

Bangladesh envoy in US says

Amity among SAARC nations
can attract capital from North

The skill, vision and symmetry of the South Asian Association for Regional Cooperation (SAARC) countries can attract investment of capital and technology of the industrial world in mega infrastructure projects in an integrated perspective of welfare of the people of the whole region rather than well being of individual member country, said Humayun Kabir, Bangladesh Ambassador to the United States in a symposium on SAARC in Washington recently, a message received here on Saturday said, reports BSS.

The symposium entitled: "The promises and pitfalls for enhanced regional cooperation in South Asia" was organised by

the Centre for Strategic and International Studies and National Advisory Council for South Asian Affairs was also addressed by the ambassadors of Pakistan, India, Sri Lanka and Nepal. Ms Rabin Raphael, Assistant Secretary for South Asia, US Department of State also addressed the symposium.

The Bangladesh ambassador while giving Bangladesh perspective on SAARC stressed that a new dimension can be seen on the scope of SAARC cooperation in the context of open window approach and the liberal and market-oriented steps taken in different parts of the world including the sub-continent.

Referring to the dramatic

change in political scene in mid-90s that triggered consequential changes in mechanism and modes of international interaction in areas of business, trade, investment and on the whole gamut of related issues, Ambassador Kabir highlighted the possibility of appropriate SAARC cooperation to meaningfully integrated in the region with the world economy, particularly as SAARC region happens to have been identified as an attractive segment of emerging market.

Kabir told the audience that SAARC was created out of a perceived necessity for cooperation among the countries of this area for preserving peace and stability which is

essential for sustaining the process of economic and social development. He said, the objectives of the organisation defined by its modest goal and limited agenda of accelerating economic growth, social progress and cultural development stand in contrast with other similar regional organisations whose goals are integration, unity or exploiting member states' industrial and trade potentials.

Enhanced cooperation and indeed SAARC's existence will be dependant on the vision and statesmanship of the regional leaders and the political will they bring to bear on regional cooperation. Ambassador Kabir added.

Bogra customs
earns Tk 13 cr

BOGRA, June 2: The Customs Excise and VAT Department of Bogra circle earned Taka 13,87,78,000 from different business establishments during the last ten months of the 1995-96 fiscal years, reports BSS.

According to an official source, this money was earned from bidi, medicine, sugar and ceramic industries, cinema halls, hotels, clinics, brick fields etc.

Out of the total amount Taka 11,38,78,000 was earned from VAT, Taka 1,75,00,000 from excise and Taka 31,28,000 from customs.

It may be mentioned here that the target of this fiscal year fixed at Taka 16,44,00,000.

Bangladeshi cos
receive orders
in Yangon trade
exhibition

The second Bangladesh single-country trade exhibition in Yangon, Myanmar was visited by a large number of people, a message received here on Saturday, reports BSS.

Sharif Melamine has received an order for supply of melamine tableware to a Myanmar importer worth 50,000 US dollars. M/s Diamond Pen Industry has entered into a contract for export of Winner high lighter pen (text market) and Winner ball pen with two Myanmar importers worth 1,100,000 US dollars.

Many people are showing keen interest to buy ball pens, high lighter (text market) pen, different types of paper, tooth brush, melamine products, nakshi kantha and shoe etc.

New insurance
company floated

A new life insurance company in the private sector named as Meghna Life Insurance Co Ltd received the final approval and registration from the government yesterday, reports BSS.

The company will start its function from June 5 at its head office here, said a press release.

Chairman of Karnaphuli Insurance Co Ltd Nizamuddin Ahmed has been appointed as chief adviser of the company while former general manager of Jibon Bima Corporation A U M Fazlar Rob as managing director, and Mujib-ud-Daula, ex-general manager of Jibon Bima Corporation and executive director of Delta Life Insurance Co Ltd as deputy managing director.

US firms to be permitted
to bid on Iraqi crude oil

GENEVA, Switzerland, June 2: The Clinton administration will announce Monday that American firms can bid on the 2 billion dollars in crude oil Iraq is being permitted to sell in the next six months, a senior US official said Saturday, reports AP.

The 'oil-for-food' deal initially was proposed by the administration to ease the suffering of Iraqi people under worldwide trade sanctions. All proceeds must be used for food and medicine.

There is no reason to put American firms at a tremendous disadvantage by excluding them from the bidding, said the official, who is here with Secretary of State Warren

Christopher for meetings on the Balkans and who insisted on anonymity. He said the decision was made Friday.

Iraq is being allowed to export 1.2 million barrels a day, which is one-third its output before the Persian Gulf war six years ago when sanctions were imposed by the United Nations.

The proceeds are supposed to reduce malnutrition but are unlikely to bring about a normal life on Saddam Hussein's Iraq.

The sanctions have devastated Iraq's economy and left many of its 20 million people without adequate food and medicine.



The 15th annual general meeting of Beximco Fisheries Limited, was held on Saturday at Sonargaon Hotel. The meeting was presided over by A S F Rahman, Chairman of the company's Board of Directors. Salman F Rahman, Vice Chairman, and O K Chowdhury, Managing Director, attended the meeting.

Myanmar govt decision
hits bid to lure
foreign investment

BANGKOK, June 2: The Myanmar government's crackdown on the democracy movement has hurt its efforts to lure foreign investment and given ammunition to opponents of the regime, businessmen and democracy activists said on Thursday, reports Reuter.

The military regime last week rounded up more than 250 members of Aung San Suu Kyi's National League for Democracy (NLD) in an unsuccessful attempt to block a party congress.

The arrests have been condemned by several Western and Asian governments and have thrown the international spotlight back on the Myanmar.

"It's certainly damaged the (investment) sentiment," George Morgan, of HG Asia's Bangkok office told the news agency. HG Asia is organising an investment fund for Indo-China and Myanmar.

"I was in the US last week talking to institutional investors and quite a few people raised concerns about Myanmar," Morgan said.

Several Bangkok-based businessmen involved in Myanmar declined comment on investing there in the light of last week's arrests.

Last month, US soft drink giant PepsiCo Inc sold its stake in its Myanmar venture in the face of a growing boycott

across US campuses. Several US apparel firms have said they will not renew contracts with Myanmar suppliers because of rights abuses and the suppression of the democracy movement there.

The US-based Free Myanmar Coalition said in a statement. These include Oshkosh B'Gosh Inc (Gosha O) Liz Claiborne (Liz N), Eddie Bauer (Spella O), Levi Strauss and Macy's.

The group said garment exports from Myanmar to the United States have dropped by two thirds in recent years because of the US campaign to isolate the ruling military government.

"There's definitely a backlash (against Myanmar)," Morgan said. "There are very few bad guys left. South Africa is gone. China is not so interesting. Myanmar is the current focus."

A pro-democracy activist said the crackdown by the ruling State Law and Order Restoration Council (SLORC) would provide more ammunition for those seeking to stop foreign companies from investing in Myanmar.

"What the military regime is doing indicates that they are very worried, and that suggests foreign investments right now are not so secure," said the activist, who asked not to be named.

Beximco Fisheries
declares 20pc
dividend

The fifteenth annual general meeting of Beximco Fisheries Ltd was held at Sonargaon Hotel in the city on Saturday, says a press release.

The company earned a gross profit and net profit of Tk 50.91 million and Tk 29.86 million respectively and declared 20 per cent dividend for the year 1995.

The shareholders were highly satisfied with the company's performance both in terms of turnover and profit. A large number of shareholders attended the meeting.

The meeting was presided over by A S F Rahman, Chairman of the Board of Directors, Salman F Rahman, Vice Chairman, and O K Chowdhury, Managing Director, attended the meeting.

Hussain Chemical
signs contract
with Chinese co

A Bangladesh chemical company in private sector has signed a contract with a leading Chinese corporation for supply and erection of machinery on credit term for an industrial unit, reports UNB. The Hussain Chemical Complex Ltd, Teigaon, Dhaka, signed the agreement on May 29 with the National Chemical Construction Corporation of Beijing for supply and erection of machinery worth 10.50 million US dollars for a soda ash plant to be set up at Fatullah.

Agrani Bank's
employment
generation
scheme launched

The IFAD-financed Agrani Bank's credit scheme "Employment Generation Project for the Rural Poor", has been inaugurated at Gazipur yesterday, says a press release.

Project Director and General Manager A S Ashrafuddin Ahmed formally started the loan disbursement under the project at a simple ceremony organised by "Micro Enterprise Development Unit".

A S Ashrafuddin Ahmed in his speech cited that Agrani Bank has attempted to implement this project aimed at removing unemployment problem by involving landless, literate, skilled, unemployed men and women with productive activities in the country and thus to make them self-reliant.



A S Ashrafuddin Ahmed, General Manager of Agrani Bank, formally inaugurated the credit programme "Employment Generation Project for the Rural Poor" at Gazipur yesterday.



The Institute of Cost and Management Accountants of Bangladesh held a press conference on Thursday in its premises on the eve of a function to celebrate silver jubilee of the institute.

Payment of compensation to 250,000
BCCI creditors may be delayed

LUXEMBOURG, June 2: Litigation between liquidators of the Bank of Credit and Commerce International (BCCI) in Britain and their counterparts here might delay payment of compensation this summer to 250,000 creditors, officials said here, reports AFP.

The British liquidators argue that British law should apply. Under British law, loans and deposits may be set against each other and creditors may claim the difference.

The British officials intend to use some of the money in a fund established with their counterparts here and in the Cayman Islands, where the

failed bank was based, in order to make provisions for claims. These funds, amounting to more than two billion dollars, were provided mainly by the main shareholder in the bank, the Emirate of Abu Dhabi, on May 14 to provide some compensation for depositors who lost money.

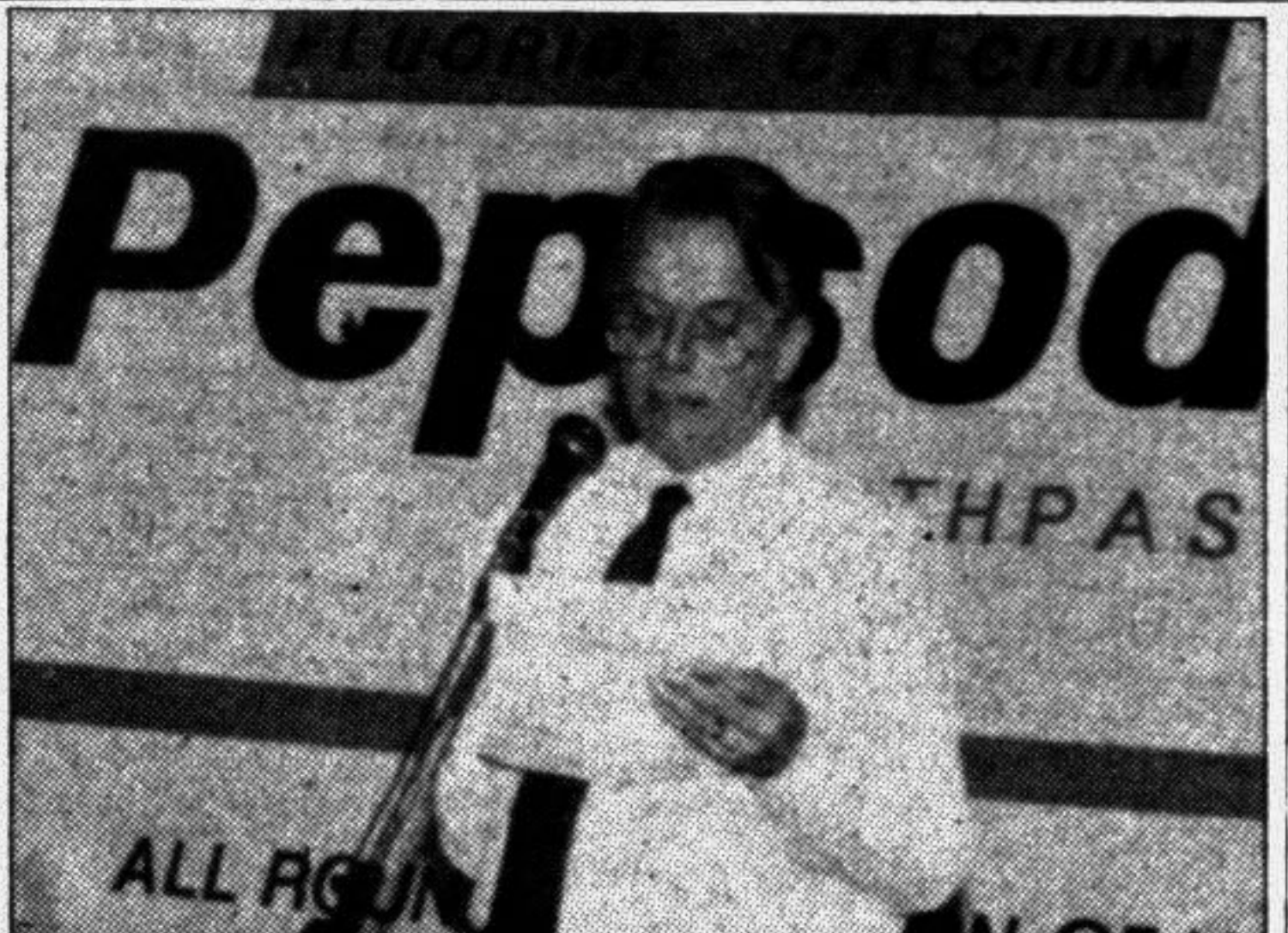
But the liquidators here hold that local bankruptcy law should apply. Local law, which is based on French law, stipulates that a creditor who is also a debtor, may not set debts against deposits.

"The British want to give an undue advantage to British creditors," one of the liquidators here, Georges Baden, said.

"The British want to make unreasonable provisions which would reduce the payment to all creditors."

The liquidators here have taken the dispute before a court in London and the case is to be heard on July 15.

The liquidators expect to make a first payment at the beginning of the summer equivalent to 20 per cent of individual deposits which were lost when the bank was closed on July 5, 1991 because it was found to have set up a system of international fraud going back many years.



Lever Brothers Bangladesh Limited held a conference on Pepsodent Germicheck launch at a city hotel on Friday.

Commodity market: Prices of oil, gold, sugar fall over week

LONDON, June 2: An imminent flood of Iraqi crude on the export market after Baghdad and the United Nations signed an oil-for-food deal on May 20 sent shivers through the oil market and crude prices fell by a dollar in London on the week, reports AFP.

Dealers and analysts agreed that this extra oil would cripple a market already creaking under the strain of burgeoning supplies.

The Organisation of Petroleum Exporting Countries (OPEC), which has called a meeting to discuss its export quota system in Vienna on June 5, seems unlikely to approve a cut in member production levels to make room for Baghdad on the international market.

Among other commodities, the first glimmers of summer, in the northern hemisphere played havoc with the grain market, where cereal prices plummeted after weather conditions improved on the American great plains.

COLD: Weak Dealers who had put their money on an upsurge in inflation in the United States to invigorate the gold market did so at their peril, as gold prices held steady at about 390 dollars per ounce.

In fact, US gross domestic product grew by a smaller amount than had been expected and the threat of severe inflation in the country receded. Gold suffered because of its traditional role as a refuge from creeping inflation

rates. But America's second-biggest gold producer, placer dome, predicted that prices would surge up to 450 dollars per ounce in the short term.

SILVER: Timid. The price of this metal rose by a few cents to 5.36 dollars per ounce but could not muster enough momentum to increase any further.

PLATINUM AND PALLADIUM: Low. The prices of these two metals remained weak after their dramatic fall last week. Platinum hovered around 400 dollars per ounce and palladium could command only 130 dollars per ounce.

The market was eagerly awaiting the presidential elections in Russia on June 22. The country is one of the major sources of these two metals because of its enormous strategic reserves.

Last week, the market plummeted because of an announcement from Moscow that the country would export 20 tonnes of palladium (about 643,000 ounces) and a tonne of rhodium per year.

COPPER: Strengthened. The prospect of dwindling copper stocks held in London Metal Exchange (LME) warehouses gave prices a flip after the losses of last week. Three-month copper prices rose by 40 dollars to 2,465 dollars per tonne, after re-

serves at the LME fell by 4,100 tonnes to 309,450 tonnes.

Increased sales of new houses in the United States also helped the market. The building trade is one of the main outlets for copper, used to make water pipes and electric wiring. But GNI trading house said that a new wave of selling might cause prices to plummet because of increased quantities of copper on the market.

LEAD: Fall. Lead sunk by about 20 dollars to 830 dollars per tonne, because of low levels of demand.

As proof of the limited interest in the heavy metal, stocks at the LME rose by 400 tonnes to 89,600 tonnes.

ZINC: Tumble. Speculative selling sent the price of this metal, which is most widely used in anti-rust treatment, down by about 15 dollars to 1,045 dollars per tonne.

LME stocks rose by 3,575 tonnes to 598,625 tonnes.

ALUMINIUM: Stable. This light metal held firm at about 1,600 dollars per tonne. GNI said that consumer countries were getting ready to beef up reserves in the light of an expected price rise in the metal. The market still had its eyes turned towards the world's leading producer of aluminium, the American company Alcoa, where pay talks threatened to degenerate

into strike action.

Stocks continued to build up on the LME. Reserves increased by 5,600 tonnes to 860,775 tonnes during the week.

NICKEL: Takeoff. A shake-up at the helm of the world's leading nickel producer, the giant Norilsk plant in Russia, was greeted favourably by the market and prices rose by 100 dollars to 8,000 dollars per tonne.

The company said that it might switch its method of exporting metal to the west. It suggested selling direct to a major Swiss metals house rather than selling through a string of intermediaries.

Such a strategy would guarantee greater regularity and transparency of sales to the East. This compares with traditional market fears of a sudden glut of nickel on the market from Norilsk.

Nickel stocks rose by 330 tonnes to 35,436 tonnes on the LME.

TIN: Steady. The metal held firm at 6,300 dollars per tonne despite a slight build up of LME stocks, which increased by 10 tonnes to 9,085 tonnes.

OIL: Down. The imminent prospect of Iraqi sales of crude oil sent the price of Brent North sea crude down by one dollar to end the week below the 18 dollars per barrel mark.

An agreement signed on May 20 by the United Nations and Baghdad will allow Iraq to export oil for the first time since Iraqi troops invaded Kuwait in August 1990. Baghdad said that it might start pumping oil as early as mid-June.

But oil experts said that a number of administrative hurdles would have to be overcome before exports could begin and that these might delay the return of Iraqi crude to the international market until July.

Analysts shared a broad view that the Iraqi oil would burden an already over-supplied market and would sent prices into free fall.

Exporting members of the OPEC cartel are due to discuss the size of quota that would be given to Iraq at a meeting in Vienna on June 5. But key exporting countries seemed ill-disposed to cut their own oil exports to facilitate the return of Baghdad to the export club.

The oil-market was also hit by the announcement of a sharp increase in crude stocks into the United States.

RUBBER: Stable. After the gains of last week, the rubber market settled at 1,040 pounds per tonne. Shipments of Thai rubber remained weak.

COCOA: Liquidation. A sell-off by the speculative invest-

ment trusts, otherwise known as "liquidation," knocked back the price of these tropical beans by about 30 pounds to 1,075 pounds per tonne.

The market suffered from a belief that the vast quantities of cocoa available this year would mean that supply would easily match demand this September.

The London market was also hit by the strength of the pound against the dollar, which made the New York market more attractive in the eyes of cocoa purchasers.

COFFEE: Calm. Coffee prices stagnated this week at about 1,800 dollars per tonne. An announcement that Colombia would sell 160,000 sacks (of 60 kg each) of coffees from official reserves had little impact on the market.

Dealers were still troubled by the prospect of frost hitting the Brazilian coffee plantations.

The most severe cold front since 1975 was identified in the south Pacific, but for the time being it has kept its distance from the coffee plantations in southern Brazil.

TEA: Holiday. A public holiday in Britain meant that the London auction houses remained closed last Monday.

SUGAR: Melt-down. The prospect of record harvests in numerous producer countries caused prices to fall, by seven

dollars to 340 dollars per tonne.

Brazil also sowed trouble on the market when the country announced that it would export 5.2 million tonnes in 1996-97 from July onwards. This bigger-than-expected export quota, which may indeed be increased further later in the year, compares with five million tonnes of sugar that Brazil exported in 1995-96.

Brazil was expected to churn out a bumper harvest, along with Thailand, Australia and India. All of which rank among the world's leading sugar producers.

VEGETABLE OILS: Slip. Lower soy prices on the Chicago market caused vegetable oil prices to slip further this week.

Favourable weather conditions in the United States, the world's leading bean grower, were the driving factor behind this fall in prices. On the Rotterdam market, prices fell by one guilder to 97 guilders per hundred kilos.

The other oils reflected sinking soy prices. Palm oil fell by 17.5 dollars to 507.5 dollars per tonne and sunflower fell by 10 dollars to 590 dollars per tonne.

GRAINS: Tumble. A return of favourable weather to the United States sent grain prices into free-fall on the Chicago market, where the price of a bushel of wheat (27.216 kg, delivery in July) lost more than one dollar over the week to 5.25 dollars.

Dry weather in the midwest will at last let farmers finish sowing spring maize and wheat, which had been delayed because of heavy rains. In addition, the Kansas harvest of winter wheat is expected to be far more plentiful than had originally been predicted.