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# The Daily Star BUSINESS

DHAKA TUESDAY, JANUARY 23, 1996



HYUNDAI

CARS THAT MAKE SENSE

## China claims success in curbing money supply growth in '95

BEIJING, Jan 22: China claimed yesterday success in curbing money supply growth in 1995 by applying new regulatory measures, saying this had played an important role in bringing down inflation to within state targets, reports AFP.

Currency in circulation increased by 60 billion yuan (7.2 billion dollars), or 8.2 per cent, to 790 billion yuan, Xinhua quoted people's Bank of China officials as saying, adding that the rise had compared with one of 82 billion yuan in 1994.

The M1 money supply, which also includes enterprise's current account deposits, grew 16.8 per cent to 2.4 trillion yuan, while the broad M2, which covers all forms of deposits, jumped 29.5 per cent to 6.08 trillion yuan, the report said.

The growth in M1 and M2 were 10 percentage points and nearly five percentage points slower respectively than in 1994 and were lower than initial 1995 targets of 23 to 25 per cent and 30 per cent, it said.

This is the first time in past few years that M2 growth has fallen below 30 per cent, it added, saying this success had been an 'important factor' in bringing inflation down from 21.7 per cent in 1994 to 14.8 per cent last year, 0.2 percentage points below the government's target.

The report said that in 1995 the central bank had applied new measures to regulate money supply, including raising interest rates on loans, issuing financial bonds, accepting special deposit accounts, lending through re-discount and extending temporary loans.

## Egypt to cut import duties on 25 items

CAIRO, Jan 22: Egypt is to cut import duties on an array of investment products including transport ships and engine equipment to 10 per cent, the government Daily Al-Ahram reported yesterday, says AFP.

Finance Minister Mohie Eddin Al-Gharib announced the reductions on a list of 25 products on which duties formerly ranged from 30 to as high as 70 per cent, the paper said.

The products include transport and fishing ships as well as yachts, diesel and steam engine equipment, air conditioning parts, electrical equipment, tractors, ambulance and hearses, as well as fire-fighting and irrigation equipment.

The ministry decision to lower the customs is awaiting a presidential approval before going into effect, Gharib said.

Reduction of Egypt's high import tariffs has been a pressing demand by the International Monetary Fund in its review of the country's ambitious, four-year-old campaign of privatisation and economic reform.

## Venezuela's Pdvs giving contracts to major oil cos

CARACAS, Venezuela, Jan 22: Exxon, Shell, Mobil and other foreign companies start bidding Monday on what they expect to be a hotly contested auction of oil fields cut off to them since 1976, says AFP.

The state oil monopoly Petroleros de Venezuela (Pdvs), one of the world's largest oil companies, is awarding contracts to exploit 10 fields strung across this South American country.

Bidding runs through Friday. Competing are 75 companies including Texaco, Amoco, Chevron and British Petroleum.

Venezuela, the largest foreign supplier of oil to the United States, nationalised the industry two decades ago. But in 1991, it slowly started opening its reserves — the largest outside the Middle East — to private companies.

This week's auction is the biggest step yet in the opening.

The fields could produce about 500,000 barrels a day and help Venezuela boost its current production capacity of 3 million barrels a day to 5 million barrels a day by 2005, according to Pdvs officials. That would make it the No. 4 producer worldwide.

## Dhaka to receive \$ 80 m Japanese grant aid

The governments of Japan and Bangladesh signed here yesterday an agreement concerning Japanese grant aid for debt relief, amounting to 8.014 billion yen (approximately 80 million US dollars), said a Japanese Embassy press release, reports BSS.

Yoshikazu Kaneko, Ambassador of Japan to Bangladesh, and M Fazlur Rahman, Additional Secretary, Economic Relations Division of the Ministry of Finance signed the exchanged notes on behalf of their respective governments.

Under the exchange of

notes, the government of Japan will provide Bangladesh with a grant assistance of 8.014.469.00 yen with the intention of producing the same effect as cancelling an international debt.

When the repayment of an official development assistance debt is made by a less developed country, Japan, instead of reducing the debt, offers the same amount as the repaid debt.

In this aspect, the grant will enable the recipient country to purchase commodities and equipment from all member countries of

Organisation for Economic Cooperation and Development (OECD), said the press release.

Since this grant is to be utilised by the government of Bangladesh for the import of commodities and equipment for much needed investment programmes, it will substantially contribute to the development of various sectors of the Bangladesh economy and social welfare, it said.

It will also contribute considerably in improving the balance of payments position of the recipient country, it said.

## Hashimoto vows action on bad debt

TOKYO, Jan 22: Promising to 'deal strictly' with wrongdoers, Ryutaro Hashimoto sought support from lawmakers Monday for an unpopular bailout plan for housing lenders in his first speech to Parliament as prime minister, reports AP.

Hashimoto, who proved himself a tough negotiator in trade talks with the United States last year, also promised to reaffirm US-Japan ties during President Clinton's visit set for April.

A plan to move US military bases on Okinawa to other areas will also be worked out, without changing bilateral security arrangements, he said.

Protest has been growing on the southern island, where more than half of the

47,000 US troops in Japan are stationed, especially after a rape of a 12-year-old Okinawan girl last September allegedly committed by three US servicemen.

Winning public support for the plan to rescue the housing lenders, called 'Jusen', will be a key test for Hashimoto, the dapper former trade chief who became prime minister January 11.

The squabble over the plan, which calls for using 680 billion yen (6.5 billion dollars) in taxpayer money, is expected to dominate the parliamentary session that opened Monday.

The government has defended the plan, part of a larger effort to deal with the huge amount of bad debts at banks left over from specula-

tive real estate deals of the late 1980s and early 1990s.

The opposition has blasted the Jusen bailout and called for immediate elections.

In his speech, Hashimoto reiterated the government explanation that the bailout is needed to keep Japan's economic recovery on track.

'We will deal strictly with everyone involved, not only the lenders and borrowers but everyone else as well,' Hashimoto said, adding that a criminal investigation was under way.

'I will make every possible effort to gain popular understanding for our chosen course of action,' he said.

Also Monday, Hashimoto's Liberal Democratic Party and its coalition partners agreed to push for disclosure of the major borrowers in the bailout, local media reported.

A report from the Finance Ministry Friday on the seven housing lenders' outstanding loans was criticized because it did not disclose the names of the borrowers. Some are suspected to have links with 'yakuza' mobsters.

In his speech, Hashimoto did not say whether the borrowers would be identified, but he vowed to push for 'the fullest possible disclosure.'

The Liberal Democrats, who ruled Japan alone for nearly four decades, were kicked out of power in 1993 after a string of corruption scandals. They staged a comeback by forging a coalition with the Socialists in 1994.

## Some changes in Russian reforms likely

MOSCOW, Jan 22: Seeking to reassure jittery foreign investors, Prime Minister Viktor Chernomyrdin on Monday said Russia would stick to financial goals of stabilization but that some changes in reform would be made, reports AP.

Chernomyrdin was speaking less than a week after President Boris Yeltsin fired Anatoly Chubais, a deputy prime minister who was in charge of the privatization of state industry and the lone reformer left in the Cabinet.

Many working class Russians despise the government's privatization plan that has created a small elite of very rich Russians. Opposition to the programme helped the Communists win last month's parliamentary elections.

Foreign investors, however, eager to cash in on one of the biggest selloffs of state industry in history, are worried the government may now roll back the clock on reforms.



A six-day Swift training arranged by American Express Bank Ltd, Dhaka was held from January 12 to 17. The training was conducted by Swift Hong Kong office. In the above picture Chikako Shibata, education specialist, Swift Hong Kong, is seen along with Gofran Farooque, Senior Director & CAO, and officials of American Express Bank Ltd, Dhaka.

## Asian units mixed against dollar over week

HONG KONG, Jan 22: Asian currencies were mixed against the dollar last week, with some currencies falling on reports of possible rate cuts by European central banks, reports AFP.

JAPANESE YEN: The yen slumped to a 22-month low of 106.53 to the dollar at one point this week as the US unit rallied on expectations of further gains fueled by German Bundesbank chief Hans Tietmeyer and US financier George Soros.

Following its debate on Wednesday, the yen steadied later to fetch 105.87 to the dollar late Friday, slightly off from 105.14 to the dollar a week earlier.

AUSTRALIAN DOLLAR: The Australian dollar fell more than half a US cent this week to close below 74 US cents as investors became increasingly nervous in the lead-up to an election here.

The currency ended at 73.78 US cents Friday, down from 74.38 US cents a week ago, it closed at 54.1 points on the reserve bank's trade-weighted index, down from 54.2 points last Friday.

HONG KONG DOLLAR: The Hong Kong dollar ended the week at 7.7306-7.7316, down from the previous week's 7.7317-7.7327 range.

INDONESIAN RUPIAH: The Indonesian currency closed on Friday at 2,307 rupiah to the dollar, or three rupiah to the dollar or three rupiah stronger than at closing on Friday the previous week.

MALAYSIAN RINGGIT: The ringgit closed stronger against the US dollar this week.

The local unit ended the week 118 points higher in active trading to close at 2.5515 from 2.5633 the previous week following intervention by Malaysia's central bank, Bank Negara.

Bank Negara had on Thursday mopped up short-term funds and the ringgit in an aggressive bid to defend the local currency after it was threatened by big purchase of the US dollar.

PHILIPPINE PESO: The Philippine peso appreciated to 26.03 pesos to the US dollar on January 19 compared to the January 12 level

of 26.24 pesos to the dollar. SINGAPORE DOLLAR: The Singapore dollar ended the week higher against the US dollar at 1.4215 from 1.4228 previously after fluctuating within a narrow range.

'Despite the slight weakness, the charts continue to show that the greenback is on a bullish trend against the local unit,' said Tan Kee Wee, an analyst with Singapore's United Overseas Bank.

SOUTH KOREAN WON: The won slightly strengthened against the dollar, trading at 789.80 won per dollar Saturday, compared with 790.30 won to the greenback a week ago.

TAIWAN DOLLAR: The US dollar advanced to close Friday at 27.421 Taiwan dollars in lackluster trading, up 4.9 Taiwan cents from the previous week's finish of 27.372 Taiwan dollars.

THAI BART: The Bank of Thailand's Exchange Equalisation Fund on Friday fixed the official mid-rate at 25.31 bath to one US dollar, compared to the previous week's close of 25.26 bath.

## China to promote private use of cars to build up auto industry

BEIJING, Jan 22: China will promote the private use of cars in order to build up its automobile industry, a government minister was quoted as saying on Monday, reports AP.

Machinery Industry Minister He Guangyuan said a modern economy cannot exist without a powerful automotive industry. He made the remarks at a two-day automotive industry conference that ended Sunday.

The biggest market in the future is in automobiles purchased for private use, he said.

In the past, most cars in China were purchased by government departments and enterprises. Last year, 82 per cent of Chinese-made motor vehicles were purchased for private use, the report said.

China produced 1.45 million sedans, buses and trucks last year, it said, without giving a breakdown. It plans to produce 1.3 million sedans and 1.4 million buses and trucks annually by the end of the century.

In addition, China produced 7.8 million motorcycles in 1995, an increase of 2.6 million over the previous year.

A report on the automotive industry in Monday's People's Daily, the ruling Communist Party's mouthpiece, said the country must promote the private purchase of automobiles. Neither report mentioned any discussion of problems of air pollution and congestion caused by automobiles, problems already serious in China's cities.

## Saudi aid committee gives \$783,000 to PLO

RIYADH, Jan 22: A Saudi Aid Committee said Sunday it had given the PLO 783,000 dollars in aid raised by donations and a five per cent tax on Palestinians working in the Gulf kingdom, says AFP.

The latest grant raises to 31 million dollars the total aid given by the committee to Yasser Arafat's Palestinian Liberation Organisation since payments resumed in 1992.

The Saudi government and the committee had earlier cut off all aid to the Palestinians after accusing Arafat of supporting Iraq's invasion of Kuwait in August 1990.

## Dollar mixed, stocks lower in Tokyo trading

TOKYO, Jan 22: The US dollar was mixed against the Japanese yen in early Tokyo trading Monday, while prices on the Tokyo Stock Exchange fell moderately, reports AP.

The dollar's move followed Saturday's meeting of finance ministers and central bank governors of the Group of Seven industrialized nations in Paris.

After the G-7 meeting, participating officials said a stronger US dollar and falling interest rates would further economic recoveries in the United States and Europe and help Japan rebound from a four-year recession.

The G-7 includes the United States, Britain, Germany, France, Italy and Canada.

In early trading, the dollar was traded at 105.56 yen, down 0.06 yen from its late level of 105.62 yen in Tokyo on Friday but higher than its late Friday New York trading at 105.36 yen.

On the stock market, share prices started lower as many investors retreated to the sidelines, see parliamentary debate on bad loans held by seven Japanese mortgage lenders, dealers said.

A 150-day ordinary parliamentary session was to convene in the afternoon, with Prime Minister Ryutaro Hashimoto making his policy speech.

The 225-issue Nikkei Stock Average shed 140.92 points, or 0.69 per cent, to 20,224.84 points in the first 30 minutes of trading. On Friday, the average closed at 20,365.76 points, down 4.28 points, or 0.02 per cent.

The Tokyo Stock Price Index of all issues listed on the first section was down 7.89 points, or 0.50 per cent, to 1,577.63. The TOPIX was down 1.79 points, or 0.11 per cent, closing at 1,585.52 points on Friday.

The benchmark No. 174 10-year Japanese government bonds were quoted at 111.30 yen, down 0.32 yen from Friday's close. Their yield rose to 2.955 per cent from 2.915 per cent.



Dr ATM Shamsul Huda, Secretary, Banking Division, Ministry of Finance, seen inaugurating the third branch of Dhaka Bank Ltd at Agrabad in Chittagong on Saturday. Mirza Abbas, Advisor, and Abdul Hai Sarkar, Chairman of the bank, also seen in the picture.

## Economic expert says Higher oil prices, reforms boost Arab economy in '95

ABU DHABI, Jan 22: Higher oil prices and reforms boosted the Arab economy in 1995 but it remains far behind growth rates achieved in Southeast Asia, a regional economic expert was quoted on Sunday as saying, reports AP.

Maabed Al-Jarhi, an expert at the Abu Dhabi-based Arab Monetary Fund (AMF), said the economy of the Arab League's 22 members grew by around three per cent in 1995 compared with less than 2.5 per cent in 1994.

He said the higher growth rate was due to an increase in crude prices and economic restructuring programmes carried out by several member states.

'But such a rate is not sufficient for the Arab economy to occupy a prominent place in the global economy as growth rates in many other countries are much higher,' he told the Emirates Today magazine.

This means that the share of the Arab economy in the world is receding steadily. This could stop only after some Arab countries begin recording a surge in growth rates similar to those in Southeast Asia.

Most Arab nations have launched reforms or announced similar plans to tackle their economic prob-

lems, mainly slow growth rates, unemployment and inflation, accumulating debt and deficits in the budget and balance of payments.

In the oil-rich Gulf, where such problems had been virtually non-existent during the oil boom 15 years ago, most regional nations have embarked on privatisations and other reform programmes to repair economic damage caused by a sharp decline in crude prices over the past decade.

Jarhi said Gulf Cooperation Council (GCC) states — Saudi Arabia, Bahrain, Qatar, Kuwait, Oman and the United Arab Emirates (UAE) — recorded a real growth rate of around three per cent in 1995 compared with less than two per cent in 1994. He attributed the upturn to an increase in crude prices to around 16.8 dollars from 15.5 dollars a barrel.

'Such growth remains much lower than what could be realised by the financial and natural resources of the region,' he said.

The six members, which control 45 per cent of the world's oil, rely heavily on crude exports and their aid to fellow Arab nations had been vital for their economies during 1980s as it accounted for a large part of their income.

## US barge aground Oil spill widens, crippled barge still leaking

SOUTH KINGSTOWN, Rhode Island, Jan 22: Working against choppy waters, crews began pumping heating oil Sunday from a crippled barge that spilled more than 828,000 gallons (3.1 million liters) after running aground off a wildlife refuge in a storm, reports AP.

Meanwhile, the oil had spread, and the barge was still leaking. Gov Lincoln Almond declared an emergency and requested federal disaster relief funds to help pay for the cleanup.

'We're all getting pretty frustrated, that's why I say the number one thing right now is to try and get the rest of the oil off and, I think, be patient with everyone,' Almond said.

Crews estimated it would take at least 14 hours to pump about 1 million gallons (3.8 million liters) in order to set the barge afloat again.

It had been carrying 4 million gallons (15 million liters).

The spill, the largest in state history, was being pushed out to sea by the wind, but had spread from Rhode Island's southern coast 12 miles (19 kilometers) to a pond on Block Island that is a spawning area for flounder.

There were no immediate reports of dead fish or birds there, but thousands of lobsters and several dozen birds, mostly ducks, have been killed along the coast near the Trustum Pond National Wildlife Refuge.

The Coast Guard set up booms around the barge and other coastal salt ponds to keep the oil from spreading, three skimming boats were removing oil from the water's surface.

## Food, fuel prices soar in Kabul

KABUL, Jan 22: Food and fuel prices have soared in the besieged Afghan capital in the past week after one of the country's warring factions shut the city's main supply route, locals said yesterday, reports AFP.

The complete blockade of the keyroad that links Kabul with the western Pakistani city of Peshawar comes at the coldest point in the bitter Afghan winter and as aid agencies warn that residents of the war-torn city are at severe risk of malnutrition and exposure.

The cost of heating fuel and staple foods — including rice, meat, flour, sugar and cooking oil — have skyrocketed by about 50 per cent since the main eastern artery to Kabul was closed eight days ago, shopkeepers and residents told AFP.

Meat has all but disappeared from shops and market stalls in the capital after rising by a massive 62 per cent in price in the first seven days of the blockade.

In addition, the blockade has sent the local currency, the Afghani, plummeting in value against the Pakistani rupee and the dollar. The unit has lost 17 per cent of its value in just seven days, boosting the prices of any goods that may make it to Kabul, they said.

'Things were bad here before, we were already cold and were already battling to feed our children, but this blockade has made things ten times worse,' taxi driver Gul Mohammed said.

## Taiwan's export orders up by 20 pc in '95

TAIPEI, Jan 22: Buoyed by a recovering world economy, Taiwan's export orders soared 20 per cent to a record 113.55 billion US dollars in 1995, the Economics Ministry said Sunday, reports AP.

It said the United States remained Taiwan's biggest market, placing 33.18 billion US dollars worth of orders, up 11.8 per cent from 1994.

Export orders to Hong Kong, four-fifths of which end up in China, rose 25.8 per cent to 22.34 billion dollars, it said.

Orders from Europe totalled 15.99 billion dollars worth, up 18.2 per cent, and from Japan 14.64 billion dollars, up 32.6 per cent, it said.

Orders for information and telecommunications products rocketed 41.2 per cent to 15.25 billion dollars, the minister said.

## Argentine beef exports may double in 10 yrs

MAR DEL PLATA, Argentina, Jan 22: Argentine beef exports could double in less than a decade as a result of soaring consumption in Asia, the head of the National Ranchers' Association said yesterday, reports AFP.

Beef exports in 1995 reached a 15-year high of 510,000 tonnes, which brought in more than one billion dollars, officials say.

Beef consumption in increasingly affluent Asian countries — where beef is displacing traditional staples such as rice and vegetables — is expected to increase 72 per cent in the next seven to nine years, Ranchers' Association President Enrique Crotto said.

### ঢাকা সিটি কর্পোরেশন

প্রমজী হাসপাতাল, নয়াবাজার, ঢাকা

ফোন : ২৪০৬৬-৯

**আপনার পরিবেশ সুন্দর ও পরিষ্কার রাখুন**  
**আপনার শিকের টিকা দিন**

### পুনঃ দরপত্র বিজ্ঞপ্তি

ঢাকা সিটি কর্পোরেশন প্রমজী হাসপাতালের জন্য সার্বিকাল উপকরণ সরবরাহের জন্য বাংলাদেশ কর্মসূচি ২৯১১তে প্রকৃত প্রকৃতকর কোম্পানী, আমদানিকারক, পরিবেশক ও সরবরাহকারী প্রতিষ্ঠানের নিকট হইতে দরপত্র আহবান করা যাইবে। উক্ত সীল দরপত্র আগামী ৩১-১২-৯৫ই/১৮-১০-১৪০২বার তারিখ বেলা ১১-০০ ঘটিকা পর্যন্ত পরিচালক, প্রমজী হাসপাতাল, প্রধান বাছা কর্মকর্তা, ঢাকা সিটি কর্পোরেশন এবং সকল আঞ্চলিক নির্বাহী কর্মকর্তাদের দ্বারা সীলমোহরকৃত সংশ্লিষ্ট বাস্তব গৃহীত হইবে এবং এদিনই বেলা ১২-০০ ঘটিকার সময় উপস্থিত দরদাতা/প্রতিনিধিগণের (যদি কেহ উপস্থিত থাকেন) সামনে পরিচালক, প্রমজী হাসপাতালের দপ্তরে খোলা হইবে। নিম্নে বর্ণিত হারে জামানত যে কোন সিটিউল ব্যাক হইতে পে-অর্ডার/ব্যাংক ড্রাক্ট-এর মাধ্যমে দেয়া, ঢাকা সিটি কর্পোরেশনের অনুকূলে দাখিল করিতে হইবে। টেন্ডার নোটিশ ফর্ম ও সিটিউল নিম্নে বর্ণিত হারে চালানের মাধ্যমে ঢাকা জমা দিয়া রশিদের বিমিনয়ে সিটি কর্পোরেশনের কাপিসিয়ার/সকল আঞ্চলিক নির্বাহী কর্মকর্তাদের দপ্তরে/প্রমজী হাসপাতালের কাপিসিয়ারের দপ্তর হইতে জমা করা যাইবে। সিটিউল ফর্মের রশিদ দরপত্রের সহিত দাখিল করিতে হইবে। মালমালের দাম অবশ্যই অকে ও ককার স্পষ্ট অক্ষরে লিখিত হইবে। দরপত্র খোলার দিন কোন সিটিউল বিজ্ঞপ্তি করা হইবে না। যে কোন দরপত্র গ্রহণ ও বাতিলের সর্বময় ক্ষমতা সিটি কর্পোরেশন কর্তৃপক্ষ সংরক্ষণ করেন। এতদসংক্রান্ত যাবতীয় তথ্যাবলী প্রয়োজনে যে কোন খোলা তারিখে অফিস চলাকালীন সময়ে নিম্নস্বাক্ষরকারীর দপ্তর হইতে অবগত হওয়া যাইবে।

ক্রমিক নং	আইটেমের নাম	সিটিউলের মূল্য (যদি/অনেকতম/যোগ্য)	জামানত	সরবরাহের সময়সীমা
১।	সার্বিকাল উপকরণ	৩০০/-	২%	আগস্ট/সেপ্টেম্বর ২০ (বিশ) দিনের মধ্যে

ডিসিপি/পিআরডি/৪০৪/৯৫-৯৬  
ডি-৯২

**পরিচালক**  
**প্রমজী হাসপাতাল**  
**নয়াবাজার, ঢাকা**