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HYUNDAI
CARS THAT MAKE SENSE

Palli Karma-Sahayak Foundation disburses Tk 110 cr credit

Palli Karma-Sahayak Foundation (PKSF) which was established by government financial assistance in May 1990 has so far distributed Taka 110 crore to the landless and assetless people of the rural areas for their self-employment, income generation and poverty alleviation, says a press release.

Opportunity for 5 lakh people with the objective of enhancing of their income.

The Foundation has distributed the above loan to the beneficiaries through its 125 partner organisations (NGOs) in the rural areas.

The credit money are used for establishing small business, shops, poultry, fishery, beef fattening, vegetable gardening, milch cow, goat rearing, sewing, embroidery, small industry and purchase of rick-

shaw, van, boat etc. Out of the total beneficiaries 90 per cent are women and the loan recovery is almost 99 per cent. Besides, due to poverty alleviation programme of PKSF about 3 thousand unemployed youth in the villages have obtained employment opportunity. In the present fiscal year (1996-97) it is hoped that Taka 162 crore will be distributed for self-employment and poverty alleviation. Recently the World Bank

after elaborate field study and appraisal of the programme of PKSF has decided to extend a loan of about Taka 500 crore for four years through the Government on easy terms.

It is expected that the final loan agreement will be signed with the World Bank by September-October 1996 and thereafter PKSF will be able to further expand its credit programme to cover more landless and assetless people of the country.

Japan gives big subsidy for pollution control

WASHINGTON, July 7: Japan provides the most wide-ranging export subsidies for businesses that help control air pollution at a growing industry worth more than 40 billion dollars a year, the US government's International Trade Commission said Friday, reports AP.

The report to the Senate Finance Committee deals with competition between Japan, Germany and the United States — the three biggest suppliers of pollution control equipment and services.

PLAN Int'l official due today



Max Van der Schalk, International Executive Director of PLAN International, will arrive in the city today on a first ever three-day visit to Bangladesh, says a press release.

PLAN International is a humanitarian, child-focused development organization without religious, political or governmental affiliation. Child sponsorship is the basic foundation of the organization.

PLAN was founded in 1937 and currently works in 41 developing countries and is benefitting about eight million children, their families and their communities.

PLAN International has 10 national offices for raising funds from private donors, in Bangladesh, the organisation has a three-year budget of Tk 30,41,79,000 approved by the NGO Bureau.

The global budget for last fiscal year was approximately 60 million dollars.

PLAN International in Bangladesh has a country office and four field offices. During his visit, PLAN International's IED will call on the President Abdur Rahman Biswas, and is expected to meet the Director General, the NGO Affairs Bureau, call on distinguished national personalities, meet the heads and executives of different government organisations, NGOs and UN bodies and will visit PLAN's field offices — in Dinajpur, and Agarjona slums in Dhaka.

LONDON, July 7: Coffee prices tumbled this week on the London and New York markets as speculators launched a wave of selling after weather forecasts of crop-ravaging frosts in Brazil failed to materialise, reports AFP.

Prices crashed to their lowest levels for more than two years as investors liquidated their holdings, amassed in past weeks on expectations that frosts would cause severe damage to the Brazilian coffee plantations.

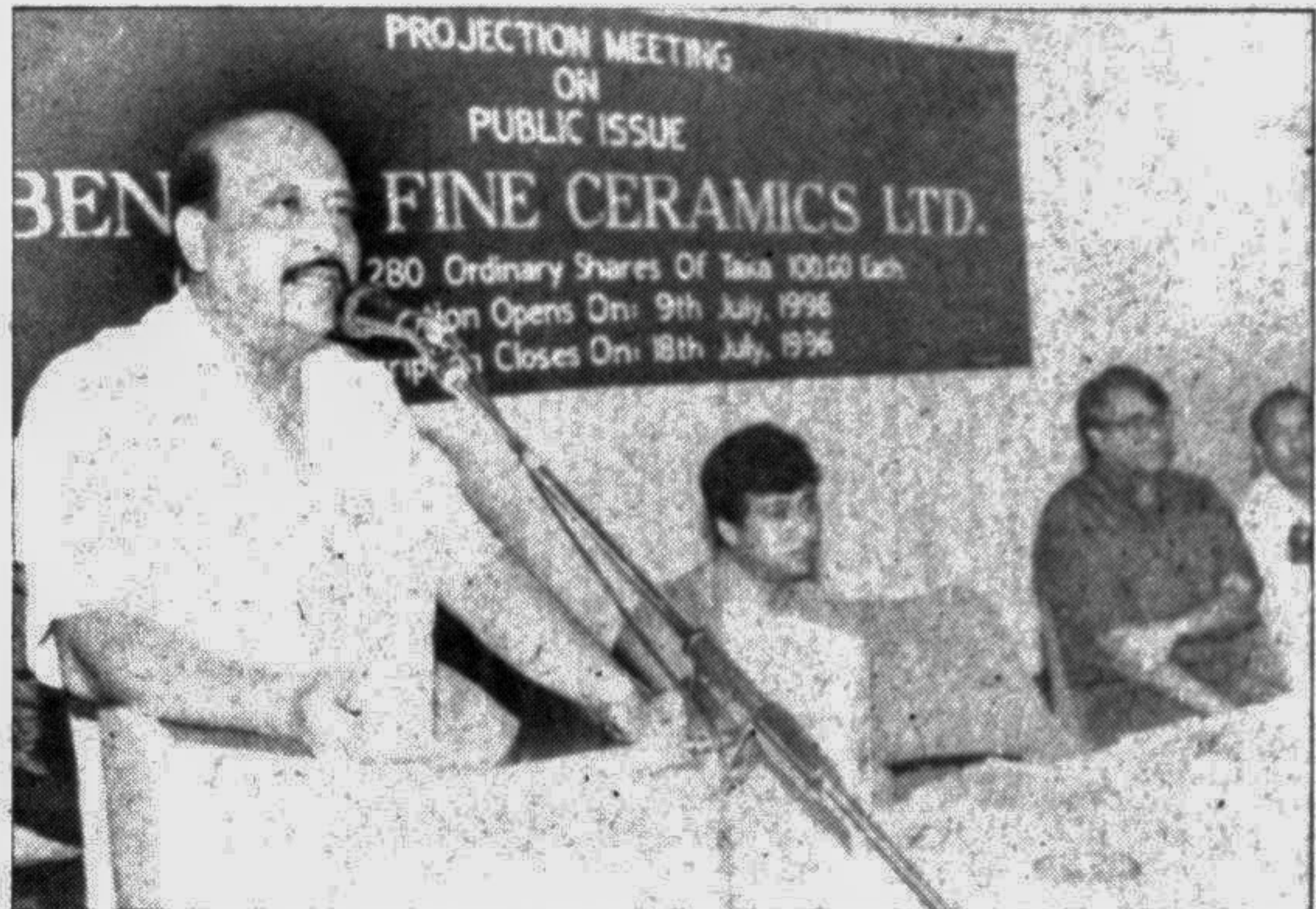
But the Brazilian weather centre, which had recently warned of frosts, has now completely changed its forecast, even for the southern most part of the country where the winter season has begun.

Coffee traders still have vivid memories of the frosts in June and July 1994 which cut in half that year's harvest in Brazil, the world's biggest producer and exporter, and sent prices soaring.

The oil market went in the opposite direction. The price of Brent crude oil advanced as the prospects of a rapid return of Iraqi oil to the international markets lessened.

Gold prices remained steady, although sentiment may change after the US jobless figures on Friday sparked inflationary fears. Gold: Tarnished. Investors continued to eschew the gold market and prices remained frozen at around 381 dollars per ounce.

Prices slipped slightly after Russian President Boris Yeltsin was elected for his second term in office. Gold, like the dollar, acts as a financial refuge



Rashed Mowdud Khan, Managing Director, Bengal Ceramic Ltd, addressing the projection meeting on issuance of public shares at a city hotel yesterday. — Star photo

Bengal Fine Ceramic to float public shares worth Tk 3,55,28,000

By Staff Correspondent

Bengal Fine Ceramic Limited, a Dutch-Bangladesh joint venture company is offering 355,280 public shares worth Tk 3,55,28,000 from July 9.

A total of 650,000 ordinary shares would be floated of which 355,280 shares of Taka 100 each would be offered for the general public, according to Managing Director of the company Rashed Mowdud Khan.

Incepted in 1983, the company's present annual capacity has been determined at 3,300 MT. Japan's Taka Saga Company Limited has supplied the machineries for the factory located at Savar, north-west of the capital city.

In a projection meeting, the MD said that the company had no any bank liability. "We are successfully exporting our products to USA, UK, Italy, Malaysia, Russia, Germany, Australia, New Zealand, Singapore, South Korea, Nepal, Portugal, South Africa and other CIS countries," Khan said.

Speaking briefly on the performance of the company, the BFC Managing Director said the project was set up at Savar in 1984 with the financial assistance from BRSR with an annual production capacity of 1350 mt of ceramic products and it started commercial production in October 1986.

The company increased its production to 3300 MT per year since January 1996, he added.

The Deputy Managing Director said the 24 products of the company enjoy good reputation in the market, both in local and export market. The demands for such products are increasing both at home and abroad, he added.

The company projected the dividend policy with 10 per

cent in 1995-96, 15 per cent in 1996-97, 18 per cent in 1997-98, and 20 per cent the next year.

The officials of DCCI and DSE also spoke highly about the company and said more stoneware companies should come forward issuing shares to the general public.

Malaysia starts work on \$2.4b city over sea

JOHORE BAHRU, Malaysia, July 7: Malaysia launched work Friday on an ambitious six billion ringgit (2.4 billion dollars) project to build a commercial city over the sea, reports AFP.

The so-called Johore Bahru water front city will sit on 118 acres (47.2 hectares) of land mass created by driving concrete piles into the seabed instead of conventional reclamation, officials said.

The city, to be developed over 15 to 20 years, is to be created off the southern state of Johore bordering Singapore.

It will be the world's largest single city development on the sea and we hope to get it on the Guinness Book of World Records if everything ends well," said Hong Lee Poo, Executive Chairman of listed Malaysian construction giant

Pilecon Engineering Bhd. Pilecon is the main developer of the project to be completed in three phases.

Prime Minister Mahathir Mohamad touched a button Friday to electronically drive into the seabed the first of 15,000 huge piles that will pave the way for the project's development.

Mahathir said he backed the project because of its piling-based development concept which he said was more environmentally friendly than traditional reclamation that can affect marine life.

"This project is not only unique and innovative, but environmentally and eco-friendly. That's why we conceived and designed by Malaysians and utilises indigenous Malaysian technology is truly commendable," Mahathir said.

Russia's grain harvest may rise this year

MOSCOW, July 7: Russia's harvest, closely watched by world grain markets, will recover this year from last year's 30-year low, but will remain below recent averages, government figures showed Friday.

An official at a government organisation told Reuters that the net grain harvest would rise to 73.77 million tonnes, far above 1995's disastrous 63.4 million but well below the 1991-1995 average of 88 million tonnes.

The official, who did not wish himself of the organisation named, said his figures were the first official 1996 forecast.

Official forecasts of Russia's harvest, a matter of national pride, are a closely guarded secret, and ministers often give conflicting figures.

The figures showed spring wheat output would rise to 18.21 million tonnes and winter wheat to 18.20 million tonnes.

Number of illegal foreign workers rises in ROK

SEOUL, July 7: The number of illegal foreign workers is rising in labour-strapped South Korea despite efforts to deport them, labour ministry statistics showed on Sunday, reports Reuters.

More than 100,000 foreigners were found working illegally in South Korea at end-May, accounting for 60 per cent of the foreign workforce in the country at the time, the statistics showed, some 167,563 foreign nationals were employed in South Korea as of May 31 — 1,00,148 of them illegal workers.

At the end of July last year an estimated 1,02,800 foreign workers were in South Korea, about one per cent of the total workforce, with 61,472 of the total believed to be working illegally.

Figures for end-May 1995 were not available. According to the ministry's statistics, 10,371 of the foreign nationals at end-May this year were legal workers with the proper visas and 87,044 were technical trainees.

Technical trainees belong to a special industrial category allowed to work for a set period by the government to meet labour shortages in the country's small-and medium-sized businesses.

Labour ministry officials have said an increasing number of such trainees were deserting their work places to get more lucrative jobs in South Korea, albeit illegally.

BIWTC contradicts news item

Bangladesh Inland Water Transport Corporation (BIWTC) confessed some 1,602 vehicles remained stranded at its three ghats in Aricha, Nagarbari and Dhautadia on Friday, reports UNB.

Contradicting a news item credited by UNB on Friday, BIWTC rejoinder stated that the news item dished out by the agency to inform the press that 8,000 vehicles had remained stranded in those ghats was not correct.

The rejoinder, however, confessed that the operation of the ferry ghats were disrupted due to strong current and erosion in the rivers.

It further went on to add that it had cleared some 1599 vehicles from 6 am to 9 pm on Friday.



Laila Rahman Kabir, president, Bangladesh Employers' Association along with the vice-president M. A. Kashem and secretary-general C. K. Hyder called on the Minister of State for Labour and Manpower M. A. Mannan at his office yesterday.

Franco-German arms project may be axed due to budget cut

BONN, July 7: Prestigious Franco-German arms projects could be postponed or even axed because budget cuts will crimp Bonn's spending on military hardware, German defence minister Volker Ruehe said in an interview on Saturday, reports Reuters.

He specifically singled out military spy satellites — which French President Jacques Chirac and German Chancellor Helmut Kohl have made a high-profile symbol of bilateral defence cooperation — as too expensive to develop as planned.

"I do not have enough money at present for this," he told the Bild Am Sonntag weekly in an interview yesterday.

Leaks from the defence ministry have made clear Ruehe was furious at Finance Minister Theo Waigel for chopping military spending as part of a broad effort to close a growing budget deficit and help Germany qualify for Europe's single currency.

Chancellor Helmut Kohl finally intervened to end the feud. Media reports that the finance ministry would not confirm said defence spending would fall to 46.5 billion marks (30.45 billion dollars) in 1997. Ruehe had demanded at least 47 billion marks and Waigel had proposed capping the budget at 46 billion dollars.

"Now I can look into the future with more optimism, but it is still clear that we have to be ruthless about savings,"

above all in procurement," Ruehe told the paper.

He said Bonn would not scrimp on the equipment soldiers needed for their safety or on their training. Cuts will instead focus on arms programmes, which could now be spread over longer periods, postponed or cut entirely, he said.

"I think getting NH90 transport helicopters, for instance, is more important than the planned procurement of

tiger attack helicopters," he said. Bonn is developing the NH90 with France, Italy and the Netherlands. The tiger is a Franco-German project.

Defence sources say Ruehe's top priority remains the Euro-fighter aircraft, which Germany needs to replace its ageing fleet of warplanes. Britain, Spain and Italy are also in the project, for which government are now reviewing preliminary price offers from industry.

The defence ministry dismissed as "pure speculation" comments from Erwin Horn, defence expert for the opposition social democrats, that the jets would have a system price of between 130 million and 140 million marks each.

The system price includes items like spare parts and maintenance facilities that the jets would need.

Military budget cuts in Bonn and Paris are making defence contractors increasingly nervous about how much business they can expect from the two key governments.

"If spending on investment in the defence budget (in Germany) is again cut by billions, then this industry will sink to insignificance in Europe," said Manfred Bischof, head of Camille-Berthel Aerospace (DASA) and President of the German Aerospace Industry Association (DDI).

"Our lack of substance will make us the football for other nations' interests as Europe's aerospace industry takes on a new shape," he complained in the daily newspaper Die Welt.

Ivory Coast takes stake in China chocolate factory

ABIDJAN, July 7: Ivory Coast, the world's largest cocoa producer, is taking a stake in a joint-venture chocolate factory planned for Qingyuan in China's Guangdong province, says Reuters.

The Ivorian government, in a statement published in the government Daily Fraternite Matin on Friday, said the plant could use 18,750 tonnes of cocoa to produce 30,000 tonnes of end-products in its first five years of operation.

Ivory Coast and French Group Choc Arbin would each fund 30 per cent of the 5.25 billion CFA franc project and Chinese partners would pay for the rest, the statement added.

The government said it would gradually sell its 30 per cent stake to private Ivorians.



Keeping in view the more dynamic role of Sonali Bank for the overall economic development and for providing different types of facilities to the employees, Sonali Bank Employees Union (B-202), the present Collective Bargaining Agent (CBA) participated in a formal discussion meeting with the bank authorities at the bank's head office in the city yesterday. M. Ahsanul Haque, Managing Director, representing the bank authorities and CBA president and general secretary, Aminul Haque Faruque and Jamal Uddin Ahmed respectively representing the union took part in the meeting.

Commodity market: Prices of oil, sugar up, tea down over week

at times of woe in international affairs. Dealers had feared that a strong showing by the communist candidate Gennady Zyuganov would plunge the region into instability.

Silver: Dull. Like gold, silver failed to attract much interest this week and prices fluctuated around 5.10 dollars per ounce.

Platinum: Weak. Strike action at world's biggest platinum mine, Rustenburg in South Africa, had no effect on prices, which remained low at around 389 dollars per ounce.

Mine Owner: Anglo American sacked 28,000 striking miners for ignoring a court ruling which ordered them back to work. The sacked workers have a right to take up their previous jobs but management has said that if workers do not apply for the posts, it will hire staff from elsewhere.

The protest has ground production to a complete standstill. The mining complex, Rustplats, produces half of South Africa's platinum output and a quarter of world production. Last year it produced 4,000 tonnes of refined platinum.

The miners, who called the strike without the support of the powerful Num union, have asked for life assurance and tax payments to be repaid, but management insisted that it was unable to pay back money already in the hands of the government.

Copper: Calm. A certain degree of calm returned after weeks of turmoil and uncertainty since Japan's Sumitomo Corp's shock announcement that its star trader ran up losses of 1.8 billion dollars on international copper markets.

Copper prices did not, however, remain static. The reference price for delivery in three months fell modestly by some 20 dollars to 1,900 dollars per tonne.

The continued fall-out from the Sumitomo affair was offset by a large drop in copper stocks held in London Metal Exchange (LME) warehouses by 21,025 tonnes to 241,600 over the week, a sign of healthy demand.

The falling prices prompted industrial copper users to snap up some supplies at bargain levels. In a monthly study by the research arm of GNI commodities, experts said copper stocks are equivalent to only nine days' consumption.

With such depleted stock levels, prices could easily take off if either industrial users or speculators launched some buying.

The GNI experts, meanwhile, said Sumitomo had already offloaded some of its loss-making copper contracts. But the giant trading house still has large quantities of metal to dispose of, which is a worry to the market.

According to market rumours, 250,000 tonnes of copper could arrive soon on the market, in connection with the Sumitomo affair, which would weigh very heavily on prices.

Lead: Lower. The price of lead lost around 10 dollars to 790 dollars per tonne, dragged downwards by the seasonal fall-off in demand and copper's losses. LME stocks increased by 850 tonnes to 94,400 tonnes.

Zinc: Stable. The price of zinc held relatively stable, falling slightly by a few dollars to 1,035 dollars per tonne, underpinned by the continued decline in LME stocks, which dropped by 9,000 tonnes to 565,925.

Aluminium: Rise. A modest 675-tonne in LME warehouse stocks to 904,625 tonnes was seen as a positive sign and prices rose by a few dollars to 1,513 dollars per tonne.

It was the first fall in LME stocks since last December. The stock draw represents either a takeoff in purchases or a slowdown in production. But the high level of aluminium reserves removed the immediate prospect of sustained rise in prices, dealers said.

Nickel: Frozen. Prices changed little this week, a rare occurrence for this metal, which is usually extremely jumpy. Prices froze around 7,700 dollars per tonne. LME stocks fell by six tonnes to 32,400 tonnes.

Tin: Takeoff. Tin prices rose by 110 dollars to 6,410 dollars per tonne in an invigorated market.

The GNI trading house said the rise came at a time when Chinese authorities had mounted a crackdown on tin smugglers and unauthorised tin mines.

GNI said measures put in place by Beijing might significantly reduce the amount of the metal exported overseas illegally. The trading house predicted that the metal, which is most widely used to make tin cans, was set to rise.

An announcement that LME reserves rose by 480 tonnes to 10,705 tonnes did not dent market optimism, dealers said.

Oil: Heated. Oil prices continued to climb this week. Brent North Sea crude rose by 75 cents per barrel to around 19.75 dollars.

A key reason was continued delays in the return of Iraqi crude to the international market. A series of hiccups in the implementation of an agreement between the United Nations and Baghdad on the limited sale of Iraqi crude to finance humanitarian aid lengthened the delay.

On Monday, the United States vehemently opposed a plan by Baghdad for the distribution of food within the country.

Meanwhile, the UN said in Kuwait that Iraq had maintained its huge weapons arsenal, refused to provide sufficient information to UN weapons inspection teams and continued to produce outlawed

military hardware. Experts who had put their money on a return of Iraqi crude to the international market this summer after a six-year embargo, changed their minds.

An analyst at Bzw merchant bank, Nick Antill, said Iraqi oil might not return to the market before September and possibly even later.

The market was also hit by a fire at a Danish refinery and by production problems at a Norwegian plant.

Rubber: Soft. Weak demand from tyre manufacturers weighed heavy on the rubber market. The London rubber index fell by 60 pence to 930 pence per tonne.

Large stocks held by tyre manufacturers kept them away from the market. The US independence day public holiday also reduced activity and added to the fall in prices.

Cocoa: Recovery. The price of this tropical bean recovered from last week's brutal crash, gaining more than 10 pounds to 1,060 pounds per tonne.

Figures showing a fall in the amount of cocoa being processed in Britain, which acts as a guide to demand, did not appear to influence the market.

Tea: Bitter. For the second week running, prices tumbled in the London auction houses. The price of medium-quality leaves fell by five pence to 100 pence per kilogramme.

Sugar: Solid. Sugar prices continued to rise to their highest level since the start of April. Prices rose by one dollar to 352 dollars per tonne.

Speculators continued to show intense interest for the product in the face of strong demand and limited supply.

Vegetable Oil: Slip. Favourable weather conditions in the United States dented prices.

The world's leading producer of soy beans looked set to reap a bumper harvest this year, weather permitting. Soy prices fell by 1.5 guilders to 91 guilders per hundred kilos on the Rotterdam market.

Wool: Fleecy. In Australia, prices rose by on Australian cent to 5.98 dollars per kilogramme, lifted by renewed demand from Japanese importers.

British wool producers are satisfied with current demand and price levels, "achieved despite the cheap Irish wool which has been flooding on the market recently," said the managing director of the British wool marketing board, the wool industry body.

futures market sent palm oil prices down by 15 dollars to 477.5 dollars per tonne.

Grains: Weaker. Grain prices slipped on US markets in the wake of good weather forecasts, which heralded a bumper American harvest for spring wheat and maize crops.

Fields which have been dried-out until now are forecast to enjoy some welcome rainfall. Prices also suffered from the cancellation of import orders from China over fears that US grain supplies could be contaminated with a fungus disease.

On the Chicago Board of Trade, wheat contracts for delivery in July fell slightly to 4.76 dollars per bushel (27,216 kilograms each) from 4.78 dollars the week before.

In London, wheat prices also retreated by three pence to 109 pounds per tonne, in calm trading on prospects of a healthy European harvest.

Cotton: Calm. The cotton outlook magazine's indicator index fell, by one cent to 0.79 dollars per pound and prices also eased on the New York futures market.

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