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The Daily Star BUSINESS

HYUNDAI
CARS THAT MAKE SENSE

Planning secy for reducing trade barriers

Planning Secretary Dr Shah Mohammad Farid yesterday called for reducing trade barriers through bilateral and multilateral negotiations, reports BSS.

He was speaking in a training session at the Bangladesh Public Administration Training Centre at Savar.

The secretary, who is also an expert in international trade, observed that since tariff operated through price mechanism, it was better than other non-tariff trade barriers. He suggested more South-South trade to overcome restrictions.

The session was attended, among others, by senior officials of the government.

China the earliest vehicle maker

LANZHOU, Aug 19: China is the earliest vehicle maker in the world as archaeological research has shown that the country had developed vehicle-making techniques some 7,000 years ago according to a Chinese expert, reports Xinhua.

Ma De, an archaeologist in northwest China's Gansu province, concluded after close studies on historical records and ancient grottos that vehicles appeared some 7,000 years ago.

During the era of Yu, a legendary figure in ancient China whose son established the Xia dynasty some 21st century BC, vehicles had taken shape and the country already had a special official position to administrate transportation and making vehicles.

Excavations from some 20 Shang (16th-11th century BC) chariot pits indicate that vehicle-making techniques were much developed then, yet archaeologists have not found a complete treatise on vehicle-making techniques dating earlier than the spring and autumn period (770-476 BC).

Chariots with two wheels driven by one horse appeared in the warring state period (475-221 BC), and carts with two shafts became popular vehicles in the Han dynasty (206 BC-220 AD).

Decorations on the vehicles became more complicated after the Han dynasty and carriages were recorded as having appeared in mid Han dynasty, which is some 1,000 years earlier than in the western countries.

Jute cultivation down in Narsingdi

NARSINGDI, Aug 19: Cultivation of jute has largely decreased in the district as the farmers are losing interest in the absence of marketing facilities and resultant low price of the product, reports UNB.

The district was once famous for production of best quality jute and used to contribute largely to the production of jute in Dhaka division. This year the production is likely to fall alarmingly as only less than one fourth of the cultivation target could be achieved.

According to Agricultural Extension Department sources, jute is cultivated this season on only 5,000 hectares of land out of the target of 22,700 hectares.

The farmers said they could not sow seeds in time this season following a long spell of drought that occurred in the months of March and April this year.

BADC sources said they sold only 7,000 kgs of seeds this season through 40 dealers in six thanas of the district although their target was 25,000 kgs.

As a result, a huge quantity of fine quality jute seeds become unsold in the BADC sales centres, the sources further informed.

Moreover, farmers are losing interest as they can not even realise their production cost by selling jute due to low price in the market.

Seminar on printing tech held

By Staff Correspondent

A seminar on printing technology entitled "Codex to Digital Printing" was held at the British Council auditorium in the city on Friday.

It was organised by the British Council.

Dr A K Maitra, a member of the senior academic staff of the London College of Printing and Distributive Trades (LCPDT) and Director of a postgraduate course, presented a paper on printing.

London College of Printing is the national centre for the study of printing, graphic and typographic design, journalism, publishing, photography, film and video and other media industries.

In his paper, Dr Maitra dwelt on various modern aspects of printing.



Dr Akbar Ali Khan, Chairman, National Board of Revenue, addressing the members of Metropolitan Chamber of Commerce and Industry, Dhaka at the chamber's conference hall yesterday. M Anis Ud Dowla, President, MCCI, and members of the NBR and MCCI are also seen in the picture.

Bamboo production on verge of ruination in Narail

NARAIL, Aug 19: The bamboo production is on the verge of ruin as it is not increasing as per of demand of the district due to lack of maintenance and care, reports UNB.

Local people said hundreds of bamboo clumps are being destroyed for want of proper nursing and plantation programme in the district.

Use of bamboo has also been increasing in the district as it is being used for fire-wood in household work and in the kiln of brickfield as well as for the construction of houses and cottages.

A survey revealed that over 85 per cent dwelling houses in the rural areas of the district are kutcha and bamboo is used as the main material for its construction.

Besides, bamboo clumps are being diminished due to damage of tender bamboo plants by unknown diseases and traditional method for the production.

Agri officials said, proper nursing of bamboo plant enables to sprout at least 30 to 40 tender plants in a year. At present, only seven to 10 plants are growing in the clusters.

Some 12,000 families in different areas of the district are dependent on the production of bamboo which is

being produced on about 200 acres of land.

Meanwhile, the prices of bamboo have shot up due to high demand and low supply in the market. A medium and small size bamboo are being sold at Tk 90 and Tk 110 respectively.

Local elite said it has become necessary to take measures like application of modern technology and training of farmers to boost the production in the district.

World gold sale up in first half of '95

SINGAPORE, Aug 19: Robust demand in Japan, India, Southeast Asia and South Korea boosted world gold sales in the first half of 1995, an industry association said Friday, reports AFP.

A statement from the regional office here of the Geneva-based World Gold Council noted "exceptionally strong" growth in Indonesia and Malaysia, offsetting a dip Hong Kong and Singapore.

In Japan, there was "explosive growth" in investment demand and continued popularity of jewellery, pushing first-semester demand to a record 164 tonnes, 54 per cent higher than in the same period last year.

India — where gold is popular for dowry and investment purposes — remained by far the world's biggest market. Demand rose there by 21 per cent in the first semester to 235 tonnes. Total 1994 demand was 415 tonnes.

Demand in China, the fourth biggest market after India, the United States and Japan, was up 13 per cent in the first semester to 119 million tonnes.

Demand also grew in four other Asian countries among the world's top 10 consumers. It was up seven per cent in Taiwan, nine per cent in Thailand, 19 per cent in South Korea and 45 per cent in Indonesia.

FAO predicts Decline in growth rate for major farm products likely to persist

By Juan L Mercado

Even after Uruguay Round Liberalisation measures hit full stride, the worrisome slowdown in growth rates for major agricultural commodities is likely to persist.

The Food and Agriculture Organisation (FAO) presents this forecast in a new study: "Impact of the Uruguay Round on Agriculture."

"Impact" is published as part of *Commodity Review and Outlook 1994-95*, just released by the United Nations agency.

FAO re-run, through its large computers in Rome, earlier projections for major farm commodities. FAO specialists factored in new developments: national policy changes, demographic shifts, tariff revision, etc.

"The effect of the Uruguay Round itself is to boost the agricultural import bill (Asia) by 3.3 billion dollars, while agricultural exports would increase by around 2 billion dollars," the study says.

The Uruguay Round's Final Act covers a wide range of subjects. But the FAO analysis focuses on the "Agreement on Agriculture." Some of the study highlights.

Rice, a politically-volatile product, is likely to register the sharpest declines in growth rates, FAO predicts. The Philippines, Indonesia, China, North Korea already

consumption growth in the low-income food deficit countries.

A side-effect of the Agreement's reduction in tariffs has been an 0.8 billion dollars erosion in value of preferential margins for farm exports.

"Many of the recipients of preferential schemes are among the poorest countries," FAO notes. This loss should be re-examined. Value of these preferences ought to be restored by trade concessions or other forms of compensation.

FAO Regional Representative AZM Obaidullah Khan says higher food prices may prod countries to modify national food security and nutrition enhancement policies. FAO's Regional Food Security Commission is working on this issue.

The Uruguay Round also presents countries with critical issues in the late 1990s. Among these are: Need to evolve targeted forms of assistance that can be implemented at lower cost; Restudy of producer price policies to dampen excessive instability; Countervailing measures to offset collapse of internal prices in the wake of declining protectionism; and Scope for increased regional trading based on tariff concessions.

—Deditions

report tight supplies.

Following on the decline curve will be — meat (other than bovine), dairy products, coffee and cocoa. Output of bananas and tea may rise.

"Overall, the impact of the Uruguay Round on world agricultural production is negligible," the study asserts. "Growth rate for global consumption is also projected to decrease."

Global value of world trade in the major farm products will rise by an estimated 53 billion dollars between 1989 and 2000. About 14 billion dollars of this can be attributed in the Uruguay Round, the United Nations agency said.

Like a treadmill, earnings from farms exports in most developing countries will increase. These will enable them to keep abreast of higher import bills. But countries with efficient farms will benefit most: they will carve substantial inroads into export markets.

"The Uruguay Round will raise food import bill because of the reduction in export subsidies," The FAO study notes.

Poorest countries, with large concentrations of malnourished people, will find adjustment difficult. FAO cautions: "The Agreement (on Agriculture) will slightly slow

Border trade thriving in southwest China

KUNMING, Aug 19: Border trade is thriving in southwest China's Guangxi Zhuang autonomous region, Yunnan province and Tibet autonomous region, reports Xinhua.

This part of the country scored a gross border trade volume of 6.27 billion yuan (about 746.4 million US dollars) in 1994.

The total border trade volume at the '95 Kunming export commodities fair was worth 875 million yuan, 79 per cent of which was with Myanmar, 18 per cent with Vietnam and three per cent with Laos. The major export commodities were cement, production machinery, daily-use articles, and textile fabrics, and major import items were agricultural, side-line and native produce, forest and mineral products.

Guangxi, Yunnan and Tibet have a total land border line of 8,880 kilometers shared with Vietnam, Laos, Myanmar, India, Bhutan, Sikkim and Nepal, and they are connected with highways, railways and water routes.

There are a dozen border economic development zones, 35 border trade ports and some 100 border trade spots along the border line. And construction has started for trunk highways linking Nanning, capital of Guangxi, Kunming, capital of Yunnan, and Uhasa, capital of Tibet, with these border ports.



A B M Mahbul Amin Khan, Deputy Governor of Bangladesh Bank, presiding over a function on FSRP's progress in the NCB's and opportunities for the future at Bangladesh Bank's conference room in the city yesterday.

Progress of FSRP in NCBs discussed

Under the Executive Development Programme of the Bangladesh Bank Patrick J Vath, Team Leader of Financial Sector Reform Programme (FSRP), made a presentation yesterday at Bangladesh Bank conference room on the FSRP's progress in the Nationalised Commercial Banks (NCB's) and opportunities for the future, says a press release.

A B M Mahbul Amin Khan, Deputy Governor of Bangladesh Bank, presided over the function which was attended by the senior officials of the Bangladesh Bank including Deputy Governor Shah Abdul Hannan and the foreign and local consultants of FSRP.

Tin price breaks new 3-year high in KL market

KUALA LUMPUR, Aug 19: The price of tin breached a new three-year high in the Kuala Lumpur tin market on strong buying buoyed by a Bullish London Metal Exchange (LME) overnight, dealers said, reports AFP.

Tin rose 43 sen from a day earlier to close at 17.60 ringgit (7.04 dollars) a kilogram (2.2 pounds).

Jordan's business leaders warn of cutting ties with Iraq

AMMAN, Aug 19: Jordan's business leaders say that cutting Amman's extensive ties with Iraq, as sought by the United States, would be a recipe for economic disaster that could not be compensated by tapping new outlets in the Gulf and Israel, says Reuters.

This is because Jordan's infrastructure has been geared to economic links with Iraq, its eastern neighbour, for so long, they say.

"Our direct immediate economic interest is with Iraq... it's our strategic depth, our economy's structure has been consolidated towards links with it," said Wasaf Azar, General Manager of Business Bank.

Jordan's business community, still waiting to see tangible benefits from Amman's 1994 peace treaty with Israel, harbours hopes that Iraq will be the country's main export market once sanctions imposed on Baghdad for its 1990 invasion of Kuwait are lifted.

At present up to 25 per cent of Jordan's total exports go to Iraq — mainly goods excluded from the UN sanc-

tions.

Jordanian officials confirmed on Friday that US Assistant Secretary of State Robert Pelletreau, who held talks with King Hussein on Thursday, discussed the issue of "disengaging" Jordan's economic ties with Iraq.

The Washington Post said earlier that the US team would tell Jordanian officials that Washington was trying to persuade Saudi Arabia and Kuwait to sell oil to Jordan to replace oil now supplied by Iraq.

But Jordanians are not impressed. "Jordan cannot do without Iraqi oil," Energy and Mineral Resources Minister Samih Darwazah told Reuters.

Jordan has been totally dependent on Iraq for oil since Saudi Arabia suspended the flow of an estimated 40,000 barrels per day in September 1990 to punish Jordan for its perceived pro-Iraqi sympathy during the Gulf crisis.

Businessmen say an estimated 450 million dollars worth of goods, mostly food and medicine, go to Iraq each year in exchange for an equivalent of 60,000 to 70,000 barrels per day of crude supplied to Jordan, most of it at concessionary terms.

Accord to set up \$62.5m fund in India

NEW DELHI, Aug 19: The Export-Import Bank of India yesterday signed a pact with US-based Templeton Worldwide Inc to set up a \$62.5-million dollar fund for investment in medium-sized firms, reports AFP.

The fund will seek long-term capital appreciation through direct equity investments in export-oriented private companies whose capital structure hampers them from expanding, it said.

Investments would be made in high-growth sectors such as automotive components, agro-technology, telecom equipment and services, chemicals, plastic and food processing, it said.

BRDB, JOCV sign MOU on goat farm

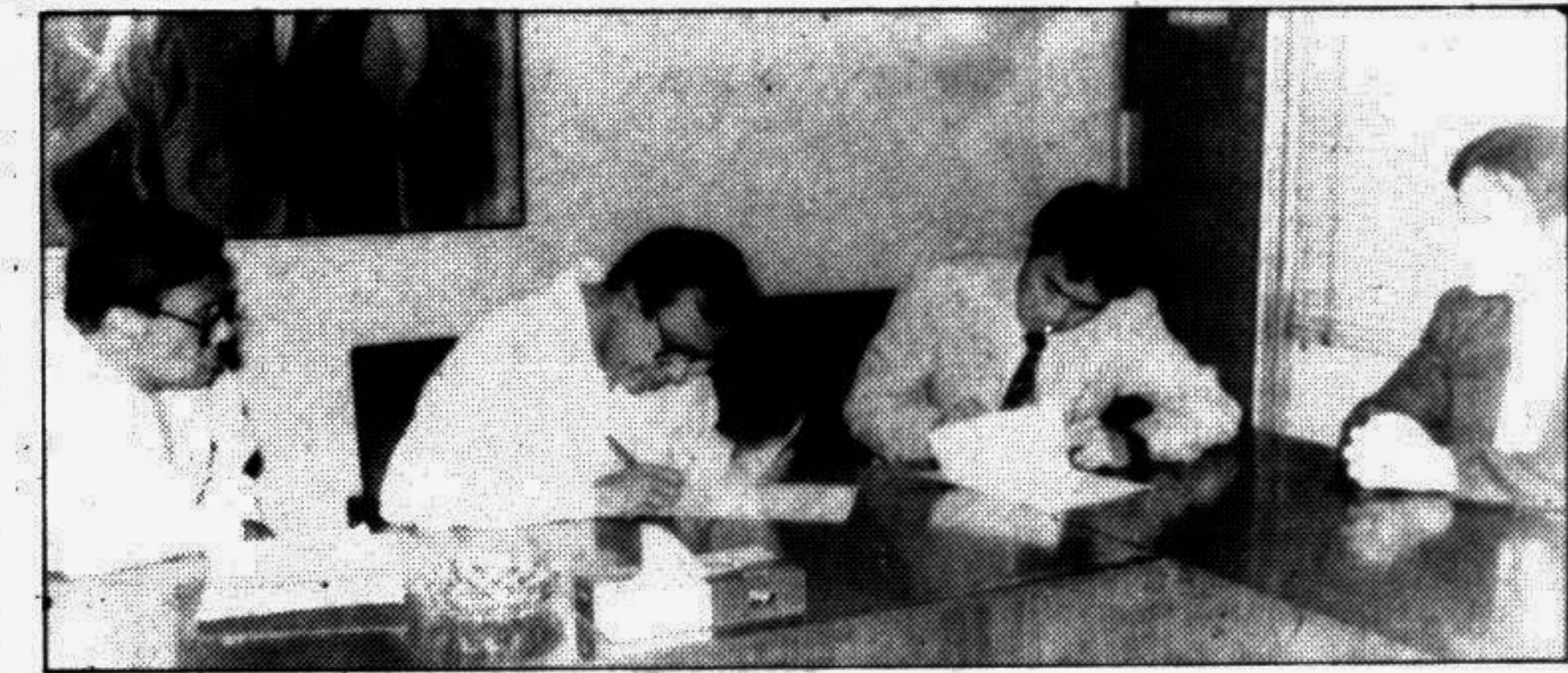
A joint operation agreement on goat farm was signed between Bangladesh Rural Development Board and Japan Overseas Cooperation Volunteers at Palli Bhaban in the city recently, says a press release.

Mufazzel Hossain, DG, BRDB and Hironao Suzuki, Resident Representative of JICA, Bangladesh, signed the accord on behalf of BRDB and JOCV respectively. Vetsu Hero Ikki, Deputy Resident Representative of JOCV, all directors of BRDB and high officials were present on the occasion.

BRDB in cooperation with the JOCV has been implementing the 'goat farm project' on experimental basis in three thanas of Meherpur and Chuadanga districts.

The objective of the farm is supplying various breeds of goat to improve the technique of goat rearing and expand the cultivation of forage.

The goat farm also aims at increasing goat production, generating employment and raising family income of the poor people.



Hironao Suzuki, Resident Representative of JICA, and Mufazzel Hossain, DG, BRDB, signed a MOU to operate a goat farm jointly for socio-economic development of the rural poor in the livestock sector in three thanas of Meherpur and Chuadanga districts recently.

Inter-Korean trade deal shrinks

SEOUL, Aug 19: South-North Korean trade tapered off in July due to stagnant metal and related product deals, the South's National Unification Board (NUB) said yesterday, reports AFP.

In July alone, the value of approved inter-Korean deals shrank to 19.6 million dollars, down 44.3 per cent from the previous month and also down by 18.7 per cent over a year ago.

But the accumulated approvals for the first seven months of this year perked up 66.8 per cent to 194.9 million dollars for 757 deals over the corresponding period last year, the NUB said.

Stocks end mixed in New York

NEW YORK, Aug 19: Stocks ended mixed Friday after a strong start in a session dominated by technical factors related to expiring stock and index options, reports AFP.

Prices sees awed throughout the day, but the session ended on a familiar note. Blue chips fell amid computer-driven selling and technology and small cap stocks strengthened, as they have in the last three consecutive sessions.

Investors, worried that a strong US dollar will erode earnings at multinationals, have dumped blue chips in favour of shares of companies with less exposure to foreign markets.

Though the dollar continued to weight on investors' minds, Friday's action was driven by double witching expirations of certain stock and index options, which caused a flurry of activity on the floor of the New York Stock Exchange first thing this morning and on the closing.

The expirations can produce wide price swings that have no link to the market's overall direction. Stocks rose quickly following the traders' hunt for bargains, and

briefly visited positive territory before closing lower.

Many blue chips registered sell imbalances in the minutes preceding the close.

Technology stocks strengthened, led by Cisco Systems, which rose 5 15/64 to 66 7/64 after reporting strong second quarter net income.

On the NYSE, pharmaceutical issues received a boost from merger activity. In NYSE trading, Upjohn rose 3 1-2 to 39 3-4 on reports that the company is in merger talks with Swedish drug-maker Pharmacia AB. Rhone-Poulenc Rorer fell 1 3-8 to 21 1-2. The French pharmaceutical maker launched a hostile 2.6 billion dollars bid for the British drugmaker Fisons PLC.

Analysts also attributed the market's behaviour to the absence of any economic reports that would provide direction. The only report released Friday was an August consumer confidence index from the University of Michigan. The index rose to 96.5 from 94.4 in July.

Overseas markets closed higher. The Nikkei average in Tokyo closed up 0.6 per cent. Other European markets were also closed higher.

The Dow Jones average of 30 industrial stocks fell 13.03 to 4617.60.

Advancing issues outnumbered decliners by about 9 to 8 on the New York Stock Exchange, with 1,205 up, 996 down and 811 unchanged.

Big Board volume totalled 312.02 million shares as of 4 pm (2000 GMT), vs 354.13 million in the previous session.

Shippers' Council meet Aug 23

A meeting of the liaison committee on shipping of the Shippers' Council of Bangladesh will be held at the conference room of the Mongla Port Authority in Mongla next Wednesday, says a press release.

It will discuss and resolve problems of shortage of container feeder vessels and containers at Mongla Port for which frozen foods and dry cargo exporters face difficulties in effecting shipment of their export cargoes in time. The meeting will also review cargo forecasts made for various routes for this month and consider cargo forecasts for next month. It will also review the shipping schedules for vessels August and September this year.