

Beijing releases seized KL rubber shipment

KUALA LUMPUR, July 14: Chinese customs officers have released a shipment of Malaysian rubber worth six million ringgit (2.4 million dollars) and 32 members of a ship's crew held since last year, a Chinese official was reported as saying yesterday, reports AFP.

"We agreed to release the goods and the crew because of the good relationship between China and Malaysia," visiting Chinese Public Security Deputy Commissioner Mu Xin Sheng was quoted saying by the New Straits Times in northern Penang state.

The Bangkok-registered ship was detained in November 1994 after Chinese customs noticed a name change and suspected that the ship had been used for smuggling. The ship left Penang port as the Windsor III but docked in China's Beihai port as the Asoka II.

Its 32-member crew included citizens of Myanmar, Indonesia, the Philippines and Honduras, and its cargo of 4,300 tonnes of rubber was originally bound for Hanoi Vietnam.

The owner of the rubber, Malaysian-based Sime Darby Commodity Trading, said it had received a letter from Chinese authorities in April releasing the cargo. The company said it had since sold the rubber in China.

The deal, signed Wednesday, would give the Canadian firms the right to prospect for gold and copper in northern Myanmar. The New Light of Myanmar said.

The firms were expected to conduct feasibility studies in nine blocks of 400 square kilometres (560 square miles), the report said.

Myanmar's Minister for Mines, Lieutenant General Kyaw Min, was quoted as saying that feasibility studies were the keys to unlocking the mineral potential of the country.

"With the signing of these agreements we will come to know the mineral potential of these areas which would lead to commercial exploitation in the near future," he said.

It is estimated that only 57 per cent of Myanmar has been geologically mapped.

145000 US defence workers lost jobs last year: Study

WASHINGTON, July 14: Nearly 145,000 US defence industry workers lost their jobs last year, a private study commission estimated Thursday in a report that suggests even more job losses this year, says AP.

Forty-three thousand defence-related jobs are expected to be eliminated this year and next by the military base closings and consolidations approved Thursday by President Clinton.

The National Commission for Economic Conversion and Dismantment said that since it began tracking employment in the defence industry in 1990, about 800,000 defence-related jobs have disappeared.

In 1994 alone, the reports said, defence contractors eliminated 76,800 jobs through layoffs, early retirements and plant closures. In addition, the commission estimated defence

subcontractors and suppliers cut 68,000 jobs.

It is already evident that 1995's job losses will exceed that of 1994, the report said. "Through the first half of this year, defence contractors have announced 48,000 job cuts. The indirect job losses brings the total to 89,000..."

In addition, the 1995 Base Closure and Realignment Committee's latest list of base and facility consolidations... is expected to eliminate 43,000 jobs, both civilian and military, over the next two years," it noted.

The commission is a non-profit, non-partisan organization financed by large foundations and private contributions. It says it receives no funds from government, corporations or labour organizations.

The report said Congressional Budget Office studies show that about one-third of defence industry workers require retraining assistance, but federal programmes have only been able to serve about 30 per cent of those in need.

The report was released as the Republican-led Congress was considering legislation that would cut sharply government assistance for displaced workers, including income support, job training and counselling.

The report said defence industry mergers resulted in the biggest layoffs.

The report noted that recently created Lockheed Martin announced last month it would eliminate 19,000 positions by the end of 1996. It said Northrop Grumman gave pink slips to 11,000 workers in 1994.

OPEC extends \$20m loan to Myanmar

YANGON, July 14: The Organisation of Petroleum Exporting Countries (OPEC) has extended a total of 20 million dollars in loans to Myanmar to upgrade its commuter railway system, the New Light of Myanmar reported yesterday, says AFP.

OPEC has made project loans to Myanmar worth 59.5 million dollars for water supply, energy, education and transportation, the state-run daily said.

The latest 10-million-dollar loan agreement was signed July 7 at OPEC headquarters in Vienna by Myanmar Planning and Development Minister Brigadier General David Abel and OPEC official Osama Faquih, the paper said.

OPEC extended a first loan of 10 million dollars in 1990 for the first phase of the railway renovation project, it added.

12m Russians not paid on time

MOSCOW, July 14: Russia could face a wave of strikes and social unrest over the mounting back wages that companies owe their workers, newspapers warned on Friday, says AP.

The daily Trud said 12 million Russians, or nearly every fifth worker, have not been paid on time. About one-third of them have not received their salaries for more than two months.

"Non-payment of wages even for one month, not to speak of two or three, places the workers' families in a critical situation," the newspaper wrote.

Official figures showed back wages totaling 6.44 trillion rubles (1.4 billion dollars) as of July 1.

The hardest-hit, according to Trud, was the machine-building industry, followed by the coal mining, construction and agricultural spheres.

The largest amount of debts — 518 billion rubles — was recorded in the Tyumen region of Siberia, the heart of Russia's oil country, followed

by the coal-producing region of Kemerovo, the State Statistics Committee said in a report release earlier this week.

Among other such leaders, the daily Izvestia on Friday cited the regions of Irkutsk and Chelyabinsk in Siberia, Primorye in the Far East, Tatarstan, Yakutia, Bashkortostan, Kaliningrad and Tuva.

"Russia is again threatened with a wave of strikes and social conflicts linked to back wages," Izvestia said. "The decline in real-term earnings and the current growth in prices of food and goods are sharply aggravating the situation."

Trud warned that the back wages crisis was a power keg that might yet explode during parliamentary elections next December.

"The 5.7 million unemployed, the 12 million who have not received their salaries, the 45 million who live below the poverty line — all that is not the best background for the upcoming elections," it wrote. The newspaper added that the government was too

quick to report signs of economic stabilisation.

The total amount of back wages grew by 7 per cent since June, roughly in line with inflation. But in May, debts jumped 10 per cent, faster than the 7.9 per cent inflation rate.

The government, possibly seeking to counter any labour unrest, asked parliament on Thursday to raise the minimum wage by 26 per cent from the present 43,700 rubles a month (about 10 dollars).

Although few workers are paid the minimum wage, it is used as a basis for calculating other salaries and social benefits. Approval of the step therefore might ease tensions.

Separately, Trud on Friday reported delays in the payment of pensions due to irregular money transfers from the government to the state Pension Fund.

Recently, the Finance Ministry allocated the fund 300 billion rubles in government promissory notes, while the total federal debt to it exceeded 2 trillion rubles.

Asian stock markets close lower

HONG KONG, July 14: Asian stock markets ended the week generally lower Friday, but the key index in Tokyo edged up in mixed trading, reports AP.

Tokyo's 225-issue Nikkei Stock Average gained 12.03 points, or 0.07 per cent, to end the week at 16,517.70. On Thursday, the average fell 100.07 points, or 0.60 per cent.

The Tokyo Stock Price Index of all issues listed on the first section was down 1.89 points, or 0.14 per cent, to 1,320.21. The TOPIX closed down 3.69 points, or 0.28 per cent, the day before.

In Hong Kong, share prices in Hong Kong closed generally mixed in moderate trading.

The Hang Seng Index, the Hong Kong market's key indicator of blue chips, fell 14.48 points, or 0.1 per cent, to 9,727.96. On Thursday, the index had surged 102 points.

Brokers said the market was hit by sporadic profit-taking following Thursday's sharp gains and that investors were cautious because of a lack of direction overnight from Wall Street.

TAIPEI: Taiwan share prices closed lower for the second straight day after profit-taking eroded early gains. The market's Weighted Price Index fell 41.69 points to 5,549.00.

WELLINGTON: New Zealand share prices closed lower. The NZSE-40 Capital Index fell 15.49 points to 2,137.43 from Thursday's close of 2,152.92.

MANILA: Share prices closed lower for the second consecutive session. The Philippines' unified composite index of 43 selected issues fell

18.64 points to 2,882.14.

SYDNEY: Australian share prices closed slightly lower, with brokers noting some profit taking in blue chip and mining stocks after recent strong gains in the market. The All Ordinaries Index fell 6.9 points to 2,113.9.

SEOUL: Share prices closed lower in active trading. The Korea Composite Stock Price Index fell 5.27 points to 972.02.

SINGAPORE: Share prices closed higher in active trading. The 30-share Straits Times Industrials (STI) Index rose 8.55 points to 2,188.34.

BANGKOK: Thai share prices closed slightly higher in moderate trading as the finance and communications sectors rebounded. The Stock Exchange of Thailand (SET) Index rose 4.70 points to 1,461.01.

KUALA LUMPUR: Thai share prices closed generally mixed. The KISE Composite Index rose 0.86 of a point to 1,074.17.

JAKARTA: The stock exchange's Composite Index fell 1.273 points, closing at 508.264.



Tokyo Governor Yukio Aoshima laughs during a press conference at the Nippon Club Thursday in New York. The newly elected governor spoke about his trip to Geneva, Paris and New York as well as about the cancellation of the Tokyo Expo due to budgetary constraints on Tokyo city finances. — AFP/UNB photo

World tea production down 2pc

LONDON, July 14: Global tea production last year dropped by 2.1 per cent, according to provision figures released by the International Tea Committee, says AP.

The London-based body, which represents the tea industry in the main exporting and importing countries, puts 1994 world output at 2.487 million metric tons, compared with 2.541 million in 1993.

Its mid-year statistical bulletin shows that Indian production dropped last year to 743,780 tons from 1993's record 758,063 while Sri Lanka's crop reached an all-time high of 242,214 (233,276 in 1993) and Kenya output — which hit its highest level ever of 211,168 in 1993 — fell to 209,422.

Other 1994 production figures (in tons, with 1993 comparisons in brackets) include China 580,000 (599,941), Turkey 134,350 (127,715), Indonesia 122,964 (134,631), Japan 86,303 (92,103), Iran 45,000 (unchanged), Argentina 43,500 (46,000), Vietnam 36,000 (35,000), Malawi 35,140 (39,497), Tanzania 23,764 (23,249), Uganda 13,461 (12,289) and Zimbabwe 13,437 (14,091).

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective on 13th & 14th July 95.

Table with columns for Currency, Selling, and Buying rates. Includes US Dollar, GBP, DEM, FRF, C. Doll, SFR, Jap Yen, RS, Pak Rupee, Iranian Rial, and US Dollar Spot Buying.

Indicative Rates (B. Tk. For one unit of foreign currency)

Table with columns for Currency, Selling, and Buying rates. Includes S.Rial, UAE Dirham, Kuwaiti Dinar, D.Gulden, S.Kwanza, Malaysian Ringgit, and Singapore Dollar.

Government of the People's Republic of Bangladesh Office of the Executive Engineer Gazipur PWD Division, Gazipur

PWD Notice Inviting Tenders Tender No. 01/95-96

- 1. Sealed tenders in B.D. Form No. 2911 are hereby invited from the Special Class-I, Class-II approved Bldg. Contractors of PWD. Class-III approved Bldg. Contractors of PWD. Dhaka Zone, Dhaka and Class-III approved Bldg. Contractors of Savar PWD Circle, Dhaka for the undermentioned work and will be received by the undersigned as well as by the Executive Engineer, Mirpur PWD Division, Dhaka/Savar PWD Division, Dhaka/Manikganj PWD Division, Manikganj in their respective offices up to 12.00 Noon on 31/7/95 and will be opened on the same day at 12:15 PM in presence of the intending tenderers who like to remain present. Tender form will be sold during office hours up to 30/7/95. No tender form will be sold after 30/7/95.

Abdullah-al-Shafi Executive Engineer Gazipur P.W.D. Division, Gazipur Phone: 2468

EU-Morocco fish talks may resume next week

MADRID, July 14: Stalled negotiations on a fishing treaty between the European Union and Morocco may resume next week, Moroccan Prime Minister Abdelatif Filali said Friday, reports AP.

EU fisheries chief Emma Bonino has called for a meeting in Brussels on Saturday with Morocco's ambassador to the EU to seek a break through after five rounds of failed talks, Filali told the SER radio network.

"I believe I will be given some good news, I hope," Filali said. He did not elaborate.

The deadlock over Rabat's demand for sharp cuts in the EU's fishing catch in Moroccan waters has kept more than 650 Spanish fishing boats idle since the last treaty expired April 30.

The standoff has prompted fishermen in Southern Spain to block the entry of Moroccan goods at Spanish ports in order to pressure the Spanish government.

Filali criticised the Spanish protests and reiterated Morocco's argument that cutbacks are necessary to protect dwindling stocks in Morocco's rich Atlantic and Mediterranean waters where the Spanish traditionally fish.

"In 10 or 15 years there won't be any fish left unless cutbacks are accepted," he said. "Together we must work to protect the potential of fishing."

SEoul, July 14: Despite a deadly shopping mall collapse blamed on shoddy construction at home, South Korea has won two big-ticket construction projects overseas this week, company officials said Friday.

Daewoo Construction Co, a subsidiary of the Daewoo conglomerate, said it has won a 240 million dollar contract to build a high-rise building for Malaysia's state-run telecommunications company.

The 77-story building, to be built by the end of 1998 on a 33,000 square metre site in Kuala Lumpur, will become headquarters for Telekom Malaysia Berhad, Daewoo officials said.

Another South Korean construction company, Il Sung, said it has won a three billion dollar project to build infrastructure in Laos.

The deal calls for Il Sung to build an international airport and hotels in Vientian and construct a railroad linking the capital with the Vietnamese coastal city of Vinh.

BEIJING: China's central bank has reduced the proportion of US dollars in its foreign exchange reserves as a hedge against exchange rate risks, the official Xinhua News Agency reported Friday.

The US currency still accounts for more than half of China's foreign exchange reserves, which total the equivalent of more than 60 billion dollars, despite the adjustments that have been made in the past 18 months, said Chen Yuan, Deputy Governor of the People's Bank of China.

Chen said the proportions of the Japanese yen and the Deutsche mark have been increased to more than five per cent each. Two years ago, the nearly all of China's foreign exchange reserves were in US dollars.

Last March, Deputy Foreign Trade

Bid to save \$2.9b Enron power project in India

BOMBAY, July 14: A top official of Enron Development Corp. met Thursday with the chief minister of a state that is considering cancelling Enron's 2.9 billion dollar power project, reports AP.

Rebecca Mark, chief executive of the Houston-based company, met Maharashtra chief minister Manohar Joshi in Bombay for half an hour. Neither side made public comments afterward.

Earlier this week, Enron sent Joshi a letter expressing willingness to discuss possible modifications to the 2,015 megawatt project — the biggest foreign investment in India.

Soon after being elected in March a right-wing coalition government began reviewing accusations that Enron had obtained favourable terms without competitive bidding.

Some state legislators in the coalition also alleged that Enron would charge an unusually high price for the electricity it sells to the Maharashtra utility.

The coalition government has warned that it would scrap the deal if charges against Enron were proven by a review committee headed by Deputy Chief Minister Gopinath Munde.

The committee is expected to submit its report to the government

on Saturday. And newspapers have reported that it recommends cancelling the deal, which is seen as a test case of India's four-year economic reform programme.

Enron denies charges of unfairly winning the contract, saying it has complied with all Indian and US laws.

The United States, India's top trading partner, has warned that cancelling the project, which is being built in the coastal town of Dabhol, could disrupt future foreign investment in India.

Another US company that was planning to invest 500 million dollar in a power project in the state of West Bengal also has said it is reviewing its decision because of the Enron probe.

Enron Development has an 80 per cent stake in its project, known as the Dabhol Power Co., Bechtel Enterprises Inc. and GE capital, a unit of General Electric of the US, both own 10 per cent.

If the Maharashtra government cancels the deal, it would have to pay a large compensation to Enron that could run up to tens of thousands of dollars. That would include the money Enron has spent in beginning the project and penalties that are listed in each of the 140 contracts that make up the entire deal.

30 per cent and 51 per cent are being offered.

Amante Rimando, GSIS Senior Vice President for Finance, said these groups have secured pre-qualification documents which they have to submit by August 11.

He said four foreign groups which joined January's failed bidding are automatically prequalified to bid.

The four groups previously pre-qualified are ITT Sheraton Corp, Hong Kong's Marriott International Inc and Renaissance International Hotels, and US-based Ritz Carlton Hotel Co.

Rimando said their offer a larger ownership and a lower bid price may have lured more interested parties this time.

He said among those who expressed interest to join the second

US dollar falls over Bundesbank decision on rates

NEW YORK, July 14: The German central bank's refusal to lower interest rates sent the dollar falling Thursday, although it nearly recovered in late trading against the Japanese yen, reports AP.

The Bundesbank's lack of action, leaving the benchmark discount and Lombard rates unchanged, had an immediate effect. The dollar initially fell against the Japanese yen and the German mark just as the Bundesbank made its announcement in Germany.

At the same time, the Bundesbank's president said the central bank would continue to monitor the money supply and inflation figures, indicating that a rate cut was possible in the future. The announcement came at the last meeting before the bank's four-week summer recess.

"It is still an open question whether further support through further monetary policy decisions will be necessary," the bank said in a statement.

In late New York trading, the dollar was quoted at 87.40 yen, down from 87.43 late Wednesday. The dollar also was changing hands at 1.3891 German marks, down from 1.4030.

The dollar also had been advancing against the mark when the news broke, Ascani said, and that "was too much to handle." The dollar fell in a staggered fashion before spending the day in a steady decline.

about 250 sales outlets in Russia and eastern Europe, with annual sales in all of Europe and Russia coming to around 600 billion yen (seven billion dollar).

The expansion will boost the number of sales outlets in the capitals of the Czech Republic, Romania and Russia. The company is also considering setting up a representative office in Tashkent, Uzbekistan.

The new outlets will sell audiovisual equipment including televisions and videocassette recorders and other household goods such as hair dryers and coffee makers. The products will be sold under the Panasonic brand name.

At least one-fourth of the bad debts held by Japanese banks are probably unrecoverable, a senior Finance Ministry official said Friday.

Yoshimasa Nishimura, Director of the Banking Bureau at the ministry, said that Japanese banks will probably be unable to recover between 10 trillion yen and 15 trillion yen (115 billion — 170 billion dollar) of their non-performing loans.

Following the collapse of the speculative "bubble" period of rampant asset inflation, Japanese banks were left with some 40 trillion yen (460 billion dollar) in non-performing assets.

Nishimura's comments come as Japanese financial markets are awaiting government moves to speed the resolution for banks' problems with non-performing loans using public funds.

The finance ministry has unveiled a broad set of guidelines to resolve the situation within five years, but has so far made no promises to use public money to help banks deal with their non-performing loan problems.

Source: AP

Asia business briefs

Despite the fall in bid prices, permits for luxury cars of 2,001 cc or more capacity were sold for 58,088 Singapore dollars (41,491 dollars), a fall from 14,012 dollars (10,008 dollars) over the previous month. Prices also fell last month.

For small cars of 1,000 cc and lesser capacity, the COEs were sold for 22,010 dollars (15,721 dollars). A total of 3,782 bids were successful out of 6,914 submitted, the lowest this year.

MANILA: At least 20 new group have expressed interest to bidding for a share of the historic Manila Hotel, which the government is offering for sale, an official said Friday.

The state pension fund Government Service Insurance System, which owns Manila Hotel, plans to privatize 80 per cent of its holdings. Between

bidding are Singapore's DBS Land, Sedona Hotels and Raffles International Ltd, Hong Kong's Regal Hotels International Ltd, Holiday Inn, Dusit Thani Public Co Ltd of Thailand, and YTL Hotels and Properties Sdn Berhad of Malaysia.

The public bidding is scheduled for September 7. A short list of qualified bidders will be released on August 25.

TOKYO: Japan's Matsushita Electric Industrial Co, the world's largest consumer electronics manufacturer, plans to expand its sales network in Russia and eastern Europe, a spokeswoman said Friday.

She said the electronics giant wants to expand its retail sales network by two or three times over the next two or three years.

Matsushita Electric currently has

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 Last port arrival, Local agent, Cargo, Loading. Lists vessels and their arrival details.

TANKER CUE

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists tankers and their schedules.

VESSLS AT KUTUBIA

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

VESSLS AT OUTER ANCHORAGE

Ready on:

Table with columns: Name of vessels, Cargo, Local agent, Date of arrival. Lists vessels ready for service.

MOVEMENT OF VESSELS FOR 14.7, 15.7.95.

Table with columns: OUTGOING, INCOMING, SHIPPING. Lists vessel movements for specific dates.

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