

SANYO

Microwave Oven

Sole Distributor in Bangladesh

Transfin Trading Limited

100, Kazi Nazrul Islam Avenue, Dhaka-1215

Telephone: 815-306-09, 819625-29, Fax: 813062

The Daily Star BUSINESS

DHAKA THURSDAY, JANUARY 4, 1996

**HYUNDAI**

CARS THAT MAKE SENSE

Tea prices decline at Chittagong auction

CHITTAGONG, Jan 3: The local tea market once again met with a less demand for the second consecutive week due to less support and demand for both the internal and foreign buyers, reports UNB.

This observation was made by the market experts during the weekly tea sale held here on Tuesday.

Market sources said, particularly for less support from the buyers of internal market, the prices declined. Smaller broken and fannings were easier by Tk 2.50 over previous rates.

Good liquoring teas, however, continued to elicit good support from the internal buyers including major blenders and these registered a less fall in prices.

There was some interest from out-markets for medium fannings, the sources said, adding buyers from Poland and Jordan were less active and operated at lower levels.

A bright feature of the sale was the strong demand for dusts which were often dearer.

CTC Broken: Bold and large broken met with a limited demand and the prices declined up to Tk one and more. Medium and small broken were also easier up to Tk two and more particularly towards the close of the sale.

Popular types followed a similar trend and sold between Tk 52 and 56.60.

CTC Fannings: All fannings were easier market and generally declined by Tk 2 to

2.50 particularly towards the close. Popular types were also easier selling between Tk 52 and Tk 55.60.

Green Tea: Some 240 chests on offer at the sale met with a slightly improved demand. YH sold between Tk 45 and Tk 46 and Hysan sold at Tk 49.50.

Dust: Some 2,701 chests, 10 bags and 646 gunny sacks on offer met with a good demand. Good liquoring RD/PD continued to fetch good competition with prices mostly maintained.

Others were slightly easier and CDs were lower market. Both loose tea trade and the packeteers lent a useful support.

A total of 20,169 chests were offered for auction. The next sale will be held on January 9.

Bank of England investigating traders' bonuses

LONDON, Jan 3: The Bank of England has launched an investigation into traders' bonuses, amid concerns that dealers are being encouraged to take huge risk with their bank's capital to maximise their profit-related bonuses, a spokesman said yesterday, reports AFP.

The study, conducted by a leading economist from the London School of Economics among some 20 financial institutions, comes in the wake of the spectacular collapse of Barings last year, after rogue trader Nick Leeson notched up losses of 1.3 billion dollars in risky futures deals.

In the city, the practice of linking dealers' bonuses to their performance in proprietary trading — in which they bet with the bank's capital rather than carrying out orders for clients — is seen by many financiers as a recipe for disaster.

One top banker said: "what they want to know is, first, the extent to which the trader bets the shop, and secondly, whether the bank realises he has bet it."

Nick Leeson's losses out of Barings' Singapore office, which mounted up over a two-year period, went undetected right up until the bank's collapse in February.

The central bank official said the project has been sponsored by the Bank of England to look at how the dealers' bonus packages "affects the incentives and attitudes to risk-taking."

But he stressed that the bank did not plan to force changes on the city. The Bank of England does not intend to "interfere in the ways in which banks and other financial institutions pay their staff," the spokesman said.

DSE posts remarkable growth in '95

By Staff Correspondent

Market capitalization and trading of shares and debentures on Dhaka Stock Exchange have registered a remarkable growth last year. The market capitalization

the previous year.

At the beginning of the year 1995 the market capitalisation on the DSE was Tk 42.77 billion while it moved to Tk 74.05 billion at

A total of 38.33 million shares and debentures valued at Tk 6.38 billion were traded during the year.

In the year, on an average

A quarterly performance for the year 1995 is as follows:				
	(Jan-March)	(April-June)	(July-Sept)	(Oct-Dec)
No. of listed issued	179	188	193	201
No. of Shares Securities (In Million)	307.35	325.47	333.52	342.078
Issued capital (Tk. In Bil)	16.435	18.32	18.65	19.468
Market Capitalisation (Tk. In Bil)	45.3	49.99	54.37	74.052
Index-End of Quarter	784.66	776.88	836.78	834.73
Turnover-Volume (In Mil)	4.536	9.761	11.279	12.749
Value (Tk. In Mil)	906.72	1489.72	1778.27	2206.21
Daily Average Transaction Value (In Mil)	0.072	0.15	0.16	0.23
Value (Tk. In Mil)	14.39	22.23	25.77	40.11

roses by 73 per cent while the trading of shares and debentures increased by 98 per cent in volume and 49 per cent in value compared to

the end of the year. A press release of the DSE says yesterday that 31 more issues were listed during the period.

0.15 million shares worth of Tk 25.12 million were transacted daily against 0.69 million shares of Tk 15.47 million of the previous year.

Greenback ends higher against leading currencies

NEW YORK, Jan 3: The American dollar ended mostly higher against leading currencies in quiet dealings Tuesday, as the Japanese yen came under pressure in Europe, reports AP.

Investors have been seeking currencies with better value than the yen, causing the Japanese currency to sink in recent days, traders said. The trend continued Tuesday, exacerbated slightly by the absence of Japanese

participants as markets in Japan were closed until Thursday for the New Year holiday.

"There's a lot of money coming out of yen into other currencies," said Margaret Kudaruskas, senior foreign exchange analyst at Technical Data in Boston.

"There's a general preference for higher yielding currencies and the feeling is that Japanese interest rates will not go up soon."

The dollar gained against the German mark, which was weakened in Europe, where the outlook for interest rates favoured currencies like the Swiss franc and the Italian lire.

In later New York trading, the dollar was quoted at 103.92 yen, up from 103.40 late Friday. The dollar was also changing hands in New York at 1.4367 marks, up from 1.4366 on Friday.

Consumer group slates NAFTA

WASHINGTON, Jan 3: The advocacy group Public Citizen, which has long opposed the North American Free Trade Agreement (NAFTA) charged yesterday that the pact has sharply worsened public health and environmental conditions along the US-Mexican border, reports AFP.

"NAFTA has intensified severe problems of water and air pollution, hazardous waste dumping, and increased the incidence of certain diseases and birth defects in the border region," Public Citizen President Joan Claybrook said in a statement.

NAFTA took effect two years ago Monday, on January 1, 1994.

The treaty linking Canada,

Mexico, and the United States, resolved in a host of new tri-national agencies and commissions monitoring everything from the environment to labour, immigration, and infrastructure.

But in a 70-page report titled "NAFTA's broken promises: the border betrayed," public citizen — founded by consumer advocate Ralph Nader — charged that rather than alleviating pollution and birth defects, NAFTA has exacerbated them.

As reasons for the reported increase in medical and environmental problems, Public Citizen cited the 1994 Mexican economic crisis — which caused construction of several water treatment facilities to be halted — and a

high concentration of Mexican workers in six Mexican border states.

Defenders of NAFTA argue that it is simply premature to substantively evaluate the pros and cons of the two-year-old free-trade agreement.

Several external factors have also affected how the US and Mexican authorities address problems along their 3,200-kilometre (2,000-mile) border.

Those include a sharp backlash against immigrants in the United States, an increasingly 'problem with drug-smuggling, and a devastating economic crisis in Mexico that turned 1.6 million people out of their jobs last year alone.

Precious metals rally in London

LONDON, Jan 3: The precious metals markets made a quiet start to the New Year yesterday with most prices marked up modestly from their closing 1995 levels last Friday, reports Reuters.

"There was some buying in gold early but we didn't expect much today with Switzerland and Japan both closed (for public holidays)," a dealer said.

Gold closed at 389.60 US dollars per ounce after a pre-holiday 386.85 US dollars on Friday reflecting a brief rally in New York.

Speculators pushed both silver and gold prices higher, forcing dealers with uncovered or short positions to buy in the market as the price began to rise.

Developing states sink deeper into debt: OECD

PARIS, Jan 3: Developing countries sank deeper into debt in 1994 with their foreign debts increasing by a tenth to 1.714 trillion US dollars, the 'biggest growth in recent years,' according to the Organization for Economic Cooperation and Development (OECD), reports Xinhua.

Asian developing countries recorded the fastest growth in overseas borrowings, with a 17.8 per cent rise to 705 billion dollars, followed by Latin America with three per cent, the Paris based organization said in an annual report, published yesterday.

But it said Asia's foreign debt per capita of 250 dollars still accounts for only a fourth

of that of debt-laden Latin America.

The overall foreign debt of African nations did not increase due to the extension of payoff periods or debt cancellations.

The OECD attributed the sharp increase in developing country debt mainly to an enormous influx of private capital, which could be disastrous as the money can be quickly withdrawn when the creditors lose confidence in the countries.

It warned this might lead to a repetition of the 1995 crisis in Mexico, which in 1994 became the biggest debtor among Developing nations with 125 billion dollars of foreign debts.



Mahbub Kabir, Additional Secretary, ERD and Rolf C. Carriere, UNICEF Representative in Bangladesh signed the Basic Cooperation Agreement in the city Tuesday on behalf of the Government and UNICEF respectively.

BCA with UNICEF

Bangladesh government and the United Nations International Children and Education Fund (UNICEF) signed the Basic Cooperation Agreement (BCA) Tuesday coinciding the launching of next country programme, reports UNB.

Additional Secretary at the Economic Relations Division (ERD) Mahbub Kabir and UNICEF Representative in Dhaka Rolf C. Carriere signed the agreement on behalf of their respective sides.

The BCA defines the terms and conditions for co-operation between the host government and UNICEF, and outlines the administrative and technical arrangement for implementing UNICEF supported programmes in Bangladesh.

The next Country Programme of Cooperation between Bangladesh and UNICEF began yesterday. UNICEF will provide a grant of 250 million US dollar, equivalent to Tk.100 crore, for development projects in the area of child survival, development, protection and participation.

The last BCA was signed between Bangladesh government and the UN body in December 1973.

Iraq urged to accept UNSC resolution

CAIRO, EGYPT, Jan 3: UN Secretary-General Boutros Boutros-Ghali said Tuesday that Iraq should accept a Security Council resolution calling for a limited sale of oil to supply its population with food and medicine, reports AP.

"Internet coming to rescue developing world"

WASHINGTON, Jan 3: The computer-based global information infrastructure (GII) is coming to the rescue in the developing world where shrinking resources have meant a shortage of journals and information for intellectually hungry students, professionals, according to USIS.

Because of the speed with which computers can handle millions of pieces of information, the advantage for Africans of GI — such as the Internet system — is that "it will give people access to information that has been lost or just never received for years," says computer expert Jonathan Metzger.

As an example, Metzger mentioned a visit he recently made to Makerere University in Uganda, whose library was "on-line" (hooked up to the Internet). The University librarians "talked about how their journal subscriptions had been cut off for a number of years because of lack of resources" to pay for them. Now, through Internet, Makerere University's library can access data bases and even library holdings worldwide.

Metzger, an international computer systems consultant working for the US Agency for International Development (USAID), led the development of an initiative to extend the Internet international computer network to 20 African nations. Internet already links more than 20 million computers in homes, offices, libraries, and schools worldwide.

3 aviation taxes go thanks to US budget impasse

WASHINGTON, Jan 3: Many airline passengers are enjoying a 10 per cent break on ticket prices, thanks to the inability of Congress and President Clinton to resolve their budget impasse, reports AP.

Three aviation taxes — a 10 per cent tax on domestic flights; a 6 dollars per ticket international departure tax and an air cargo tax — expired at midnight December 31.

They would have been extended as part of the seven-year balanced budget adopted by Congress, but Clinton vetoed it last month.

Most major airlines — including American Airlines, Delta, US Air and Continental — said they would pass along the savings to customers. But Southwest Airlines said it will continue to collect the surcharge, essentially boosting fares.

United Airlines said it would reduce its fares 10 per cent only in markets where it competes with airlines that have cut fares. United and Southwest compete on the West Coast.

Actual foreign investment in Guangdong slows

BEIJING, Jan 3: Actual foreign investment in China's trail-blazing Guangdong province slowed dramatically in calendar 1995, with inputs rising just 4.8 per cent over the previous year to 12 billion dollars, a report said yesterday, reports AFP.

The figure was one billion dollars short of the southern province's target, the China Daily quoted the local statistics bureau as saying.

The increase compared with an average 34 per cent annually over the last 16 years, during which the southern province has led the way in China's opening up to the outside world, becoming a favourite location for foreign investors, particularly from neighbouring Hong Kong and from Taiwan.

In recent years, central government moves to broaden the scope of investment from Guangdong and southern China to Shanghai, northern provinces and backward inland areas have taken its toll on inputs into Guangdong.

Tobacco giant fined for tax evasion in India

NEW DELHI, Jan 3: The Indian government has ordered Calcutta-based tobacco giant ITC Ltd. to pay a fine of 235 million dollars for tax evasion, a newspaper reported today, reports AFP.

"This is the first time a penalty of this magnitude has been levied on a major company in a revenue matter," Additional Solicitor-General M Chandrashekar was quoted as telling the daily The Telegraph.

The government also imposed personal fines amounting to 382.352 dollars on the former Chairman of ITC, JN Sapru, two directors of the tobacco firm and several other executives, the Calcutta-based newspaper said.

MD of National Tea reappointed



National Tea Company Ltd reappointed Nasir Uddin Khan Managing Director of the company for a further term of five years beginning January 1, 1996.

According to a press release, the company took the decision at its Board of Directors meeting held recently with Chairman Mohd A Harris Chowdhury presiding.

Japan to build chemical arms disposal plants in China

TOKYO, Jan 3: Japan will build several plants in China in two years to dispose of chemical weapons left in the country by Japanese troops during World War II, the Nihon Keizai Shimbun said today, reports AFP.

China has said some two million poison gas shells were left in the northeastern provinces of Heilongjiang, Jilin and Liaoning by the Japanese military.

Japan wants to dispose of chemical weapons by 2005 which it left in China as the chemical weapon convention, which forces countries to dispose within 10 years of all such weapons left overseas, is expected to be ratified this year.

Japan has sent inspection teams to China five times and confirms that some shells and drums of poison gas that were produced by the Imperial Japanese Army were left in the country during the 1937-1945 Sino-Japanese war.

The Japanese government plans to complete feasibility studies by March for the disposal project, estimated at hundreds of billions of yen (billions of dollars), the newspaper said, quoting government sources.

3 aviation taxes go thanks to US budget impasse

WASHINGTON, Jan 3: Many airline passengers are enjoying a 10 per cent break on ticket prices, thanks to the inability of Congress and President Clinton to resolve their budget impasse, reports AP.

Three aviation taxes — a 10 per cent tax on domestic flights; a 6 dollars per ticket international departure tax and an air cargo tax — expired at midnight December 31.

They would have been extended as part of the seven-year balanced budget adopted by Congress, but Clinton vetoed it last month.

Most major airlines — including American Airlines, Delta, US Air and Continental — said they would pass along the savings to customers. But Southwest Airlines said it will continue to collect the surcharge, essentially boosting fares.

Government of the People's Republic of Bangladesh Office of the Executive Engineer Facilities Department, Ministry of Education Panchagarh Zone, Panchagarh Tender Notice

Tender Notice No. 9/FD/PGZ/95-96 Dated: 26.12.95

Sealed tenders through Bangladesh Form No 2911 are hereby invited from A-1/A-2/A-3 class contractors of Facilities Department for reconstruction work of the undermentioned Govt Primary Schools under Facilities Department, Panchagarh Zone under the Project Govt Primary School Reconstruction & Renovation during 1995-96 financial year.

- Last date & time of purchasing tender document: 12.9.96 (up to office hours)
- Date & time of submitting tender document: 13.1.96 (up to 12.00 Noon)
- Date & time of opening tender box: 13.1.96 (1.00 pm)
- Place to purchase tender document: Executive Engineer, Facilities Department, Panchagarh/Naogaon/Dinajpur/Rangpur/Rajshahi/Bogra Zone office & Assistant Engineer, Facilities Department, Thakurgaon/ Panchagarh district office.
- Place to submit tender: do.
- Estimated cost: 4,93,000/-
- Earnest money: 2% (two per cent) of the estimated cost should be deposited with the tender as earnest money through Bank Draft/Pay Order from any scheduled bank (refundable) in favour of Executive Engineer, Facilities Department, Panchagarh Zone, Panchagarh.
- Price per set of tender documents: Taka 400/- (four hundred) only (non-refundable).

Group No & list of the selected Govt Primary Schools:				
Sl.No	District	Thana	Name of school	Time limit for work
1	Panchagarh	Sadar	Kholapara Govt Pry school	3 (three) months
2	Thakurgaon	Sadar	Balajuri Govt Pry school	3 (three) months
3	Thakurgaon	Sadar	Bhelarhat Govt Pry school	3 (three) months

The authority reserves the right to accept any tender or reject any or all tenders without assigning any reason.

- Terms & conditions:**
- Tender will be sold subject to production of original registration book of contractors who have paid the renewal fee for 1995-96 financial year, by the contractor or his authorised representative prior to purchasing tender.
 - If the quoted rate/value is found to be more than 5% (five per cent) below the estimated cost, then the tender document will be treated as cancelled outright.
 - VAT will be deducted from contractors bill as per government rules.
 - If the rate is quoted below the estimated cost, then 8% (eight per cent) earnest money, in excess of usually submitted 2% (two per cent) of estimated cost, should be submitted in the form of Pay Order/Bank Draft in favour of Executive Engineer, Facilities Department, Panchagarh Zone.
 - If more than one contractors are found to be the lowest in any group, then the selection will be made through lottery on 16.1.96 at 11.00 am.

Kazi Wahidul Alam
Executive Engineer
Facilities Department
Panchagarh Zone
Panchagarh

DFP-32961-31/12
G-30