

BUSINESS

Suu Kyi's release opens door for new investment in Myanmar

Pakistani rupee closes higher against dollar

KARACHI, Pakistan, July 28: The Pakistani rupee closed higher against the dollar on the Kerb market in dull trading and dealers said the rupee was likely to gain further after Friday, reports Reuter.

The rupee closed at 32.66 against the dollar, compared to the opening at 32.69, the dealer said.

The State (central) Bank of Pakistan rate was 31.1900/31.3460 to the dollar, unchanged since July 18.

The premium on the foreign exchange bearer certificates closed at 4.75 per cent, compared to the opening at 4.80 per cent.

Sino-US rift may harm economic relations

BEIJING, July 28: A senior Chinese trade official warned again Friday that the rift in Sino-US relations would harm economic ties, reports AP.

The remarks by Zhou Jie, a spokesman for the Ministry of Foreign Trade and Economic Cooperation, were similar to those made by other officials in the past two months.

Sino-US relations, strained over trade disputes, human rights and arms sales, worsened when the White House reversed its policy and allowed the president of rival Taiwan to visit the United States last month.

Despite that, trade between the two countries reached 14.5 billion dollars in the first five months of the year, 29 per cent higher than the same period of 1994, the official Xinhua news agency reported.

According to Xinhua, Zhou repeated China's demand that the United States repair the damage to relations, but did not outline how.

The decision to allow Lee Teng-hui's visit "had shaken the basis of bilateral ties and would unavoidably affect the development of two-way trade," Xinhua quoted Zhou as saying.

Kodak seeks end to Japanese market barriers

ROCHESTER, New York, July 28: Japan must end its toleration of illegal barriers and actively enforce anti-monopoly laws to ensure open access to its photographic market, Eastman Kodak Company said Thursday, reports AP.

In a so-called Request for Remedies filed with the US Trade Representative, the company listed specific actions it believes Japan's government must take to provide fair access.

Kodak said it wants the Japanese government to stop what it charges is illegal price fixing and exclusive dealing arrangements by rival Fuji Photo Film Co.

"All we are seeking is the opportunity to compete in an open market," said George Fisher, Kodak's chief executive officer. "We want resolution, not retaliation. Nor do we want market share targets. We want an end to illegal market barriers."

The United States Trade Representative launched an investigation earlier this month into Japan's consumer film and paper markets following complaints from Kodak.

Kodak has accused Fuji of unfairly limiting access to the Japanese market. The company says it has lost 5.6 billion dollars in sales over the past two decades, and is suffering losses of \$1 billion a year because of collusive trade practices.

The Trade Representative has up to a year to investigate and resolve the issue.

TOKYO, July 28: Japan's unemployment rate hit a new post-war high of 3.17 per cent in June, reflecting Japan's continued difficulties in coping with a prolonged recession.

The June jobless rate inched above the previous record of 3.16 per cent recorded in March, the statistics bureau of the Management and Coordination Agency reported Friday.

The total number of jobless in Japan increased to 2.12 million people in June, up from 2.04 million in May. Japan's jobless rates would be much higher if calculated by the same means as in Western countries. Members of the armed forces and anyone who has worked for at least one hour in the last week of the month are counted as employed.

Separately, the Labour Ministry reported Friday that the ratio of job offers to job seekers, an indicator of labour demand, fell 0.02 point in June compared with May to 0.61. That means there are 61 jobs for every 100 job seekers.

Japan's labour situation has worsened over the last several years as many companies cut back hiring in order to trim their payrolls. Major exporters are moving production offshore as a way to avoid losses from the high yen.

The outlook worsened in June for middle-aged women in particular. Overall, the jobless rate for women rose to 3.38 per cent, up from 3.20 per cent in May and above the previous record of 3.21 per cent set in April. For men, the jobless rate remained unchanged at 3.0 per cent.

HONG KONG: Japan's Eighteenth Bank has won a banking licence to upgrade its representative office in Hong Kong to a full branch, the government said Friday.

RANGOON, July 28: The release of a dissident leader has opened the door for new investment by foreign companies that once feared association with Myanmar's repressive military government, says AP.

Aung San Suu Kyi, a strong voice for democratic reform, was freed this month by Myanmar's military rulers after six years of house arrest.

"Her release has been a tremendous boost for business," said Kyaw Paing, managing director of the SPA group of companies that handles investment. "We are working with five major foreign companies that had been waiting on the sidelines and are now willing to sign deals because of her release."

Paing refused to name the companies until agreements are finalised.

Suu Kyi has urged foreign businesses to wait for political reforms before investing in Myanmar. She advocates restoration of the constitution and a turnover of power to elected representatives of the people.

Even critics of the military government give it credit for improving the economy. Under the 1962 to 1988 socialist rule of Gen. Ne Win, Myanmar was transformed from one of the richest countries in Southeast Asia into one of the poorest in the world.

The military, which seized power after violently suppressing pro-democracy

demonstrations led by Suu Kyi, has given greater freedom to the private sector. Among the changes: issuing a law to encourage foreign investment; allowing farmers to sell about 80 per cent of their rice crop on the free market; and taking steps to realign the kyat, Myanmar's overvalued currency.

Western analysts estimated Myanmar's gross domestic product achieved a growth rate exceeding 8 per cent of 1995.

Already, foreign products and advertising are everywhere. Toyotas and Mazdas share the roads with ancient bicycle taxis. Billboards tout Apple computers, Kodak film, Pepsi-Cola and Heineken beer.

There is some consumer resistance. Marlboro cigarettes on television, but many Myanmarese remain fond of the locally produced, pungent cigars called cheroots. Western cosmetics from Chanel, Max Factor and Estee Lauder are on sale, but most Myanmarese women wear thanaka, a makeup made from free bark.

Myanmar's appeal to foreign businesses is obvious — a 43 million-strong market that is not dominated by any one trading partner. The labour force is literate and wages are low.

A stock exchange is to be established by 1996, and the government has hired Daiwa Securities of Japan as a consultant for the project.

New hotels, office buildings and shopping centers are reshaping the skylines of Yangon and Mandalay. In downtown Yangon, stately but decaying British colonial buildings are being torn down. Towering hotels built by, among others, France's Accor and Hong Kong's Shangri-la groups, will stand in their place.

Officially, the United Kingdom, France, Thailand, Singapore and the United States — the strongest critic of the military government — are the top five investors. China, however, is widely believed to be the biggest, owning many projects in Burmese names.

Of the 2.6 billion dollars Myanmar has garnered in foreign investment since March 1989, 1.4 billion dollar went to oil and gas projects. Another 570 million dollar went to hotels and tourism, 246 million dollars to fisheries, 182 million dollars to mining and 175 million dollars to manufacturing projects.

Despite the gains, some daunting problems remain.

Without substantive political reform, Myanmar most likely will be denied economic aid and World Bank loans.

Analysts estimate the inflation rate at about 35 per cent this year, up from 22 per cent in 1993.

They say real income for many people is declining, and banks, which are lending

at about 18 per cent, lose money on every loan.

Western businessmen say the government looks the other way at illegal practices, including cross-border smuggling and black-market currency exchange.

"There is great latitude in what they are willing to let you do," said Pat James, a consultant for companies considering doing business in Myanmar.

"But make no mistake about it — they know about every tube of toothpaste coming in here," he said.

Suu Kyi, who was freed July 10, questioned whether companies doing business in Myanmar were helping build a middle class or instead creating an economic elite.

"Nothing has changed for the people of Myanmar," she said.

There is some outside support for Suu Kyi's position. A US senator, Mitch McConnell, has drafted a bill to ban US trade with Myanmar unless all political prisoners are released, power is transferred to elected opposition leaders and drug trafficking is slowed.

James believes sanctions would have little influence on the business climate and economic development.

"It's reached a point where it's irreversible," he said. "Anyone who thinks they can stop it is in for a shock. It will be like standing in front of speeding train."

UN confce on high seas fishing opens

UNITED NATIONS, July 28: A United Nations negotiating conference aimed at concluding a treaty to restrain fishing on the high seas has opened with a strong US expression of support for the draft already worked out in prior stages of the talks, says a USIS press release.

At the reopening of the UN Conference on Straddling and Highly Migratory Fish Stocks July 24, US delegate Larry Snead said the draft is an "excellent text" that balances the interests of coastal states and distant-water fishing states.

"We are close to achieving our goals. The United States delegation is confident that this conference can conclude its work," Snead said. He urged delegations not to reopen provisions that have been agreed upon in prior sessions.

The goal of the negotiations is a global treaty that would legally bind countries to conserve and manage fish stocks and settle high-seas fishing disputes peacefully.

"The draft agreement contains provisions which are essential to better conserve and manage straddling fish stocks and highly migratory fish stocks through international cooperation around the globe," Snead said. "The fundamental objective of the draft agreement is, as it should be, the sustainable use of straddling fish stocks and highly migratory fish stocks through strong conservation measures."

'US has no plan to cut off trade with China'

SAN FRANCISCO, July 28: US Trade Representative Mickey Kantor said the United States has no plans to cut off trade with China to win the release of human rights activist Harry Wu, reports Reuter.

"Disengaging from China, not having any relations with them either in trade or strategically, is not the right way to free Harry Wu," he said. "The President has decided correctly that we need to make sure we remain fully engaged with China in order that we can address these kinds of problems."

Wu, whose home is in Milpitas, California, 50 miles south of San Francisco, was detained on June 19 when he entered China's western most province of Xinjiang.

His imprisonment has cooled Sino-US ties already troubled by a US decision to allow Taiwan President Lee Teng-Hui to make a private visit to the US in June.

Kantor said the fate of Wu would top Secretary of State

Warren Christopher's agenda when he meets with Chinese Foreign Minister Qian Qichen in Brunei August 1.

Supporters of Wu have accused the Clinton administration of not doing enough to free the human rights activist.

"The US should review all investments and loans to China, and put a freeze on it," said Ignatius Ding, a spokesman for Silicon Valley for Democracy in China, a group seeking the release of Wu.

Wu made a documentary for the British Broadcasting Corp in 1994 alleging that Chinese doctors harvested the organs of executed criminals for transplant. Beijing denies the allegation.

China's official Xinhua news agency said Thursday that Wu has confessed to falsifying facts in the films made for the BBC. Wu supporters and local human rights activists have dismissed the reported confession as propaganda.

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective on 27th & 28th July 95. (Figures in Taka)

Currency	Selling		Buying	
	TT & OD	TC	TT	OD
US Dollar	1=Tk 40.2635	40.3160	39.9600	39.8125
GBP	1=Tk 64.4212	64.5052	63.4374	63.2032
DM	1=Tk 29.2185	29.2546	28.6870	28.5811
FF Franc	1=Tk 8.4196	8.4306	8.2679	8.2374
C. Doll	1=Tk 29.8061	29.8450	29.2658	29.1575
CHF	1=Tk 35.1866	35.2327	34.5440	34.4165
Jap Yen	1=Tk 0.4627	0.4633	0.4496	0.4469
IRS	1=Tk 1.2883	1.2980	1.2666	1.2476
Pak Rupee	1=Tk 1.2933	1.3030	1.2716	1.2525
Iranian Ryal	1=Tk 0.0231	0.0233	0.0226	0.0223

A) T. T. (DOC) US Dollar Spot Buying Tk				
30 Days	60 Days	90 Days	120 Days	180 Days
39.6109	39.3279	39.0448	38.7618	38.1957

C) US Dollar sight export bill 3 months forward purchase: To be deducted Tk. 0.15 from O. D. sight export Bill buying rate.				
D) US Dollar 3 months forward sale: Add cushion of Tk. 0.20 with BC selling.				
Indicative Rates (B. Tk. For one unit of foreign currency)				
Currency	T.T & O.D.	Selling	Buying	O. D. Transfer
S Ryal	Tk	10.7355	Tk	10.5884
UAE Dirham	Tk	10.9635	Tk	10.8127
Kuwait Dinar	Tk	134.1222	Tk	132.2071
D Guldkers	Tk	25.8000	Tk	25.4420
S Krona	Tk	5.6424	Tk	5.5616
Malaysian Ringgit	Tk	16.4120	Tk	16.1851
Singapore Dollar	Tk	28.7987	Tk	28.3661

Shipping Intelligence

Chittagong port						
Berth position and performance of vessels as on 27.7.95						
Berth No	Name of vessels	Cargo	L port call	Local agent	Date of arrival	Leaving
J/1	*Blue Ocean	GI Viza	Cross		19/7	26/7
J/2	*Khanak	GI Sing	Everett		25/7	28/7
J/3	Sea Star-DX	GI S Hai	Prog		25/7	5/8
J/4	Handy Viking	M Seeds	Sing	Rainbow	22/7	31/7
J/5	Guang Ming	GI Sing	Trog		16/7	31/7
J/6	Every Bright	C Clink	Col	MBL	11/7	30/7
J/7	Indian Valour	Rice(P)	Kak	Delmura	22/6	28/7
J/8	Tanary Star	Rice (P)	Para	PSAL	7/6	30/7
J/9	Victoria	Rice (G)	Viza	SBS	22/7	28/7
J/10	**Consistence	Cont Sing	RSL		18/7	27/7
J/11	Srimancee	Cont Sing	CTS		26/7	30/7
MPB/1	* Lanaka Mahapola	Cont Col	Baridhi		21/7	27/7
MPB/2	* Kota Hintang	Cont Sing	CTS		22/7	27/7
MPB/3	* Banglar Robi	Cont Mong	FSC		24/7	27/7
CGJ	Anilda	C Clink	Redw	MBL	24/7	27/7
CSJ	*Cherry	Cement	Sing	SBS	11/7	27/7
S/GS/1	Astron	R Phos	Aqaba	SSST	18/7	30/7
RM/3	Nikolay Karamzin	Cement	Sing	PSAL	11/7	29/7
RM/4	Courage	Cdso	Momb	Royal	9/7	2/8
RM/5	Gallantry	Genent	Sing	MMI	13/7	29/7
RM/6	Wawasan Setia	Hsd	Sing	MSPAL	23/7	27/7
DOJ	*Banglar Shourabh	C Oil		ISC	R/A	26/7
DDJ/1	A. Goncharov	Repair	Mong	RSL	8/9	30/7
RM/8	*Ocean Crest	Idle	Bang	AMBAL	R/A	30/7
RM/9	Banglar Kiron	Repair	Aqaba	FSC	13/6	30/7

Vessels due at outer anchorage						
Name of vessels	Date of arrival	Last port call	Local agent	Cargo	Loading	Discharge
Tug Tropic Orion	28/7/95	Sing	Benam	Towing		
Groners Jade	27/7	Sing	Cement			
Bolan	1/8	Kara	Karna	Cont	Sing	
Sintra	28/7	Sing	CTS	Cont	Sing	
Maya	28/7	Jedda	RSA			
Tug Beihua	28/7	Sing	Benam	Towieg		
Banglar Mouti	30/7	Sing	ISC	Cont	Sing	
Dehkeod	29/7	Mong	SSL	R/L	B Abbas	
Irti	30/7	Sing	RSL	Cement	Sing	
Morbuk Monir	29/7	Sing	SEB	Cont	Cig	
Fong Shin	30/7	Sing	Bdship	Cont	Sing	
New Duquesa	30/7	Sing	OWSI	Wheat(P)		
Karawigverett	31/7	Sing	Everett	GI		
Green Island	31/7	Cal	Karna	GI		
Banglar Mamata	31/7	Mong	ISC	GL	Lattakia	
Jiang Cheng	31/7	S. Hai	Bdship	GI		
Tanjung Peak	31/7	Royal		GI		
Aristotellis	1/8	Sing	RSL	Cont	Sing	
Meng Kiat	2/8	Sing	AML	Cont	Sing	
Banglar Urmi	2/8	Sing	ISC	GI		
Asian Harp	2/8		EEA	Vehicles		
Eagle Breeze	2/8		APL(B)	Cont	Sing	
Blar k Whale	2/8		Prog	GI		
Silver Star	2/8		ANCL	GI		
Mikhail Stenko	3/8	Col	Baridhi	Cont	Sol	
Fung Yun	4/8	Sing	Bdship	Cont	Sing	
Jaipur	5/8		ANCL			
Hun Jiang	6/8		Bdship	GI		
Banglar Maya	30/8		ISC	GI		

Vessels at Kutubdia				
Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Spiros	C. Oil	Jebe	BSL	24/7
*Banglar Jyoti	C. Oil		BSL	R/A

Vessels at outer anchorage				
Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Ibea Jin	Cont	Sing	Bdship	26/7
Pratapad	GI	Vigh	Cross	26/7
*Danar 1	GI	Kara	East	27/7

Movement of vessels for 28.7.95			
Outgoing	Incoming	Shifting	Sea Star
J/3 Ching Star-5.0(GI)	MPB-2 Sintra-70(Cont)	J/4 Sea Star	J/9 Ever Bright
J/9 Indian Valour	J/1 Maya	J/8 Ever Bright	
J/11 Victoria	DOJ-B-Shourbh		
DOJ-B-Jyoti-4.0	DOJ-B-Jyoti	GSJ Attica 8.5 to J/4	
RM-3 N Karamzin-6.0	J/12 B Mouti	RM-6 Hae C No 3-8.5 to J/3	
RM-5 Gallantry	DOJ-B-Shourbh	GSJ-Gons & Roses-9.1	

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

Iran's economic situation improving despite US ban

NICOSIA, July 28: Iranian President Akbar Hashemi Rafsanjani, facing criticism at home for his handling of the economy, said on Thursday the economic situation was improving despite a US trade ban, reports Reuter.

Rafsanjani, quoted by the Iranian news agency IRNA, said exports were rising and strict controls had stabilised the foreign exchange market. He was referring to official data which put Iran's non-oil exports in the three-month period ending on July 21 at 1.01 billion dollars, a five per cent rise over the same period last year.

crucised this week by 140 members of Iran's 270-seat parliament who signed a letter saying strict currency rules, and frequent policy changes had hurt investments and exports.

Tehran Radio, announcing the export figures on Wednesday, said the cabinet had decided to continue its policy of strict foreign exchange controls.

A crackdown by security agents against illegal money changers has boosted Iran's rial on a small and risky black market to about 3,400 to the dollar, its highest level since January.



A man tries to extinguish the flames on the back of an investor of the MMM investment company, who set himself ablaze on Thursday to protest against the loss of millions of roubles for Russian people after the MMM company collapsed. The attempted suicide failed when passers-by smothered the flames. — AFP/UN