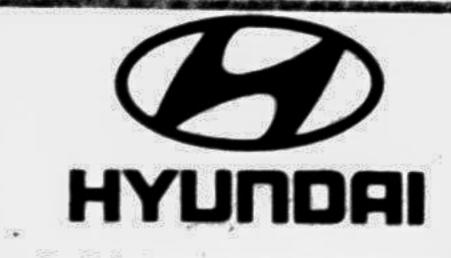


DThe Baily Star DUSINESS



CARS THAT MAKE SENSE

WB launches new initiative to fight poverty in Third World

NEW DELHI. July 21: The the world. World Bank, aware of the fact that poverty is the greatest killer and leads to much social disintegration in the world, 'has launched a new initiative to support the very poor in developing countries.

The banks are talking to major world donors to participate in the new initiative.

At the CGAP's founding meeting held late last month in Washington, initial pledges of about 200 million US dollars were made in cash and

Besides the bank, those who have made the pledges are the Asian Development Bank, the African Develop-

International Development. Under the new initiative, donors can bring in fresh money or programming.

And if they wish, there is an arrangement, called funding partners, which enables the donors to put money in a fund that would be administered by the bank on their behalf.

The CGAP programmes would make funds available in grants and loans to partici-

then make micro loans to the poor who are of working age, according to the eligibility criteria established by the CGAP.

The initial 200 million dollars would be turned into loans for an estimated one million people and their five million family members annually.

As the loans are to be invariably fully repaid in less than a year, the money can be re-lent, so that over a decade, a total of 10 million people and their 50 million

sisted to move toward better

Jute output may not achieve target in Narail

NARAIL, July 21: The jute production in the district may not achieve the target this season due to adverse effect of drought early this year, says UNB.

Paucity of quality seeds have also affected the jute cultivation, officials said.

They said an intensive programme had been undertaken to cultivate jute on about 15,000 acres of land in the district, but only 5,200 acres could be brought under the cultivation.

Experts attributed the abrupt fall of jute cultivation to the reluctance of farmers in jute cultivation.

They said the farmers have lost interest in jute cultivation due to low price of jute and scarcity of high yielding variety of seeds.

Meanwhile, Agriculture Extension Department has set up three demonstration centres in three thanas of the district to encourage jute cultivator.

GAZIPUR, July 21: Rotary Traders' hartal in lub of Metropolitan Dhaka has disbursed soft-term loans Jhenidah today with only three per tent

From Our Correspondent JHENIDAH. July 21: Shop

Owners' Association of Jhenidah will observe dawn to dusk hartal in the town today (Saturday).

The hartal has been called in protest against the attack by some miscreants on a trader named Liton at Pagla Kanai Road on July 18 (Tuesday).

Liton has been admitted to Jhenidah Sadar Hospital the same day.

A case has also been filed with Jhenidah police station.

70 govt luxury cars auctioned off in China

BEIJING, July 21: More than 70 imported luxury cars that Chinese officials were driving have been auctioned off as part of an anti-graft campaign, the official Xinhua news agency said Friday, reports AP.

The Communist Party's internal corruption police sent 16 inspection teams to various parts of the country last month to enforce a regulation requiring officials to irive domestic cars.

The teams found that most officials of the vice-minister or deputy-governor rank and higher were complying with the rule, Xinhua said.

But in southeastern Hainan province and in the cities of Shenzhen and Shantou in Guangdong province, among the wealthiest areas in China, governments were forced to sell off 70 imported luxury cars.

Despite two and a half years campaign, official corruption remains rampant and few high-level party members have been prosecuted. Public anger has grown and the party's shrinking support has further declined.

The party's internal police, the Central Commission for Discipline Inspection, can demote party members, expel them or recommend criminal prosecution.

100 per cent profit by selling the puffed rice. Encouraged by its success the Rotary International this

by the recipients within

three months after making

vear doubled the funds to Tk 200,000. It will be doubled if the villagers can repay the loans timely. Rtn Fazle Rabbi said at the function ... Tara Miah, who took

loan of Tk 2000 last year said he earned Tk 4,000 by willing the muris he made. I have been able to repay

the loan with a three per cent service charge. I'm a happy man." he said while receiving another Tk 2,000 in the second instalment. Kaultia and Jolarpara vil-

lages are part of a 15-village complex run by Rotary Club of Metropolitan Dhaka, to provide the villagers with income-generating financial support, scholarships, primary health care and sanitation facilities.

US jobless claims move three-year high

in Gazipur

WASHINGTON, July 21 The number of American workers' tiling first-time claims for jobless benefits increased by 18,000 last week to the highest level in nearly three years, says AP.

service charge among 100

poor people of two villages in

the district under a income-

generating programme, re-

The recipients, mainly

women of village Kaultia and

Jolarpar, got Tk 2.000 each

to make Muri (puffed rice).

for a three-month period

The funds are being provided

from the Combat Hunger

Project of Rotary Interna-

Club President Dr Anwar

Hossain. Rotary District

Secretary Ashfaque Ahmed

Khan, club Treasurer Fagle

Rabbi and Rotary district's

Media Editor Farid Hossain

distributed the loans at a

function at Jolarpar Primary

tributed Tk 100.000 under

the project, the funds repaid

Last year the club dis-

ports UNB.

tional.

School today.

The Labour Department Thursday said new applications for unemployment insurance totaled a seasonally adjusted 417,000, the first time claims had topped 400,000 since they reached 401,000 during the week

ended January 29, 1994. Last week's total was the highest since 418,000 claims were filed during the week ended Sept. 19, 1992. Many analysts had expected a smaller increase.

Claims had surged by 32,000 during the week ended July 8, to a revised 399,000. The department said the big revision, from 370,000, was due largely to incorrect data from state employment security offices.

The ominous report on the labour market came just a day after Federal Reserve Chairman Alan Greenspan told Congress the nation's economy appeared to be re-

covering from the sluggishness experienced earlier in the year.

"More recent evidence suggests that we may have passed the point of maximum risk," he said in his semi-annual assessment of the econ omy. "But we have certainly not yet reached the point at which no risk of undue economic weakness remains."

The four-week moving average for claims jumped by 5,250 to 388,000, highest since 390,750 during the period ended Oct. 10, 1992.

Many analysts consider the four-week average a better gauge of job trends because it smooths out the spikes often seen in the weekly reports.

In the state data, 42 states and territories reported increases in claims, before adjusting for seasonal variations, for the week ended July 8, and 10 registered declines. State figures are reported one week later than national totals.

States with the biggest increases were Michigan, 16, 934: Pennsylvania, 7,146; Indiana, 6,817; Wisconsin. 6.342, and Kentucky, 5,873.

Thursday to reporters shortly followed by another for insti-

The announcement, fol-Talal Abdulaziz al-Saud, Johann Rupert's Richemont Group of South Africa and

Dollar rises

NEW YORK, July 21: The dollar rose against other major currencies Thursday in light trading, as the greenback rebounded largely due to heading purchases and a technical correction a day

ounce.

gmt), the dollar was trading at 1.3810 German marks against 1.3835 earlier and 1.3755 Wednesday evening. and at 88.10 yen against 87.95 earlier in the day and 87.33 Wednesday evening.

The US currency also rose here against other major European currencies, fetching 4.8010 French francs compared to 4.7840 Wednesday evening, 1.1510 Swiss francs (1.1465) and 0.6266 pound

ment Bank. Canada, the Eupating institutions such as ropean Commission, France, the non-governmental organisations, credit unions, banks the International Fund for family members could be as-Agriculture Development, the and other institutions in-Netherlands, the United Navolved in micro financing. tions and the US Agency for livelihoods. These institution would Bank of France | US Microsoft takes middle road

> in windows 95 sales estimate REDMOND, Washington, July 21: Microsoft executives estimated Thursday that between 10 and 25 per cent of

the people who now use its

Windows software on their

computers will buy a new

version, called Windows 95. during its first year, reports AP. With an installed base of slightly more then 100 million PCs running Windows, that represents 10 million to 25 million purchases after the product goes on sale Au-

gust 24. The statement, made to financial analysts at an annual briefing conducted by the company, is the clearest sign yet of the company's expectation for the product. Microsoft executives declined to speculate on how much revenue Windows 95 would add to the company, how

The product will also be on many new PCs for consumers and some for businesses after its release. But it is the upgrade market that is likely to generate additional revenue for Microsoft.

The product has galvanized the attention of the software industry for months because of repeated delays and the prospect that it will boost sales of other new software.

Company executives traditionally use the analysts meeting to warn that the

company's phenomenal growth can't last forever words that often have been overshadowed by Microsoft's strong performance and rising stock price.

"I hope you get a fairly cautionary note out of my talk," Steve Ballmer, Microsoft executive vice presi-

'Master fish deboner' developed

TOKYO, July 21: A small Japanese tool maker has developed a machine to remove small bones from fish following the enforcement of the country's product-liability law, reports Reuter.

The daily Nikkei Sangyo Shimbun said today that FB Engineering Ltd., of Nangoku in southwest Shikoku Island had developed the "master fish deboner" which it hoped to sell to fish-processing

It sucks up tiny concealed bones, the dinner table nightmare of children and elderly Japanese, without breaking up the fillet.

Department stores and fish shops have been worried about bones because the new law requires manufacturers to take responsibility for damage caused by flaws in their products.

dent, said as he began his speech.

But he added, "I don't want to be Dr. Doom and Gloom since we have done a super job."

He cited several potential issues facing the company though, including whether the growth in personal computer sales will continue. competition and rising cost for development and market-

ing Bill Gates, Microsoft's chairman, said that while Windows 95 will mean a strong performance this fiscal year, which began July 1 it will be a tough act to follow. He said there's nothing on the horizon that will match the release of the new operating system and the Windows 95 version of Office, Microsoft's popular collection of business programmes, which also will be introduced August 24.

Minor upgrades of Office and Windows 95 are expected within the Next two years, Gates said. Programmers already are mapping out a major upgrade to the programme, but that will take at least two years to develop, he

After reporting healthy fourth-quarter results Monday, Chief Financial Officer Michael Brown said he was mystified at the price of Microsoft's stock, which reached dlrs 109 on Monday



Raymond Sin K K, DHL Indochina Area Accounts Officer, addressed finance staff at DHL Wordwide Express Bangladesh Country Office in Gulshan of the city during his recent visit. SAM Showket Hossain, Country Sales and Marketing Manager, Ahsan Parvez, Finance Manager and Md. Ashrafuzzaman, Manager, are also seen in the picture.

TOKYO, July 21: Toyota Motor Corp, plans to stop selling its two-seat sports car MR2 in the United States this fall because of poor sales, a major economic daily said Friday, reports AP. Toyota began selling the two liter sports car in 1984 in

Japan, and in the United States in 1986. Japan's top automaker sold 28,000 MR2s in the United

States in 1986, but only 908 last year, the Nihon Keizai Shimbun said. The steep and steady rise in the value of the yen

boasted the price of the car from an initial price of about 12.000 dollars to the current uncompetitive 29,000 dollars, the report said. Japan's export-oriented economy has been squeezed by

the rise of the yen - about 20 per cent against the dollar this year alone - because it increases the cost of making goods in Japan and eats into the yen value of foreign currency earnings.

HANOI: Vietnam's State Bank has auctioned off 50 billion dong (4.5 million dollars) worth of nine months treasury bills to 13 state and commercial banks and insurance companies, an official newspaper said Friday.

The bills, with face values of five million dong (455 dollars) and 10 million (909 dollar), offer and annual interest rate of 17.5 per cent, the Hanoi Moi (Hanoi Today) paper Banque Indosuez of France and First Vina Bank, a South

Korean-Vietnamese joint venture, were among the buyers, taking three billion dong (272.727 dollar) and two billion dong (181.818 dollar) worth of bills respectively, said Phan Van Thi, deputy head of the State Bank's credit department.

part of a new series of frequent sales intended to raise funds for development. The bills will become available to individual buyers and are viewed as a way of tapping the savings of ordinary Vietnamese, who are reluctant to deposit money in banks

and tend to keep it stashed at home.

Altogether, 19 bidders took part in Thursday's auction,

the State Bank held two T-bill auctions in June but this has been the only one in July. Thai said the timing was up to the Ministry of Finance, and that he could offer no explanation. BEIJING: China has ordered enterprises to stop selling or trading rights to develop natural resources

without government approval, the official China Daily reported Friday. China's State Administration of State Property has been trying to crack down on the loss of government assets.

State-controlled enterprises, trying to make money, have taken to setting up subsidiaries with the assets, placing them beyond the government's control.

"Natural resources such as land, forest, water and minerals suffered the most serious losses of all state assets in recent years," Chen Yongshen, the administration's re-

Asia business briefs

sources department director, was quoted by the newspaper as saying. About 10 billion yuan (1.2 billion dollar) in profits from land-use rights are diverted every year through question-

able trading practices. Chen told the English-Language newspaper. Current laws and regulations prohibit trading, leasing or mortgaging of natural resources, but many enterprises do so regardless. Chen said.

The administration issued a circular Thursday, requiring all enterprises to obtain official approval before turning exploitation right into investments or shares in foreignfunded and joint-stock companies. HONG KONG: Hong Kong is richer than it thought. The government announced a larger-than-expected

budget surplus Friday of 10.8 billion Hong Kong dollar (1.39 billion dollar) in the fiscal year to March 31, pushing its total reserves to 151 billion (19.55 billion dollars). Total government revenue was 175 billion Hong Kong

dollars (22.6 billion dollar), 1.5 billion Hong Kong dollars (194 million dollar) more than expected. Expenditure, a 164.2 billion Hong Kong dollars (21.26 billion dollar) was 1.6 billion Hong Kong dollars (207 million dollars) less than expected.

The government said higher interest rates in the last three months of the year boosted its earnings from investments on the fiscal reserves. It also collected tax from property sales in the first few months of 1995. The government has predicted a 2.6 billion Hong Kong

dollars (336 million dollars) budget deficit this year. MALAYSIA: Siemens Components Pty. Ltd. of Germany, will invest nearly one billion ringgit [408 million dollars) on expansion in the next two years, it was reported Friday.

Managing Director Peter Bailey said in an interview with The Star that plans include two factories, a quality control operation, staff recreation facilities and a centre to develop new technology.

Siemens has already invested 485 million ringgit (198 million dollars) in a plant established in 1973 which employs more than 3,500 people to make semiconductors. printed circuits and other products for export to Germany and elsewhere. The new investment will result in additional,1,000 jobs

in Malacca. 150 kilometres (90 miles) south of Kuala Lumpur, the company said. SOUTH KOREA: Samsung Electronics Co., the world's

largest memory chip maker, said Friday it will increase its 20 per cent stake in the American chip company Array Microsystems Co. to 37 per cent. The four million dollars purchase will bolster cooperation, a Samsung officials said. The two companies have

jointly developed 81 kinds of semiconductors in the past four years, he said. Samsung Electronics is a subsidiary of the giant Samsung Group, South Korea's leading conglomerated. Array Microsystems in based in Los Gatos, Calif. - Source:



Md Aman Ullah of Aman Ullah Store, Aminbazar, Savar, won the first prize of Maruti car in Coca Cola Magic Card programme recently. Picture shows Major (Retd) Aminul Islam, Senior General Manager of Tabani Beverage Company Limited handing over the key of the car to the winner. Syed Wahidur Rahman, Deputy General Manager (Marketing) and Monwarul Islam, Manager (Sales) are also seen.

Unemployment 100 get Rotary loan in Russia rising slowly MOSCOW, July 21: Despite

eting unemployment, joblessness in Russia is only gradually increasing, a top labour official said Thursday. says AP. Unemployment hit 7.7 per

dire predictions of skyrock-

cent in June, up slightly from 7.1 per cent at the beginning of the year. "Unemployment hasn't

gotten out of control," Fyodor Prokopov, head of the Federal Employment Service. told a news conference. "The massive increase that was forecast hasn't taken place." Prokopov said official es-

timates for the end of 1995 are put at 6 million people, or 8.3 per cent. These figures, based on

labour force surveys, are substantially higher than data based on people registering for unemployment benefits, because the benefits are too small to attract many of the country's jobless. Prokopov also expressed

concern that amid apparent progress nationwide, some regions are seeing joblessness rise sharply. In Moscow, unemploy-

ment is about 20 times lower than in nearby Ivanovo, hit by the collapsing textile indus-

Prokopov said Russia has enjoyed relatively low unemployment compared to many former socialist countries in Eastern Europe, where quicker-paced reforms drove obless rates as high as 16 per cent.

Berlusconi sells 20 pc stake to foreigners

MILAN, July 21: Italian media mogul Silvio Berlusconi has sold a 20 per cent stake in Mediaset, the TV and advertising unit of his Fininvest, to a group including a Saudi prince and publishing groups from Germany and South Africa, reports AP. A statement handed out

before the former premier was scheduled to give a news conference said the deal will be realised through a 1.8-trillion-lira (about 1.12 billion dollars) capital increase reserved for these three investors. This cash call will be tutional investors.

lowing months of negotiations, named the new holders of the 20 per cent stake as Saudi Prince al-Waleed bin Germany's Kirch Group.

in New York

after it slid, says AFP. Gold shed 2.20 dollars an ounce to 386.20 dollars per

At around 4:45 (2045

sterling (0.6252).

says PTI.

The initiative, called the in programmes. Consultative Group to Assist the Poorest (CGAP), aims to support institutions providing micro loans to impoverished families for starting small-scale income-generation projects and businesses. bank sources said.

According to UN estimates, there are more than one billion absolute poor in

> cuts interest rate

government calls to help stimulate France's sluggish economy, the Bank of France announced Thursday that i was slightly lowering a key benchmark interest rate by a quarter point to an even 7 per cent, reports AP. The cut in the five-to-10day securities repurchase

rate had been widely antici-

pated in the market and

marks a continuation of the

gradual downward trend in

PARIS, July 21: Facing

key French rates that began a month ago. The central bank's rate structure is slowly returning to normal after it tightened its grip on credit sharply prior to the presidential elections in the spring in order to deflect speculative

have become increasingly vocal in their calls for a quick and substantial reduction in clomestic interest rates to spur economic activity and the reduce the government's debt service burden. Conservative President

Jacques Chirac, who picked

But government leaders

pressure on the franc.

Prime Minister Alain Juppe after he was elected in May has made the fight against 11.6 per cent unemployment his chief objective. Some money market operators said the rate cut is more symbolic than anything else. By lowering the repo rate by only a quarter-point. Bank of France Governor

Jean-Claude Trichet may be

sending a signal to the mar-

ket that the central bank will

cut rates but won't be stam-

peded by the government or

the market. Yamaha to start joint venture

in China TOKYO, July 21: Japan's Yamaha Motor Co. said Friday it has signed a contract with two Chinese companies to set up a joint venture to manufacture motorcycle shock ab-

sorbers, reports AP. The venture, Zhuzhou Nanfang Yamaha Shock-Absorber Co., will be set up in Zhuzhou City. Hunan Province next month with capitalization of 9.98 million

Yamaha will hold a 50 per

cent share in the joint ven-

ture, while China National

South Aeroengine Co. will

dollars.

own 35 per cent and Xiangling Machinery Factory of Aviation Industrial Inc. of China will have a 15 per cent. The latest project is Yamaha's eighth joint venture

in China, Yamaha said.

France's consumer price index up 1.6 pc

PARIS, July 21: France's consumer price index in June rose 1.6 per cent from a year earlier, continuing a two-year trend of low inflation, the national statistics institute reported Friday says AP. June prices were unchanged from May, the statis-

sector manufactured goods dropped, as did car prices, which may be linked to the expiration of government car-purchase incentives. Service sector, transport, rent and health care prices all registered slight in-

creases, while energy prices

Prices of food and private

tics office said.

remained stable.