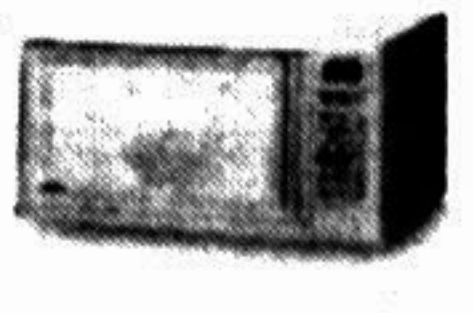


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# The Daily Star BUSINESS

DHAKA MONDAY, FEBRUARY 12, 1996



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## SEC-CRISL meet held

Sultan-uz-Zaman Khan, Chairman, Securities and Exchange Commission said that the recent floatation of the Credit Rating and Information Services Limited is a very timely and welcome step in the arena of capital and money market, says a press release yesterday.

He was speaking at meeting between the management of the Securities and Exchange Commission and the Credit Rating Information and Services Limited (CRISL) in the conference hall of the SEC recently.

Jamal Uddin Ahmed FCA, Chairman of CRISL Board of Directors, while highlighting the objectives of the company, stated that the CRISL sponsor's had to wait a long period to associate a group of internationally acclaimed professionals from various disciplines in floating the first ever credit rating company in Bangladesh. The CRISL is also in touch with the credit rating agencies in India and Standard and Poor's of USA for technical collaboration.

The chairman of SEC stated that the services of CRISL will be utilized by Securities and Exchange Commission while approving debt instruments.

He also pointed out that the SEC has a plan to explore other areas where the services of the CRISL could further be utilized. A working committee consisting of Dr AKM Shahabub Alam, Member, Securities and Exchange Commission and Muzaffar Ahmed FCMA, Managing Director of CRISL, has been formed to work out the detailed modus operandi.

Members, executive directors and senior officials of the Securities and Exchange Commission and Matul Islam, Member, Board of Directors and Muzaffar Ahmed, the Managing Director of CRISL also attended the meeting.

## Diamond Field agrees to merge with Falconbridge

VANCOUVER, Feb 11: Diamond Field Resources announced it accepted an offer to merge with another Canadian mining company, Falconbridge, worth an estimated four billion Canadian dollars (2.9 billion dollars), reports AFP.

Falconbridge said the deal would give it control over the Voisey Bay mining field that contains nickel, cobalt and copper. The field in Labrador, northeastern Canada is considered one of the world's most important mining discoveries in the past three decades.

The proposal has been approved by the Boards of Directors of both companies as well as by natural resources giant Noranda, the main Falconbridge shareholder.

The proposed deal still has to be approved by the Canadian authorities.

## US foreign aid cut slated

WASHINGTON, Feb 11: Cuts in U.S. foreign aid and social welfare programmes along with the religious right and the Republican controlled Congress were criticized by participants at an interfaith conference, reports AP.

Speakers called for more political activism against mainstream American churches and synagogues to counter political action by the Christian Coalition and other socially conservative fundamentalist groups.

Women and children make up the majority of poor people in America and they are the ones most dependent on the social safety net which the current Congress seeks to unravel, the Rev. Jane Brown Campbell, General Secretary of the U.S. National Council of Churches, told Saturday's closing session.

The two-day gathering discussed poverty, empow-

erment of women and over-population. It was sponsored by the nonprofit Centre for Development and Population Activities.

Dr. Nafis Sadik of Pakistan, Executive Director of the United Nations Population Fund, urged Americans to resist calls "to go into isolation and to interpret national interest in the narrowest possible way."

The world expects leadership from American and looks "to you to confirm your support for the United Nations process... to maintain your programme of foreign assistance and in the areas of population and development not to turn your backs on the less fortunate people of the world, among the poorest of whom are women."

The U.S. contribution to global family planning programmes, 547 million dollars in fiscal 1995, was cut to 72 million dollars for 1996, with no payments expected

before July 1, according to the conference sponsors. Critics have said the cut and delay would result in more abortions around the world even though anti abortion groups generally favoured the cut.

"Our Congress wants us to punish the poor but not deal with causes and cures for poverty," said Balfour Brickner, Senior Rabbi emeritus of New York's Stephen Wise Free Synagogue.

Brickner said the American far right was attempting to hijack the Republican Party with a strategy that includes "appeals to the backlash against feminism, reflected in the relentless attack against Hillary Rodham Clinton, the president's wife."

Urging the clergy to speak out and churchgoers to vote, he said their silence enables well-organized fundamentalists to create a false impression that only they represent religious Americans.

## Fake branch of insurance co unearthed

NETRAKONA, Feb 11: Netrakona CID police unearthed an unauthorised branch office of a Dhaka-based life insurance company styled "Sandhani Insurance Company limited" and arrested a fake Divisional Manager (DM) from inside the office here recently, reports BSS.

Netrakona CID police source said a group of plain-clothed police cordoned off the office and seized the files, seals, and nameplates of the office. During the raid, the CID police also arrested one person identified as a Divisional Manager (DM) of the insurance company.

He is alleged to have misappropriated over Taka two lakh from the local people by giving false assurance of issuing appointment letters for different jobs including development officers, field officers and agency officers of the insurance company.

A case has been filed with Netrakona Kotwali police in this regard.

"Fake DM" of the company Azizur Rahman Zia Mia was produced before Netrakona sadar thana magistrate court, the source said.

## 30 Milan tax officials found guilty of corruption

MILAN, Italy, Feb 11: Anti-graft investigators suspect 30 Milan-based officers in Italy's tax police of corruption, a deputy prosecutor involved in the inquiry said yesterday, reports AFP.

The accusations were immediately seized upon by lawyers from former premier and media magnate Silvio Berlusconi who, with brother Paolo and others of his empire, is accused of bribing tax police for favourable audits.

The officers, already under investigation over their role in the Berlusconi case may have formed their own "illegal association" to share out bribes from companies, the sources said.

However, the deputy prosecutor in charge of the inquiry, Gerardo d'Ambrosio, told a news conference that the charges against Berlusconi would remain.

"In the inquiry we have concluded we have always been able to verify that both officials and company bosses took financial advantage. When the advantage is reciprocal, you cannot talk of extortion," he added.

Magistrates in Milan have been working on possible corruption by tax police for a year, but it has only now been made public.

In the Berlusconi case, defence lawyers have claimed their clients did not willingly bribe tax police, but were the victims of extortion. They hailed the revelations Friday as a "turning point".

## Beijing expects 18 pc credit growth in '96

BEIJING, Feb 11: China expects to increase credit availability by around 18 pc this year from 1995 as part of its effort to maintain an "appropriately tight" monetary policy, a government economist said, reports AP.

Qiu Xiaohua, spokesman for the State Statistical Bureau, said that the government expects to hit its inflation target of 10 pc or less this year.

He said there were two possibilities: the drop in the inflation rate would exceed expectations and inflation would fall below 10 pc or the decrease would occur at a pace not exceeding that of last year — resulting in an inflation rate of around 10 pc for 1996.

China expects to contain inflation at such a level despite a decision to increase official grain procurement prices this year by about 20 pc over 1995 prices, Qiu said. The impact of the rise in grain prices on inflation won't exceed one percentage point at most, he predicted.

Last year's 45 pc increase in grain procurement prices was a main inflationary factor.

China is also expected to hit its economic growth target of 9 pc to 10 pc for 1996, he said. One sign that the economy is on track is the

industrial growth rate, which reached 13.6 pc in January over January 1995, after discounting the effects of Chinese New Year last year.

In line with Beijing's decision to maintain an "appropriately tight" monetary policy, China "won't simply keep a lid on credit and investments," Qiu said. "We will ensure that those (enterprises and projects) that are efficient and have a market get loans."

## 5 LGED projects in Barisal

BARISAL, Feb 11: Local Government Engineering Department (LGED) will implement five projects involving about Tk 20 lakh in Kathalia thana of Jhalakathi district during the current fiscal year, reports BSS.

According to an official source, the projects are construction of two bridges and three culverts.

Of the total, about Taka 14 lakh will be spent for the construction of the bridges and the rest for the culverts.

Work on these projects will start soon, the source added. The communication systems of Kathalia thana will improve to a great extent after the implementation of these projects.

## Demand for shifting of Nagarbari

Ghat to Natifpur  
PABNA, Feb 11: An all-party combine staged demonstration here today demanding relocation of Nagarbari terminal to Natifpur which will cut ferry travel time and cost to half, reports UNB.

The demonstrators in a procession went to the DC office and submitted a memorandum to the Deputy Commissioner, giving the authorities until February 20 to go by their demand.

Otherwise, they threatened, nonstop hartal will be enforced at Pabna town and communications of entire North Bengal will be paralysed.

The authorities have decided to shift Nagarbari ghat to Notakola because of navigation problems due to fall in Jamuna river's water level.

The protesters also held a rally in front of the DC office. It was presided over by local Press Club President Mirza Shamul Islam.

District Awami League President Wajullah Khan, district BNP convenor Mirza Azizur Rahman, Jamaat-e-Islami leader Maulana Abdus Sobhan, Jatiya Party's Makbul Hossain Santu, Businessmen's Oikya Parishad leader M A Kafi Sarkar, Shimul Biswas, among others, addressed the rally.



Peter J Fowler, British High Commissioner in Bangladesh (2nd-R) and Dr Mohammad Yunus founder and Managing Director of Grameen Bank (L), seen visiting the 2nd Grameen Check Apparels Exhibition '96 at the Alliance Francaise auditorium in the city yesterday. — Star photo

## Ramos proposes date for APEC summit

MANILA, Feb 11: President Fidel Ramos on Saturday invited the leaders of the 18-nation Asia-Pacific Economic Cooperation forum to hold their annual summit at a former US naval base in the Philippines Nov. 25, reports AP.

"I look forward to welcoming you there," Ramos said in his letter proposing that the summit be held at the Subic Bay Freeport, Subic Bay, 80 kilometers (50 miles) west of Manila, has been converted from a naval base into an industrial and tourism center.

The Philippines, as this year's host for APEC meetings, is overseeing the implementation of an "Action Agenda" approved in last year's summit in Osaka.

Japan, for reducing trade impediments in the region.

Ramos asked the APEC leaders to submit drafts of their action plans soon to allow time for consultations among members.

He also said there was a need to organize and coordinate APEC goals for a meeting of the World Trade Organisation in December.

Ramos urged the other leaders to quickly appoint representatives to a APEC Business Advisory Council so that the new body can be immediately established.

The council is to assist in the implementation of the APEC action plans for tariff reductions and other business-sector priorities.

## \$26 m Swedish aid for Palestinian Authority

GAZA CITY, Feb 11: Sweden has granted the Palestinian Authority 26 million dollars in aid, Swedish Foreign Minister Lena Jelelem-Wallen announced Thursday after talks with President Yasser Arafat, reports AFP.

The aid, to be spread out over the next 18 months, is to go towards human rights work and projects for children, health and education, she said.

Hjelem-Wallen is due to visit Orient House, the Palestinians' de facto headquarters in the Israeli-annexed east Jerusalem, on Saturday despite opposition from the Israeli government.

Israel bans the Palestinians from any political activity in the eastern sector of the holy city which it captured in 1967

## IMF disfavours devaluation of Pak rupee

ISLAMABAD, Feb 11: An IMF official said here that Pakistan need not devalue its rupee in response to the recent plunge of the Indian rupee, reports Reuter.

Deputy Director M. Hammed A El-Erian told a news conference that Pakistan was competing with many countries, not just India, in exports. A decision on the rupee should reflect economic fundamentals, he said.

Pakistan devalued its rupee by seven per cent last October to maintain the competitiveness of its exports before applying to the IMF for a 600 million dollar standby loan, which was approved in December.

Traders have speculated in recent days about the possibility of a further devaluation after the Indian rupee's fall.

"We are not recommending a Pakistan rupee devaluation at this point," Erian said. "Pakistan is competing with many other countries and not just India," he said.

"Therefore, there is no necessity to devalue the Pakistani rupee if the Indian rupee devalues."

"The decision on the Pakistani rupee gets taken in terms of the fundamentals of your economy. India is one of many competitors of Pakistan. We look at indicators of competitiveness that includes all your competitors."

## Prices of tea, cotton, gold down, sugar up over the week

LONDON, Feb 10: Negotiations between Baghdad and the United Nations over a possible return of Iraqi crude to the international oil markets sparked off a wave of uncertainty among traders this week, reports AFP.

After an absence of five years, Iraqi oil may return in large enough quantities to send prices plummeting on a market already creaking under the strains of over-production.

As the discussions at the UN headquarters in New York continued to give encouraging signs, dealers were holding their breath, while the population in Baghdad limped to the verge of starvation.

Elsewhere on the commodities markets, gold child after its heated frenzy last week that saw speculators drive the metal to its highest level since 1990.

Sugar prices remained stuck to previous highs, while coffee stabilised and cocoa dozed in sluggish trading.

Gold: Drop. Following a surge last week, gold slipped under technical trades, while staying well above the 400 dollars per ounce mark. Gold prices ended the week at 408 dollars per ounce from 417 last week.

But the GNI trading house said that market conditions have not really changed. "We strongly recommend buying gold" at current prices, it said.

Reduced lease rates, which hit their lowest point for two months mid-week, and fears of a surge in production hit gold this week, in the wake of highs reached during a speculative drive since the new year.

Silver: Slipstream. Just as silver followed gold upwards, it has taken a tumble with its sister precious metal this week. Silver, whose slide was

somewhat belated, slipped to 5.6 to 5.7 dollars per ounce from its highest point since May 1995 last week at 5.8 dollar per ounce.

Analysts believe that, like gold, silver may well pick up in the weeks to come, with the Painewebber trading house predicting a rise to 5.95 or even 5.98 dollars per ounce.

Platinum: Shadow. Platinum followed the fall in gold and silver in the middle of the week to settle at 425 dollars per ounce from 430 last week.

Copper: Solidified. Copper prices have not flinched since their recent rise, holding between 2,520 and 2,530 dollars per tonne this week, supported by a fall in warehouse stocks at the London Metals Exchange (LME).

Reserves fell by 8,405 tonnes in one week to 345,275 tonnes yesterday, a drop interpreted as showing a hike in demand. Investment funds took advantage of these positive signs to buy up copper.

Lead: Consolidated. The quantity of metal available remained limited while demand remained healthy. Prices held onto their high of last week at 760 to 770 dollars per tonne.

According to GNI trading house, prices should fall in the spring once large orders drop off. Demand has picked up in the northern hemisphere during the cold winter months, driven by increased demand for batteries, which account for 66 per cent of the lead market.

LME stocks increased by 3,675 tonnes to 113,625 tonnes.

Zinc: Tumble. Prices fell a little after last week's rise, to an average 1,060 dollars per tonne. Dealers thought it unlikely that the metal rise further in the face of hefty global stocks. LME reserves

fell by 2,125 tonnes to 645,825 tonnes.

Aluminium: Progress. The metal moved up despite a rise in LME stocks of some 4,725 tonnes to 655,325 tonnes, an indication of increased worldwide production. Prices rose some 30 dollars to 1,630 dollars per tonne.

According to one dealer, the market outlook has become more positive with increased industrial purchases.

Nickel: Slide. Nickel fell some 300 dollars to 8,400 dollars per tonne after the gains made last week. Market reserves remained weak at 39,828 tonnes, down 642 tonnes.

Tin: Steadfast. The metal saw little change, frozen around 6,250 to 6,300 dollars per tonne, as it was last week. Stocks fell by 1,325 tonnes to 10,325 tonnes.

Oil: Wait and see. The oil market seemed lost in indecision, with prices frozen. All dealers were waiting for the outcome of discussions between Iraq and the United Nations before making a move.

Thursday saw the first meeting between the two sides on the subject of limited sales of Iraqi crude after four days of talks. Dealers and analysts all remained prudent. It is almost impossible to know what has been going on during these secret talks. Both sides have been content to mention only the positive nature of the discussions.

The fact that experts on both sides have agreed to meet this weekend to discuss the technicalities of adopting resolution 986 has persuaded many experts that this time Saddam Hussein has agreed to its imposition.

The text adopted by the Security Council in April 1995 allows sale of one billion dollars worth of crude

per quarter in exchange for humanitarian aid.

At today's prices, that would allow some 700,000 barrels a day to be released onto the world market, that has already been hit by over-production.

Baghdad, which has suffered a complete oil embargo since the Gulf War, has up until now refused to accept UN control of oil revenues.

Oil prices look set to tumble if the resolution is adopted, but long-term market reaction depends on the attitude of OPEC members, if producing countries decide to slow down production and offer Baghdad a real say in its quota system, then the market may return to better times.

At the week's end, the price of Brent Northsea crude jumped to 16.8 dollars per barrel, as cold weather in the United States and Europe sent demand for heating oil and natural gas sky-high.

Rubber: Fall. The London reference price for rubber fell some 20 pounds to 1,030 pounds per tonne while demand remained low.

Cocoa: Technical. Cocoa prices slipped to between 920 and 930 pounds per tonne, largely due to technical reasons linked to the pound-dollar exchange rate. A rally in the pound against the dollar made the London market, quoted in sterling, less attractive to investors than the New York market, leading to some speculative sales.

But the market was also hit by the fundamental impact of a huge harvest in Ivory Coast. Consignments of cocoa beans in the ports prior to export were well up on last year's figures. Some analysts predicted a bumper harvest in excess of one million tonnes for the world's number one producer.

Coffee: In the balance. The

coffee market was prudent, retaining a modest yet firm price around 1,900 dollars per tonne.

Paradoxically, the sale of warehouse stocks held by the Brazilian state strengthened prices. Roasters swept up reserves, showing just how rare arabica, the country's main coffee crop, had become. The New York futures market took advantage of Brazil's thirst to climb Thursday.

Tea: Slide. Tea prices slipped by five pence to 100 per kilo for medium quality tea in the London auction houses. High-quality East African teas were somewhat neglected.

Sugar: Strong. Sugar remains stuck at its heights of last week as import demand remained strong and despite some speculative sell-offs at the start of the week. Sugar prices remained high at 360 dollars per tonne.

Experts at the ED and F Mantrading house predicted a record global harvest of 120.6 million tonnes in 1995/96, which would release a surplus 3.65 million tonnes onto the world market.

But the specialists recognised that delays in delivery and stockpiling would keep prices high for the time being.

Vegetable Oils: Fall. Vegetable oils fell or at best held steady on the Rotterdam market, as soya did after a favourable weather forecast in South America.

A severe drought in Brazil and Argentina, the world's second and third most important producers after the United States, at the end of 1995 spread fears of a tiny harvest. But rains finally doused the Brazilian harvest and temperatures softened to ensure a healthy harvest of some 24-million tonnes, a million higher than predictions at the start of the year.

Soya prices held at 90

guilders per tonne, but palm oil lost 12.5 dollars to 502.5 per tonne despite rumours of Malaysian sales in Thailand and lower than expected stocks in Kuala Lumpur.

The other oils were all in decline. Sunflower lost five dollars to 595 dollars per tonne, ground nut oil fell 10 dollars to 930 dollars per tonne and rape seed oil was off by 2.5 guilders to 85.5 guilders per hundred kilos.

Grain: Rollercoaster. Moscow has been sowing trouble on the American cereals market, which was itself was made hypersensitive by low global stocks.

Prices on the Chicago exchange picked up as rumours of huge Russian imports ran wild. Dealers were rubbing their hands with joy and speaking of vast imminent orders of 2.5 million tonnes.

But Russia's agriculture ministry finally announced that it would meet demand from the domestic market instead and prices took a dive. They were hit further by rumors of a cut in China's imports.

In London, prices took a knock from large-scale sales by producers. Wheat prices fell from 124 to 119 pounds per tonne, and barley from 115 to 110 pounds per tonne.

Cotton: Low profile. Prices on the American cash market fell by two cents to 85 cents per pound, as dealers feared a cut in US demand and a weaker than expected export limitation plan.

Wool: Depressed. Wool prices fell despite biting cold in the United States and Europe. Specialists noted that even if coats, hats and gloves were selling well, this did not affect the market because they are manufactured so far in advance. The British index lost eight pence to 438 pence per kilo.

## Shipping Intelligence

### CHITTAGONG PORT

Berth Position and Performance of Vessels as on 11.2.96									
No.	Name of Vessels	Cargo	LPort	Local Agent	Date of Arrival	Date of Leaving			
J/1	Unjmarine	Rice (G)	Kali	Cross	16/1	15/2			
J/2	Maximo	Rice (G)	Kali	RML	17/1	16/2			
J/3	Islamabad	GI (BH)	Kara	Sea Group	28/1	12/2			
J/4	Yanmit	Rice (G)	Kali	MSA	14/1	12/2			
J/5	General Mojta	R.Seed	Sing	MSA	4/2	12/2			
J/7	Banglar Bhand	Wheat(GH)	Sing	Lama	R/A	11/2			
J/8	China Star	GI	Sing	BBA	7/2	13/2			
J/9	Banglar Moni (Cont)	Cont	Sing	BSC	9/2	11/2			
J/10	Banglar Sampad	Wheat (G)	Sing	Lama	R/A	11/2			
J/11	Golden Kris	C.Clink	Sing	GBL	7/2	20/2			
J/12	Mikhail Stenko	Cont	Col	Baridhi	8/2	11/2			
J/13	Banglar Rota	Cont	Sing	BSC	5/2	11/2			
CCT/1	Meng Yang	Cont	Sing	AML	5/2	11/2			
CCT/2	Meng Lee	Cont	Sing	AML	9/2	13/2			
CCT/3	Fong Yan	Cont	Sing	BDShip	7/2	13/2			
RM/4	Sea World	Repair	Viet	Litmond	9/2	15/2			
GMJ	Nararok-M	C.Clink	Sing	PSAL	9/2	22/2			
GSJ	Nararok-M	Wheat (G)	Sing	PSA	5/2	15/2			
TSP	Kamanolets Rosal	Cement	Vna	USTC	18/1	12/2			
RM/6	Sea Light	Cement	Sing	Litmond	3/1	11/2			
DOJ	Chuan Trader	Cement	Lans	RML	14/1	11/2			
DOJ	Brean Ocean	Repair	Yang	CRS	30/1	16/2			