# US most competitive economy

United States, powered by newly-aggressive industry, is easily the world's most competitive economy but a vibrant Singapore is hot on its heels, an authoritative study said vesterday, reports Reuter.

pulling away from the rest, Hong Kong comes in third, but Japan has dropped into fourth place due to its economic woes and a general crisis of confidence, according to the annual world competitiveness report.

The report, whose assessments are widely used around the globe as a guide for business and investment. is issued by the Lausanne International Institute for Management Development (IMD) and the Geneva-based

World Economic Forum. The gap between a resurgent United States, which recaptured the lead in 1994.

and a declining Japan which had previously held the top competitivity spot for nine years, "is widening even

Switzerland, in fifth place.

leads European countries in a league table covering the world's top 48 economies. With the two leaders Included for the first time. China comes in at 34th and Russia is last. Competitiveness in Asia in general, the report said, was

booming with China and India showing tremendous potential. "The dynamism of east Asia remains staggering." it added with Hong Kong strong and Taiwan surging from 18th to 11th in the

Malaysia came in 21st. with South Korea 24th. Thailand 26th, Indonesia 33rd and the Philippines 35th, underlining, the report said. "The more difficult task of developing the competitiveness of heavily-populated

Latin America was moving strongly into the competitivity scene through Chile (20), Argentina (29th), Peru (32nd) and Colombia (36th). But South Africa, the only Sub-Saharan African country in the league, dropped from 35th to 43rd place.

Compilers of the study define international competitiveness as the ability of a country "to proportionally generate more wealth than its competitors in world markets" and this year tapped the views of 3,292 top executives around the

The assessments are based on eight factors, from domestic economic strength through government politics affecting competitivity to infrastructure and people, or the availability and qualification of a country's human re-

IMD professor Stepphane

Garelli, director of the project, said the US revival had

three prime sources. These were "strong resilience in the economy thanks to deregulation and privatisation programmes. leadership in new technologies - such as computers. telecommunications, bioengineering — and services. and strict control on the operating costs of enterprises,

in particular labour costs." Japan's decline, it said. "seems to be socially rather than just economically related, which means that the challenge will lie in the country's ability to reform it-

Germany ranked sixth, the Netherlands seventh and Denmark ninth in the league. But France stood 17th and Britain 18th while among southern EU members Spain was in 28th position, Italy 30th and Portugal 31st, with Greece a poor 43rd.

### New investment law in Cuba

taken a new step to lure foreign capital-while fervently affirming its commitment to socialism, reports AP.

The more than 500 members of the National assembly voted Tuesday without opposition to approve the first new investment law since Cuba first opened the door to foreign business in 1982.

But two days of often heated debate over the measure, which gives greater rights to foreign investors. showed that socialism is far from dead in Cuba, despite more than three years of steady opening to market economics.

"We have seen that all this opening we have made, this experience, has been a bag of problems, of contradictions and daily headaches." President Fidel Castro complained in comments carried by state television and radio.

make more reforms, but added: "I don't see the immediate need for it."

Cuba desperately needs

He said Cuba was ready to

HAVANA, Sept 6: Cuba has foreign capital following the collapse of its socialist trading partners in Eastern Europe, a process that helped cause a 35 per cent shrinkage of the Cuban economy between 1989 and 1994.

> The new law makes several historic offers: full ownership for some businesses instead of a 50-50 deal with the state, and foreign ownership of some houses, offices and hotels for the first time in decades. It permits duty-free zones.

Perhaps more importantly to investors, it clarifies laws guarantee free repatriation of profits, to spell out how businesses will be run and how disputes will be set-

Uncertainty — as well as the US embargo of the island - has scared away many investors.

But Cuba continues to insist that the state - not foreign investors -will control and pay the labour force. And it demands Cabinet-level approval for many deals.

Cuba says it has 212 deals

totaling two billion dollars with businessmen from more than 50 countries. Such companies employ 53,000 workers on this island of 11 million people and provide needed hard currency.

Spanish-run hotels now dot the island. Mexican businessmen are revamping the telephone system. A British oil company has opened service stations across the island.

But Castro said the deals so far have been limited. And he repeatedly cautioned Cubans against expecting "a flood" of new investment as a result of the law.

Cuba has legalized foreign currency, opened farmers markets, slashed state spending and authorized more than 150 fields for selfemployment, where about 200,000 people work. It has turned many state farms into cooperatives.

The economy seems to have hit bottom and started a slow recovery.

#### Indian high speed tram project to be launched in October

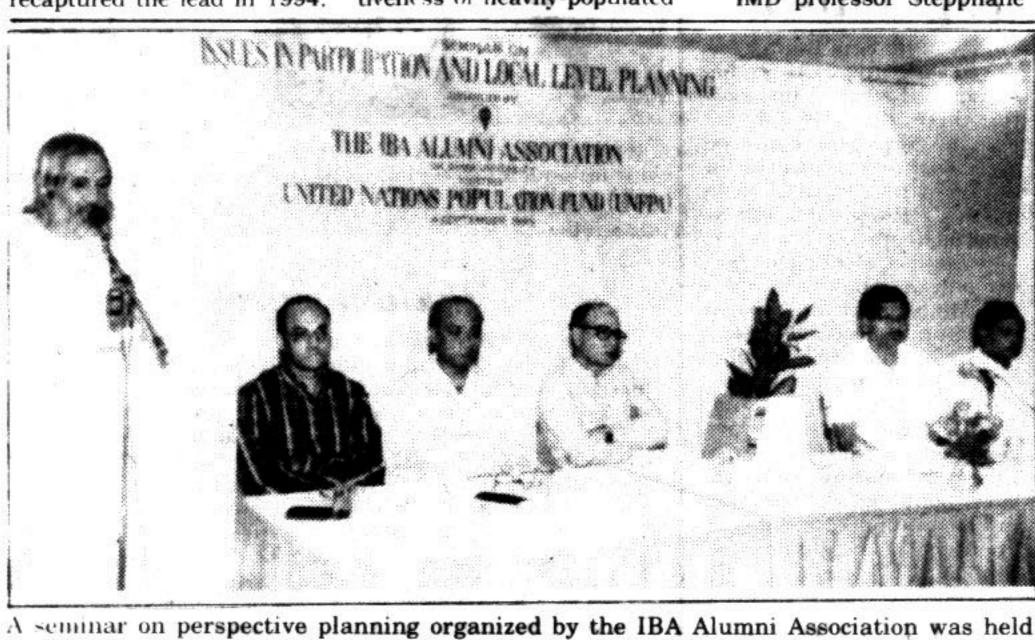
NEW DELHI, Sept 6: A high speed tram system in the Indian capital, seen as the panacea at the city's traffic and environmental problems is expected to be launched in October, a senior official said Tuesday, reports

The 1.09 billion dollar project will be inaugurated by Minister Prime Narasimha Rao on October 2 and will be completed in four years, said CS Khariwal, a joint secretary in the transport ministry.

The system will not only decrease pollution levels but also the number of road-related accidents. Khariwal said.

Officials say the high speed tram system would carry 10,000 passengers an hour on each of the nine proposed routes.

The tramway, would be served by 144 stations.



A seminar on perspective planning organized by the IBA Alumni Association was held on Monday at a local hotel. A paper on Issues in Participatory Local Level Planning was presented at the seminar by Dr Muzaffer Ahmed, Professor of IBA. Dr Anwar Hossain, Professor of IBA and Protessor M Shamsul Haque, Treasurer of Dhaka University, were discussants. Dr A Rab, Professor and Director of IBA, conducted the business session. Dr A Moyeen Khan, State Minister for Planning, was chief guest. Nurul Ameen MBA and M Saidul Haq MBA, Vice President and General Secretary respectively of the association also spoke at the seminar.

## US dollar falls in Tokyo, NY

TOKYO, Sept 6: The US dollar was trading slightly lower against the Japanese yen in early trading Wednesday, reports AP.

The dollars was traded at 97.86 yen, down 0.08 yen from late Tuesday but above its late overnight New York trading at 97.50 yen.

The dollar's relative strength, compared with its overnight rate in New York. came after Japan's central bank bought the US currency, a trader said.

Bank of Japan was made when the dollar was traded at 98.00 yen and was followed by short-covering, said a trader in Tokyo who spoke on condition of anonymity.

The central bank does not customarily comment on its market intervention activity.

AP report from New York says: The dollar fell against most major currencies in listless trading Tuesday as dealers returning from the holiday weekend in the United States were greeted with little news to drive the market.

Barring unforeseen events. traders say there's little on the horizon to move the dol-

Name of work

Estimated cost

Earnest money

of tender form

the tender

Eligibility

contractor

DFP-21220-31/8

G-1311

Last date of selling

Date of receiving

and time of opening

Place of selling and

receiving of tender

lar until US inflation figures are released next week.

In late New York trading. the dollar was quoted at 97.50 Japanese yen, down from 97.55 later Friday. The currency fell to 1.4615 German marks in New York from 1.4638 on Friday.

Labour Day. The dollar traded said the action was unevent-

The intervention by the the market today; there was Leumi Trust Co. in New York.

"You could have closed your eyes from 7 o'clock this morning and the dollar would have looked the same."

clear direction.

strength tend to lessen the

likelihood that the federal

Reserve will reduce US in

terest rates, which would

make investments bought

and sold in dollars less at

reported Friday that its Index

Indicators, a forecasting

gauge, fell in July and a re-

port by the National

Association of Purchasing

Managers showed manufac-

turing activity declining in

bers kept currency market

investors relatively inactive, a

trend that carried through to

tus now," said Randolph

Donney, director of Research

at Pegasus Econometric

Group, in New York. "There

is no strong reason to go long

said the dollar appears ready

to more higher, continuing

the strong rally it has put on

in recent weeks, but needs

New York, compared with

late Friday: 1.2008 Swiss

francs, up from 1.1975.

5.0445 French franc, down

from 5.0475; 1.626 Italian

lire, up from 1.621; and

1.3421 Canadian dollars.

British pound, with the ster-

ling quoted at 1.5590 dol

lars, up from 1.5575, dollars.

The dollar fell against the

down from 1.3436.

Other late dollar rates in

something to set it off.

Donney and Waxman both

"There really is no impe-

The contradictory num-

But the government also

Leading Economic

tractive.

August

Tuesday.

or short.

# indications of economic

US currency markets were closed Monday for overseas Monday, but dealers

"There was light volume in no real sense of direction." said Hillel Waxman, chief foreign exchange dealer at Bank

if boring, the dollar was consistent. On Friday, the currency drifted lower in lackluster trading after a long-awaited flurry of data on the US economy failed to provide the greenback any

The government reported unexpected strength in the US job market in August and greater-then-expected strength in July construction.

Estbt. of Dairy and Cattle

Improvement Farm at Bogra

Chittagong and Barisal, 1 (one)

at Barisal. SH: providing internal

electrification works of cow

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will be opened at 12-15 PM on

the same day. (In presence of

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Engineers under PWD Circle.

PWD bonafide class-I/II

approved E/M contractors/

firms having A. B. C./B. C.

contractory and supervisory

licence holder under PWD, PWD

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Khulna Zone,

Md Nasir Uddin Miah

**Executive Engineer** 

**Barisal PWD Division** 

Barisal, Phone:2143

respectively

8. All other detailed information may be seen from the

office of the undersigned during office hours only.

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**Notice Inviting Tenders** 

No. E/M-7 of 1995-96

#### Bombay now has world's most expensive offices

SINGAPORE, Sept 6: Bombay now has the world's most expensive offices, ahead of Tokyo and Hong Kong, property consultants Richard Ellis said in their latest World Rental Levels bulletin published in Singapore yesterday, reports Reuter.

Bombay office costs average 1.909 dollars per square metre (10.7 sq feet) per year compared with 1,866 dollars in Tokyo and 1,470 dollars in Hong Kong.

Richard Ellis said newly emerging markets dominated the property tables with rises in rents throughout Asia.

Especially in Bombay, Beijing, Shanghai, New Delhi and Hanoi. "The world office market

underscores the economic growth of Asia," Richard Ellis Executive Director Christopher Fossick said in a statement issued with the

"The rapid expansion of multinationals in the emerging cities of this region is generating the strong demand for modern office accommodation and pushing rentals upwards." Fossick

Office costs are spiralling upwards across Southeast

Singapore is now among the world's 10 most expensive cities with total costs of occupation averaging 863.

#### ROK keen to help flood-hit DPRK

SEOUL, Sept 6: South Korea said Wednesday it is willing to help flood-stricken North Korea if the communist country takes steps to remove key obstacles blocking rapprochement, reports

South Korea made the suggestion as it prepared to reopen talks with North Korea in Beijing on September 27. Pyongyang is expected to seek relief aid.

Public opinion is building in South Korea against giving further aid to the North because of its failure to reciprocate previous South Korean humanitarian gestures.

Under a historic aid deal, struck in Beijing in June in the two countries' first official contact in more than a year, South Korea is shipping 150,000 tons of free rice to the impoverished North. About 120,000 tons have been delivered.

#### Arab economy ministers to meet in Cairo next week ABU DHABI, Sept 6: Arab talks would also cover a joint

economy ministers will meet in Cairo next week to resume talks on boosting flagging trade among their countries as part of longstanding attempts to integrate their economies, a United Arab Emirates (UAE) official was quoted on Tuesday as saying. reports AFP.

The ministers from the 22-member Arab League will discuss proposals to increase commercial exchanges reached at a conference held in Cairo in June, said Abdul Raouf Mubarak, Economy and Trade Ministry Undersecretary.

"The theme of this 56th session of the Arab Economic and Social Council will be how to boost inter-Arabs trade. It will focus on a number of proposals and recommendations in this regard," he told Al-Ittihad daily.

Arab address at the upcoming meeting of the World Bank and the International Monetary Fund. Arab states have been

locked in efforts to activate internal trade, hit by customs barriers, political rifts, and financial and economic prob-

Trade has remained below 10 per cent of the total Arab trade despite the creation of the region's first major commercial financing mechanism — the Abu Dhabi-based Arab trade financing programme.

The 500-million-dollar fund, set up by the Arab Monetary Fund (AMF) four vears ago, has provided nearly 450 million dollars in credits for internal trade transactions, far behind its annual capacity of one billion The September 11-14 dollars.

#### Gold falls to six-month low in London ing the first half, while sales

LONDON, Sept 6: Gold fell to its lowest level in six months at the official London gold fixing on Tuesday despite a report showing demand for the metal was at a record high in the first six months of the year; reports Reuter.

Gold was fixed at 379.40 dollars and ounce, its lowest price since March 7.

Gold market analysts and bullion dealers denied there was a contradiction in demand rising while the price fell, however.

"It's no different from the past two years when the market has been very strong and the price didn't go anywhere," said a senior dealer at leading bullion bank.

The research group Gold

Fields Mineral services (GFMS), in an update to its prestigious annual gold report, said demand for physical gold to June 30 showed at record of 1,793 tonnes, against 1,476 tonnes a year earlier.

During the same period. production from the gold mines fell one per cent to 1,110 tonnes, according to the GFMS report.

"The real factors (in holding the price down) are producer hedging and central bank sales," said Stewart Murray, GFMS chief executive and one of the authors of the report.

The central banks sold 244 tonnes of gold from their reserves to the market dur-

by the miners to take advantage of price peak totalled 211 tonnes, according to the report. These two factors kept

the lid on prices and in addi-

tion there was no sustained investor interest," Murray added. Without them the gold price would have been forced

higher until it chocked off physical demand, he said. In August 1993, when the price reached its highest level since the Gulf War at

406.70 dollar it was driven by

buying on the gold future markets by cash-rich US investment funds. "Investors are not longer looking for a 50 dollar (per ounce) profit. They are look-

ing for more like 5.00 dollars or 10.00. dollars" a leading bullion dealer said. In current price terms, that means buyers see gold as being cheap when the

prices is under 380 dollars

and are happy to take a profit when the price reaches 390 dollars. Murray said that as soon as the price rose to the top of that range, it had ben forced back by investor taking prof-

its and goldminers taking advantage of the higher price. "Also at that level (390

dollars or above) demand from the middle men in the physical gold trade dries up and they will even sell back stocks. In that way they act like speculator," he said.

Selling

**Exchange Rates** 

Following are the Sonali Bank's dealing rates to public for some

selected foreign currencies effective on 5th Sept '95.

Figures in Taka) Currency TT & OD BC TT US Dollar 1=Tk 40.2615 39.9620 39.8090 39.7140 40.3140 62.6945 61.7427 61.5063 61.3596 l = Tk27.6385 27.6746 27.1414 27.0375 26.9730 F Franc 8.0045 8.0149 7.8311 7.8125 C. Doll 1 = Tk30.0727 29.4170 29.3468 29.5300 CHF 1=Tk 33.6601 33.7040 33.0580 Jap Yen 0.4170 0.4047 0.4032 1.26611.2756 1.2448 1.2261 Pak Rupee l=Tk 1.2880 1.2977 1.2663 1.2473 0.0235 0.0228 0.0225

A) T. T.(DOC) US Dollar Spot Buying Tk 39.8855 B) Usance Rate: 30 Days 39.6124

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 Selling Buying T.T. & O.D. O. D. Transfer S Riyal 10.7348 Tk. 10.5878 UAE Dirham 10.9631 Tk. 10.8124 Kuwaiti Dinnar Tk 133.1415 131.2025 Tk. D Guilder 24.3496 24.0115 S Krona Tk 5.5003 5.4218Malaysian Ringgit Tk 16.1190 Tk. 15.8936 Singapore Dollar Tk 28.2798 27.8760

### Shipping Intelligence

**Chittagong Port** 

Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Leaving
J/1	Kinabalu					
	Enam Belas	GI	Call	BML	28/8	7/9
J/2	Ocean Envoy	Rice (P)	Kara	Karna	TO 10 THE RESERVE OF THE PARTY	7/9
J/3	Fillio	MOP	Niko	Litmond	18/8	17/9
J/4	Continent-01	GI	Kara	CLA	21/8	
J/5	Orange Moon					
	(Roro/48)	Vehi	Yang	BBA	3/9	7/9
J/6	Scantro Gl	(D Peas)	Wall	-	_	9/9
J/7	Noble Star	Rice (P)	Kaka	PSAL	18/8	
J/8	Song Lin	GI	Dali	Prog		
J/9	Hang Shun	Cement	Hong	H&H		
J/10	Harvest	Rice (P)	Hald	SBS		
J/11	Yun Hua	Cement	Lans	RML		
J/12	Aristotelis	Cont	Sing	RSL		7/9
J/13	Banglar Urmi	Cont	Sing	BSC		8/9
MPB/1	Fong Yun	Cont	Sing	BDShip	5001.00000	9007000
MPB/2	Sintra	Cont	Sing	CTS		7/9
MPB/3	Lanka Mahapola	Cont	Col	Baridhi		6/9
CCJ	Mari Goula	C Clink	Tian	RML		
GSJ	Anting	Cement	Rizh	Delmure		9/9
TSP	Mun Su Bong	Cement	Long	SBS		
RM/4	Four Winds	CDSO	Col	Seacom		
RM/6		ISD/JP-1	Sing	MSPL		7/9
DDJ/1	A Goncharov		-	Litmond		
DDJ/2	Tanary Star	Rice (P)	Para	PSAL		10/9
RM/8	Banglar Shourab		_	BSC	5500000	10/9
RM/9	Banglar Jyoti	Repair	_	BSC		12/9
CUFLJ	Banglar Sampad	100000000000000000000000000000000000000	-	BSC		5/9
	U) Amore	Idle /Bunker	Rang	Cross		6/9

Name of Vessels	Date of Arrival	Last Por Cal		Cargo	Loading Port
Neptune Iris	5/9	Sing	IPL	GI (Copra)	
Yevgeniy					
Lebed Tev	5/9	Vlad	OTBL	-	-
Sidi Bishr	6/9	Col	MMI	GI (Copra)	-
Kulikovo 5/9	Sing	Seacom	Gl (Copra)	-	
Mikhail Stenko	6/9	Col	Baridhi	Cont	Col
Irini	7/9	Sing	RSL	Cont	Sing
Eagle Breeze	7/9	Sing	APL (B)	Cont	Sing
Safar	8/9	Kaki	ASLL	Rice (P)	-
Lada	8/9	Sing	<b>QCSL</b>	GI	-
Meng Kiat	9/9	Sing	AML	Cont	Sing
Kota Bintang	9/9	Sing	CTS	Cont	Sing
Robert-e-Lee	9/9		Karna	Cont	Sing
Capt Petr V	9/9	13	Prog	GI	_
Consistence	9/9	Sing	RSL	Cont	Sing
Hatez	10/9		MSAC	il (Bitumen/	P) -
Panther (48) 30/8	10/9	4	Everett	Spi Cargo S	ea/Bomb
Fong Shin	10/9	Sing	BDShip	Cont	Sing
Meng Lee (Cont)	11/9	Sing	AML	Cont	Sing
Mandarin Star	11/9	3	Prog	GI	-
Banglar Robi	13/9	Sing	BSC	Cont	Sing

Vessels Due at Outer Anchorage

Name of Vessels	Cargo	Last Port Call	Local Agent	Date of Arrival				
Vessels at Outer Anchorage								
		Ready on						
Riso Maru	GI	Wall	Royal	28/8				
Banglar Doot	CIL	Mong	BSC	30/8				
Tiger Ace	GI	Kaus	Prog	31/8				
Banglar Gourab	GI	Pena	BSC	1/9				
Doe lin	Comt	Sim d	DDChin	2.40				

Cont

Cont

Rice (P)

Banglar Moni

Padma

Chaavo

Outgoing

Group, Dhaka.

Sargodaha

31/8

4/9

BSC

Karna

Seacom

Vessels at Kutubdia

**Vessels Awaiting Instruction** Miri-1 R/A (10/6) I Yamburenko Litmond R/A (27/8) Loyal Bird Wheat (P) R/A (13/8) Pattu AMBL R/A (26/7) Banglar Baant BSC R/A (28/8) Banglar Asha Mong BBC Tug Singapore Eagle Chand Karna Movement of Vessels for 6.9.95

Kara

Incoming

J/4 Continent-1 RM/4 Four Winds to RM/3 J/I B Doot J/7 N Star NB Kisu Maru J/1 K Enam Belas to J/4 J/7 Chaavo MPB/3 L Mahapola J/2 Khanak to MPB/3 Kulikovo DOJ Dimitrakis The above were the shipping position and performance of vessels of

Chittagong Port as per berthing sheet of CPA supplied by HRC

TOKYO. Sept 6: Mitsubishi Corp., Japan's major trading company, and CAP S. A. of Chile have agreed to undertake a 107 million dollar project in the mining and steel indus-

Under an agreement signed in Tokyo Wednesday

Mitsubishi and CAP will undertake the expansion of the Colorados iron are deposit and produce ore pellets at facilities owned by the CAP group in Huasco, northern Chile, Mitsubishi said in a release. The two companies will cooperate in selling Colorados

pellets in an international market, the release said.

in CAP, has been in cooperation with the Chilean company in the iron ore business since 1960 The Colorados iron ore deposit, which is estimated to contain a reserve of about 245 million tons of iron ore, is

Mitsubishi, which currently holds a 4.9 per cent stake

terminals have capacities of 200,000 twenty equivalent units per year. A twenty equivalent unit is a measurement for a twenty-foot long container Thai Plastic and Chemical PCL said it will seek a 191

million dollar loan from the Export and Import Bank of

Korea to finance a new 11-billion-baht (44 million dollar)

plastics plant in Thailand The company, which makes polyvinyl chloride monomer, said it will build an olefin-production plant in Rayong province 145 kilometres (90 miles) south of Bangkok

Bank PCL and Bangkok Metropolitan Bank PCL. The guarantee period is 13 years. Construction will be completed in 1997. The plant will

KUALA LUMPUR: China's state owned Zhejiang Golden

The loan guarantors are Bank of Ayudhya PCL, Siam City

produce 360,000 tons of ethylene per year and 200,000 tons of propylene per year, the official said.

### about 700 kilometres (434 miles), north of Santiago. Asia business briefs

The expansion project will be completed by mid-1998. The CAP group is currently producing about one million tons of preconcentrate per year from the Colorados deposit. BANGKOK: Three shipping companies have submitted

bids to develop a fifth container terminal at Laem Chabang deep sea port, a port director said Wednesday. The three companies competing for the 20-year concession with a five-year extension are TIPS Company Ltd., STC Capital Holdings, both of Thailand, and Hyundai

Merchant Marine of Korea. The project will require an investment of between 1.3 and 1.5 billion baht (52 and 60 million dollars) bids will be reviewed in October.

The fifth container terminal will have a capacity of 300,000 twenty equivalent units per year. The other four Silk United Pte. Ltd. of Zhejiang Province and the Sarawak State Economic Development Corporation signed an agreement for China to help develop the silk industry in Sarawak state on Borneo Island. Under the agreement, signed in Sarawak state's capital

The agreement signed by the corporation's Deputy Chairman Onn Abdullah and Golden Silk chairman Zhu Yi Hong will help develop Sarawak's only silk farm owned by the corporation's subsidiary. Eastern Empress Silk Pte. Ltd.

Eastern Silk was established in 1988 and has been rearing silkworms and reeling yarn since then. — Source:

Kuching on Tuesday, golden silk will provide technical expertise and advice. The Star daily reported Wednesday.