less concerned with their rate of returns, which are high in India, but are worried about issues such as investment security and impact of changing political policies on on-going economic programmes, he added.

The new government of the western state of Maharashtra is reviewing the contract signed by the previous state administration with Enron to build a 2,015-megawatt power station in the port of Dabhol.

Its decision is expected next week after Maharashtra Chief Minister Mahohar Joshi returns to the state capital Bombay from a trip to the United States.

The US energy department has warned that cancellation of the Enron deal could set

back other fast track power projects in energy-deficient India.

The United States is India's largest trading partner and has emerged as the top foreign investor since Prime Minister PV Narasimha Rao launched sweeping reforms in 1991 to open up the domestic market.

The Indo-US Commercial Alliance, set up during a visit here in January by US Commerce Secretary Ron Brown held its first board meeting in California this month, Enron Corp is a founder-member of the forum.

US corporations are eager to plough into India's power sector which requires 140,000 megawatt immediately," he said.

The alliance members had pointed out, however, that

cancellation of the Dabhol project, on which construction has already begun, by the Maharashtra government would be a breach of contract.

Maharashtra's right-wing Hindu coalition government has charged that the previous state administration agreed to pay too much for the electricity to be generated by the gas-fired Dabhol plant.

The Enron controversy is being seen as a test case by many foreign investors of the economic reforms launched by Rao after taking power four years ago.

US-based CMS Energy Corp. froze talks this month on two power projects in the Marxist-ruled state of West Bengal citing the Enron dispute while other projects have also reportedly been put on hold.

ACP countries' access to EU market improves

BRUSSELS, July 1: The European Union and a group of 70 African, Caribbean and Pacific (ACP) developing countries concluded on Friday 15 months of negotiations to revise the 1990-2000 Lome trade and aid convention, EU officials said, reports Reuter.

The ACP states, mostly former European colonies, gained slightly improved access to the EU market and a global aid package of 14.62 billion ECUS (19.0 billion dollars) over the next five years.

The ACP group includes 500 million people from some of the world's poorest countries.

It gained some concessions for its mainly agricultural commodity exports and a relaxation of the rules of origin for industrial goods.

But they criticised the EU for failing to show greater support for human rights and economic reforms by increasing aid to match inflation, industrial growth and the addition of three wealthy new EU member states.

Arab stockbrokers will meet in Beirut next week

ABU DHABI, July 1: More than 100 stockbrokers and officials from Arab financial markets are to meet in Beirut next week to discuss development of their stock exchanges, reports AFP.

The Arab Bourses' Union (ABU) is sponsoring the July 5-7 meeting, expected to draw 71 stockbrokers and 31 market officials from 10 Arab states, Stockbroker Zuhair Kaswani said here yesterday.

The ABU Secretary General, Saafak Al-Rukaibi, said it was the first meeting of its kind in the Arab world and it coincides with economic reforms in several regional countries.

"The meeting is important given the growing role of the Arab stock markets, which are expected to finance development projects in the region in the light of new economic policies.

"Such policies are given priority to the private sector and encouraging the creation of more official stock markets," he said.

He said the conference would cover cooperation among stockbrokers, obstacles facing them, development of brokerage services, the role of markets in reforms and possible creation of a brokers' association.

The meeting will bring together stockbrokers and financial officials from Saudi Arabia, Qatar, Bahrain, Kuwait, Oman, Jordan, Egypt, Tunisia, Morocco and Lebanon, as well as the United Arab Emirates.

More than 1,100 banks and companies are listed in Arab stock markets but only 10 regional states have formal stock exchanges.

The Abu Dhabi-based Arab Monetary Fund (AMF) has sought to encourage the remaining Arab League members to set up floors as part of its new policies to push for reforms to repair regional economies.

Copper ends day stable on LME

LONDON, July 1: Copper ended the day stable on the London Metal Exchange (LME), initially lifted by a positive stocks draw but falling back as traders squared their books, dealers said, reports AFP.

Copper (three-month) prices closed one dollar down at 2,961 dollars per tonne.

The 9,359-tonne decline in LME warehouse stocks, largely in line with analysts' expectations, was "very constructive considering we're now entering the summer shutdown period," according to Rudolf Wolf and Co analyst Will Adams.

The metal climbed to a high of 2,985 dollars per tonne mid-morning, but fell back as traders squared their books ahead of the long holiday US weekend.

Sentiment in the nickel market was underpinned by news Thursday of problems affecting the world's largest nickel producer at Norilsk in Siberia.

This town situated under the Arctic Circle is attempting to secede from rule by the Krasnoyarsk regional government, a move dealers fear may endanger the smooth running of the nickel producer, which accounts for 75 per cent of Russian output.

Nickel rose by 155 dollars to 8,460 dollars per tonne.

Aluminium ended the day 24 dollars higher at 1,816 dollars per tonne up after a positive stocks draw of 20,785 tonnes.

US preparing for next trade war with Japan

WASHINGTON, June 1: While the dust has yet to clear from its bitter fight with Japan over autos, the Clinton administration is already preparing for its next battle — this time over film, reports AP.

Industry sources said Friday they had been told that US Trade Representative Mickey Kantor will grant a request from Eastman Kodak Co. to launch an investigation into allegations that Japan has erected unfair barriers that keep Kodak film out of the Japanese market.

These sources, who spoke only on condition of anonymity, said that Kantor would announce Monday that the United States was instituting a "Section 301" case into Kodak's allegations.

That announcement will trigger a year-long review period that could result in sanc-

tions once again being imposed against Japan, if the administration upholds the Kodak allegations and Japan refuses to rectify the situation.

In a 250-page filing with Kantor's office last month, Kodak alleged that the Japanese photographic market was being unfairly controlled by its chief rival, Tokyo-based Fuji Photo Film Co, with the Japanese government's cooperation.

Kodak's allegations and this week sent members of Congress a 16-page document explaining its position.

Asked about the Kodak case on Thursday, Kantor refused to say whether the administration would begin a formal investigation, but at the same time he reaffirmed the administration determination to use Section 301 to open closed overseas markets.

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective on 1st July. (Figures in Taka)

Table with columns: Currency, Selling, Buying, TT & OD, EC, TT, OD, OD. Includes US Dollar, GBP, DM, F Franc, C Doll, S Franc, Jap Yen, IRS, Pak Rupee, Iranian Riyal.

Table with columns: 30 Days, 60 Days, 90 Days, 120 Days, 180 Days. Includes US Dollar, US Dollar sight export bill, US Dollar 3 months forward sale.

Table with columns: Currency, Selling, Buying, T.T. & O.D., O. D. Transfer. Includes S Riyal, UAE Dirham, Kuwaiti Dinnar, D Guilders, S Krona, Malaysian Ringgit, Singapore Dollar.

Shipping Intelligence

Chittagong port

Table with columns: Berth No, Name of vessels, Cargo, L port call, Local agent, Date of arrival, Leaving. Lists various ships and their schedules.

Vessels due at outer anchorage

Table with columns: Name of vessels, Date of arrival, Last port call, Local agent, Cargo, Loading, Discharge. Lists ships at outer anchorage.

Vessels at Kutubdia

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists ships at Kutubdia.

Vessels at outer anchorage

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists ships at outer anchorage.

Vessels awaiting instruction

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists ships awaiting instruction.

Vessels not entering

Table with columns: Outgoing, Incoming, Shifting. Lists ship movements.

The above were the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

S Africa needs 10 years for free trade with EU

BRUSSELS, July 1: South Africa started trade talks with the European Union on Friday by asking for a 10-year grace period so its industries could gradually adapt to free trade, reports AP.

South African Trade Minister Trevor Manuel said his country needs the transition period to protect its industries while they become competitive on world markets.

Manuel requested the EU help South African farmers by immediately opening markets to more agricultural produce. He also sought to reassure European farmers by saying only 0.1 per cent of the EU's farm trade would be affected by the increase in South African imports.

Deus Pinheiro said he was confident the EU would accept the request to extend trade privileges to South African food imports.

opened up." The 15-nation EU is already South Africa's biggest commercial partner, accounting for over half the country's total trade. The EU hopes that developing South Africa's economy will consolidate democracy there.

Deus Pinheiro said the Union also hopes South Africa's success can spread to neighbouring Angola and Mozambique, which are struggling to recover from years of civil war.

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US trade sanctions against Taiwan lifted

WASHINGTON, July 1: President Clinton lifted trade sanctions against Taiwan on Friday, saying the Taiwanese government has acted to deter illegal commerce in rhinoceros and tiger products that threatens the survival of those species, reports AP.

At least one organization concerned with the survival of endangered species said Clinton's action was premature because products derived from the two animals can still be found in Taiwan.

Taiwan has taken to heart the world's concern about the fate of the wild tiger and rhinoceros and done the right thing in protecting these precious species," Clinton said in a statement issued at the White House.

White House press secretary Mike McCurry said the Interior Department will monitor Taiwan's enforcement of its laws banning the tiger and rhino trade.

The White House said that since sanctions were imposed, Taiwan has strengthened its wildlife conservation law, toughened enforcement of its existing ban of trading in tiger and rhino parts and authorized penalties high enough to deter the trade.

But the Humane Society of the United States disagreed, saying the team of investigators it sent to Taiwan found that rhino and tiger products were still available, "albeit in smaller amounts and less frequently."

"Although Taiwan has made some progress... we consider the lifting of trade sanctions to be premature," said Teresa Telecky, director of the society's Wildlife Trade Programme.

Clinton acted in April 1994 to ban the import of certain fish and wildlife products from Taiwan in response to international concern that tigers and rhinoceroses could become extinct in the wild unless strong steps were taken to protect them.

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BTIC Chairman Ayub Quadri planted a sapling at Bangladesh Insulator and Sanitaryware Factory in the city yesterday, inaugurating the tree plantation programme of Bangladesh Chemical Industries Corporation.

Advertisement for Bangladesh Rungta Pratiksha Karon (BEPZA) regarding a certificate awarding ceremony for Small Poultry Farm Management for Women Entrepreneurs.

Advertisement for Russia signs \$15b deal with Exxon Corp'n, Sodeco, mentioning a 15 billion US dollars deal.

Advertisement for Bangladesh Government regarding a list of government jobs and recruitment details.

Advertisement for US econ growth slows sharply, mentioning US economic growth slowed sharply in the first quarter.