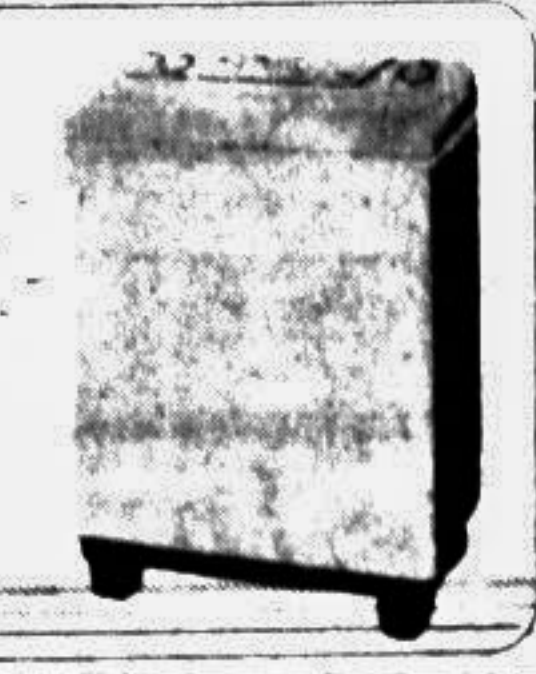



**SANYO**  
Twin-tub Washing Machine  
Tk. 11,950  
SW-225T



# The Daily Star BUSINESS



**HYUNDAI**  
CARS THAT MAKE SENSE

DHAKA SUNDAY, JANUARY 28, 1996

## Country's 1st CNG project opens at Mahakhali

Minister for Energy and Mineral Resources Dr Khandker Mosharraf Hossain yesterday inaugurated the country's first Compressed Natural Gas (CNG) project at Sohagh Filling Station, Mahakhali here, reports BSS.

The low-cost and environment-friendly fuel for automobiles, CNG will now be available in four filling stations of Dhaka city at the initial stage, the inaugural function was told.

Dr Mosharraf Hossain described the project as "highly important and significant" for Bangladesh and said this fuel would be of greater benefit to the nation in terms of economic gain as well as environmental aspects.

tk Gas Company Ltd (RPGCL) which had sponsored the project and Mirza Tasadduk Hossain, chairman of company's board and Joint Secretary of the ministry.

Mohammad Faizur Razzak said the project which cost only Tk 9.25 crore, would lead the fuel sector in the coming century by virtue of its multiple beneficial aspects against petrol and diesel.

"CNG has already been launched in many developed countries and this fuel will help our economy particularly in curbing the import bill on petrol and diesel," he

said adding that it would also help a great deal in protecting the environment from smoke of automobiles.

According to petrobranga sources, the project cost of Tk 9.25 crore include Tk 8.85 crore for installation of four filling stations and buying 1000 conversion kits from abroad.

The government has fixed the price of CNG at Tk 7.45 per cubic metre. The present price of petrol is Tk 13.70 per litre and diesel is Tk 12.70 per litre.



Dr Khandaker Mosharraf Hossain, Minister for Energy and Mineral Resources, opening CNG filling station at Mahakhali in the city yesterday.

He listed the beneficial sides of CNG, which one low-cost, smoke-free, sustainability less harmful for engine. "If CNG use increases, import of petrol and diesel will come down, saving the hard-earned foreign currency," he said.

The Energy Minister called for a coordinated effort to expand the use of CNG all over the country. He also stressed the need for use of their fuel in marine vessels which would further benefit the national economy as well as the environment.

The inaugural function was also addressed, among others, by Secretary of the Ministry Mohammad Faizur Razzak, Chairman of Petrobranga Dr Mujibur Rahman Khan, Khandker Mominul Huq, Managing Director of Rupantarita Prakri-

## Agrani Bank ups interest rate on deposits

Agrani Bank has increased the interest rate on savings account and other fixed deposits for facilitating country's overall savings with effect from February 1, 1996, says a press release.

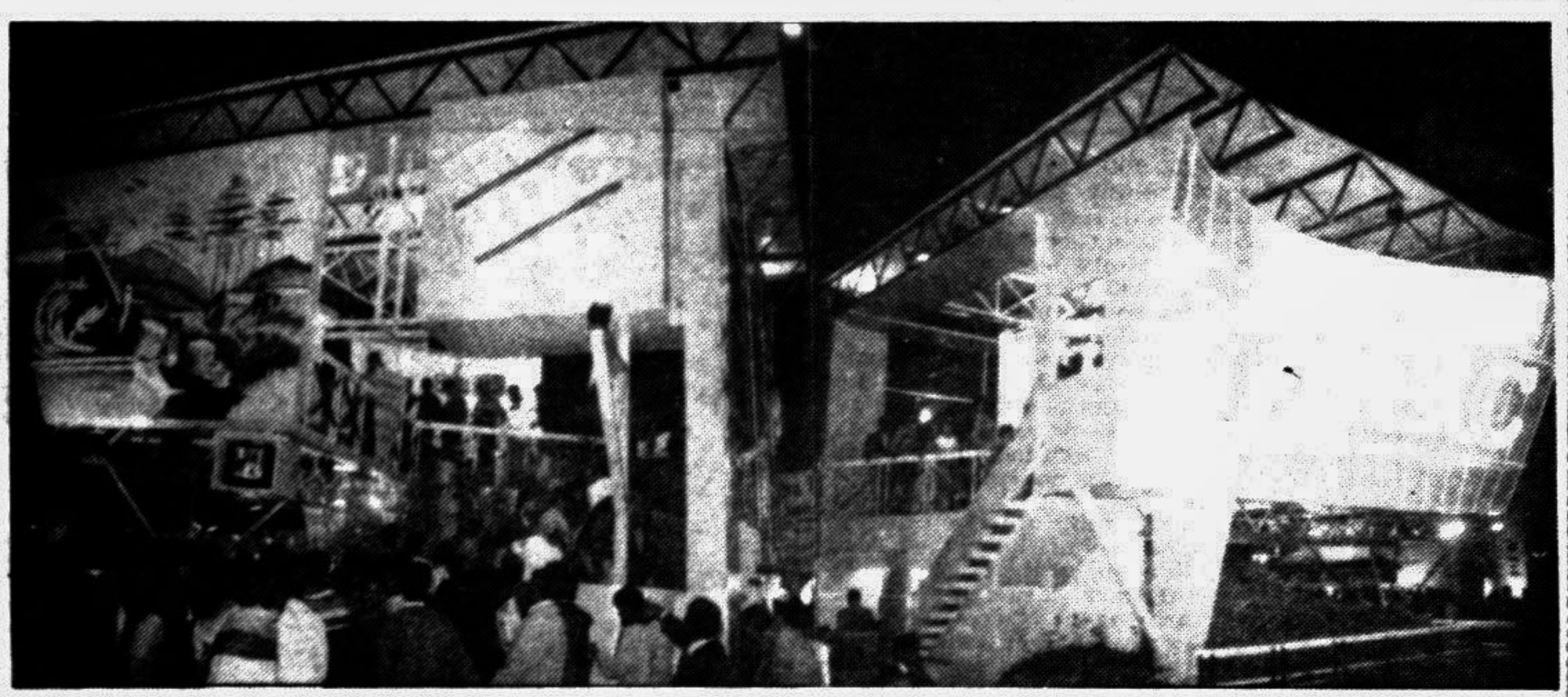
The interest rate on savings account has been elevated to six per cent. The newly introduced interest rate for fixed deposits of different terms have been increased from highest seven per cent and lowest six per cent to highest 7.25 per cent and lowest 6.25 per cent. Besides, the interest rates for DPS, Special Notice Time Deposit and Agrani Bank Pension Scheme for five years and ten years will remain unchanged.

## American Express shares surge

NEW YORK, Jan 27: American Express Co shares surged six per cent Friday following a report in Business Week magazine that an unidentified financial services company may be targeting the charge-card company for a takeover, reports AP.

The magazine cited the chief investment strategist of a New York investment bank, whom it did not name, saying American Express is "back on the buyout radar screen" of another huge financial-services company.

Business Week cited the source as saying the buyer may offer 30 billion dollars or 60 dollars a share, in a cash and stock merger. That would be the most expensive takeover offer in history.



HRC Group Pavilion at Dhaka International Trade Fair '96 was awarded first prize amongst all the Bangladeshi participants.

## India, Nepal to step up cooperation in water resources, tourism, trade

KATHMANDU, Jan 27: India and Nepal yesterday agreed to step up cooperation in water resources, tourism, trade and evolve ways to promote Indian investment in the Himalayan kingdom, according to PTI.

This was agreed at separate meetings between the External Affairs Minister, Pranab Mukherjee, and the Nepalese Prime Minister, Sher Bahadur Deuba, and the Foreign Minister, Dr Prakash Chand Lohani.

Nepal assured India that its territory will not be allowed to be used by out side agencies in any manner detrimental to India. This was conveyed by the Nepalese leaders when Mukherjee referred to reports of attempts by some agencies to use Nepal as a transit point for unfriendly activities towards India.

There have been reports that Pakistan's intelligence agency had stepped up its activities in Nepal using its as a transit point to foment trouble in India.

The Indian side to the

meetings included the Foreign Secretary, Salman Haider, the Power Secretary, P Abraham, Secretary in the Ministry of Water Resources, Dr MS Reddy, and the Indian Ambassador, KV Rajan.

The two sides agreed to enhance cooperation in water resources, by exploiting the tremendous potential for mutual benefit. Deuba said he had written to Indian Premier, PV Narasimha Rao, expressing the hope that further action would be taken in this crucial area.

Referring to liberalisa-

tion of investment procedures in Nepal, both Deuba and Dr Lohani said this had thrown up vast opportunities for Indian businessmen to invest in Nepal.

He urged India to consider ways of removing existing constraints in the movement of capital from India to Nepal.

The external affairs minister, who arrived here yesterday on a three-day official visit, was accorded a warm reception at the Tribhuvan International Airport by his Nepalese counterpart.

## S'pore non-oil exports up

SINGAPORE, Jan 27: Singapore's non-oil domestic exports rose 14 per cent in 1995, thanks mainly to an expansion of its electronics and computer industries, the Trade Development Board (TDB) said yesterday, reports Reuters.

But economists said the data also showed a slowdown in some other sectors of the economy and that Singapore was becoming increasingly dependent on a fairly narrow group of high-tech industries.

Most forecast a slowing of export growth in 1996 as the city-state comes to terms with its recent economic development.

"We are seeing the fruits of development -- high costs and a strong Singapore dollar," said Chia Woon Khien, economist at UBS Securities.

## China to spend \$12m to dredge and build ports

BEIJING, Jan 27: China will spend 100 million yuan (12 million dollars) this year to dredge and build ports along its main Mekong tributary to improve trade and travel with its Southeast Asian neighbours, Xinhua news agency said yesterday, says Reuters.

The Lancang river, which flows through Yunnan province north of Myanmar and Thailand before merging with the mighty Mekong, saw international traffic in 1995 of 30,000 tonnes of cargo and 10,000 passengers, the official news agency said.

More than 60 passenger and cargo vessels play the river, with a planned addition of 10 vessels in 1996 expected to double annual cargo volume to 60,000 tonnes, the report said.

## France still no 1 tourist destination

MADRID, Jan 27: Spain has nudged out the United States as the world's second-most popular tourist destination after France, the World Tourism Organisation reported Friday, according to AP.

The United States remained the top tourism earner, with 27 billion dollars last year, followed by France, Italy and Spain.

France kept its leading position with 60.5 million international visitors last year, despite a drop of 1.19 per cent from 1994, according to the Madrid-based organisation.

Spain received 45.1 million foreign visits, and increase of 4.38 per cent, versus 44.7 million for the United States, a decline of 1.7 per cent.

Italy ranked third with 29.2 million visitors, followed by China, which made it into the top 10 destinations for the first time with a 10.9 per cent increase, or 23.4 million visitors.

Overall tourist travel was up by 3.8 per cent to 567 million worldwide with revenues rising 7.2 per cent to 372 billion dollars, the organisation said.

## Call for basic change in UNCTAD's work

GENEVA, Jan 27: Rubens Ricupero, head of the UN Conference on Trade and Development (UNCTAD), called yesterday for a "fundamental change" in the way the agency works, including more contracts with the private sector, reports Reuters.

Ricupero, a former Brazilian Finance Minister, made the comment in his report to a ministerial conference which opens in April to set UNCTAD's work priorities to the year 2000.

"There is need for fundamental change in the manner in which UNCTAD goes about fulfilling its mandate in trade and development," wrote Ricupero, who took on the job in September.

UNCTAD's activities need to be more sharply focused on a relatively small number of issues of central importance to development on which it can make a substantial impact," he said.

Some reform mined western states, including the United States, have said UNCTAD, a forum for talks on economic and development issues between rich and poor countries, should not duplicate the tasks of the World Trade Organisation (WTO).

Ricupero, in his 75-page report, said that the two Geneva based bodies should cooperate in preparing the multilateral agenda for future negotiations on trade, investment, competition, environment and technology.

"UNCTAD's sole claim for continued existence is its ability to make a reliable contribution to the tasks of fostering growth, reducing inequality and building its capacity to make a difference to people's lives," according to Ricupero.

UNCTAD IX, a major gathering held every four years, will take place in South Africa from April 27-May 11. Some 2,000 participants are expected to attend.

Delegates will look at the effects of economic globalisation and trade liberalisation on development, in particular the impact of the Uruguay Round trade accord on the poorest countries dependent on commodity exports.

## US Congress passes \$ 12.1b foreign aid budget

WASHINGTON, Jan 27: The US Congress on Friday passed a long-stalled 12.1 billion dollar foreign aid budget and sent it to President Bill Clinton for his signature, reports Reuters.

The bill, which includes restrictions on aid to international family planning programmes, will fund foreign aid through the September 30 end of the fiscal year and was cleared as part of a short-term spending bill needed to keep the US government running past midnight on Friday.

The spending bill passed the Senate on Friday and had passed the House of Representatives on Thursday after agreement was reached with the President on numerous budget issues.

Vermont Senator Patrick Leahy, senior Democrat on the Appropriations Committee's Foreign Operations Subcommittee, warned that it made "devastating" cuts in many international programmes. But he said, the alternative, a series of uncertain short-term aid bills, would be worse.

He also objected to the 35 per cent cut in aid to family planning programmes, which effectively reduces them by 88 million dollars.

The measure contains 3 billion dollars in military and economic aid for Israel and 2.1 billion dollar for Egypt, part of the annual assistance provided under the Middle East peace accords.

Although Israel has received around 250 million dollars of the economic aid package, Israeli officials have said the balance is urgently needed.

The bill softens US restrictions on aid to Pakistan, ending a five-year ban on economic aid, Pakistan would be free to receive 368 million dollars in military equipment, but would not be permitted to take delivery of 28 F-16 combat aircraft for which it paid more than 600 million dollars.

The legislation also allocates 1.7 billion dollar in economic development aid for Africa, down 17 per cent from 1995. Cuts were also made in US contributions to international development as assistance.

**\$265b defence bill**

Another report says: The US Senate on Friday approved and sent to President Bill Clinton a 265 billion dollar defence bill which includes a requirement for the discharge of service members infected with the AIDS virus.

The White House has said Clinton, having vetoed an earlier version, would sign this authorisation bill. The vote was 56-34, with democrats casting most of the votes against.

Stripped from the new bill were provisions requiring a missile defence system to protect all 50 US states by the year 2003 and curbing presidential authority to send troops into peacekeeping operations.

Clinton had also objected to the aids provision and a prohibition on military hospitals performing some abortions, but they remained in the bill.

The bill would require military personnel who test positive for the virus that causes aids to be honourably discharged or retired within six months.

Currently personnel who test positive for the virus are treated and retained as long as they can per from their jobs.

In eliminating the missile defence plan and United Nations peacekeeping restrictions, the Republican-led Congress scrapped two goals of the contract with America issued by House of Representatives republicans.

But they achieved a third pledge to restore essential spending by authorising 7 billion dollars more than Clinton asked.



M.R. Ali (C), Chairman of Shippers Council of Bangladesh, presenting SCB Crest to Ernest Kwan (left), Vice Chairman of Hong Kong Shippers' Council at HKSC's office at Hong Kong recently. Clement Yeung (right), Executive Director of HKSC, is also seen in the picture.

## Gold prices up in London market

LONDON, Jan 27: Gold motored on and up to prices not seen since the Gulf crisis, while concerns over monetary union unnerved European financial markets, boosting the mark, reports Reuters.

Gold fixed in London at 407.40 dollars and ounce, a level not seen since panic buying in 1990 after the invasion of Kuwait. Dealers said its current blistering rally was poised to take it towards 410 dollars an ounce.

They attributed the new advance to speculative buying by investment funds, until January 10 gold had languished in a narrow, dull trading range below the 400 dollar threshold.

On the financial front fears that some countries will not meet the Maastricht criteria for the single currency and signs of political unrest in France and Italy made the mark something of a safe haven, its resurgence blunting the dollar's recent rally.

The mark forged ahead against other European currencies after a report in the British Independent newspaper that France and Germany will admit within weeks that monetary union will be postponed. The paper cited unnamed senior British government officials.

## German economy to grow by 1.5 pc this year

BONN, Jan 27: The German economy will grow by about 1.5 per cent in real terms this year, the annual report on the economy said yesterday, warning also that the budget deficit this year would exceed the Maastricht limit, reports AFP.

The economy, as measured by gross domestic product (GDP), grew by 1.9 per cent in 1995 on a provisional basis and by 2.9 per cent in 1994.

The report giving forecasts by the economy ministry, said that the economy in the west of the country would grow by about 1.0 per cent and in the east of the country by 4.0-6.0 per cent.

## Japan's trade surplus falls in dollar terms

TOKYO, Jan 27: Now it's official: Japan's huge trade surplus has peaked, says Wall Street Journal Service.

The Finance Ministry reported that Japan's dollar-based trade surplus for all of 1995 dropped 11 per cent to 107.1 billion dollars, its first fall in five years. The dollar-based merchandise trade surplus fell 16 per cent in December, its sixth consecutive month of decline, thanks to import volumes that continued to grow more than four times as fast as export volumes.

The shift in the dollar-based numbers merely reflects underlying trends in Japan's yen-based surplus, which has now fallen for three years straight. What's more, some economists argue that the yen's recent fall against the dollar -- it now trades at roughly 106 to the dollars, a 25 per cent fall from its peak last April -- could mean a resurgence in Japanese exports that would moderate, if not reverse, the decline in the trade balance.

For now, however, the

declining surplus stands as a stark reminder of the fundamental changes in Japan's trading patterns over the last year. During the year, import volumes grew 13 per cent, while export volumes expanded a relatively puny 4.1 per cent. In concrete terms, Japan's imports of office equipment and computers, semiconductors and foreign-made automobiles grew enormously during the year, racking up respective gains of 74, 67 and 41 per cent when measured in dollars.

By contrast, weak auto exports to the US were one of the major drags on Japan's overall export growth during the year. Japan's passenger-car shipments to the US dropped 14 per cent in 1995 whereas exports to Europe and Asia grew 1.8 per cent and 6.6 per cent respectively. Overall, auto exports fell 6.7 per cent in 1995.

Japan's trade balance with Asia, meanwhile, inched up 0.3 per cent in December to 7.32 billion dollars, while its surplus with Europe rose 1.2 per cent to 2.3 billion dollars.

## MIDAS Mini Mart project opens

A new MIDAS assisted project named MIDAS Mini Mart formally opened yesterday, says a press release.

It is a sales and display centre, entirely owned and managed by a group of women entrepreneurs. The project is located at House No. 13/1, Road No. 27 (Old), Dhanmondi R/A, Dhaka.

MIDAS provides financial, technical and managerial assistance to small enterprises specially those sponsored by women. Most of the sponsors of the Mini Mart are the participants in the MIDAS programme of MIDAS, under which credit is provided on easy terms and without collateral security up to Tk. 2 lacs.

The function was attended by a large number of distinguished guests. Samson H Chowdhury, Chairman, MIDAS Board of Directors, addressed the gathering as chief guest and Rokia A. Rahman, Member, MIDAS Board, also spoke on the occasion.



Samson H Chowdhury, Chairman, MIDAS Board of Directors, seen addressing as chief guest the inaugural ceremony of MIDAS Mini Mart in the city yesterday.

## Thailand-Laos railway work begins

NONG KHAI, Thailand, Jan 27: Construction began today of a railway from Thailand to Laos, the first phase of a planned rail network that will eventually link fast-growing South-East Asia and booming southern China, reports Reuters.

Senior officials from Thailand and Laos presided over ceremonies on both banks of the Mekong River, which forms the border of the two nations, to mark the beginning of work.

The first phase will link the northeastern Thai town of Nong Khai with the Laotian capital Vientiane, a distance of about 30 km (20 miles), and should be finished in eight months, Smaur Shavavai, General Manager of the State Railway of Thailand, told reporters.



Afroz Rahim, Group Chairman of Rahimafroz, inaugurating the dealers' convention at Sonargaon Hotel in the city recently. Nizam Rahim, Director of Marketing and Sales, urged the dealers to make significant contribution to the country's economic growth. Over 200 delegates comprising dealers and representatives attended the convention.