

SANYO
Washing Machine
Sole Distributor in Bangladesh
Transfin Trading Limited
100 Kazi Nazrul Islam Avenue, Dhaka-1215
Telephone: 815306-09, 819625-29, Fax: 819062

The Daily Star BUSINESS

HYUNDAI
CARS THAT MAKE SENSE

DHAKA SATURDAY, SEPTEMBER 7, 1996

RAKUB to disburse Tk 250cr in 16 N-districts

RAJSHAHI, Sept 6: Rajshahi Krishi Unnayan Bank will disburse Taka 250 crore in 16 northern districts during the current (1996-97) fiscal, says UNB.

Officials said the bank through its 19 branches disbursed loans about Taka 172 crore during the last 1995-96 financial year.

Meanwhile, the high officials of the bank at its 26th zone managers conference here on Saturday called for cost reduction by defraying expenses from its own resources.

Managing Director of the bank asked the bank officers to work hard to ensure loan facilities for the farmers of the country's impoverished northern region.

Tk 24 cr project for Darshana-Benapole rly service

RAJSHAHI, Sept 6: The government has taken up a project, involving Taka 24 crore to resume the Darshana-Benapole railway service, reports UNB.

Reconstruction works on the railway track will begin soon and the train service is expected to restore at the end of the current fiscal, officials said.

The 37-kilometres train service between Darshana-Benapole was closed in 1976 considering it as a non-profit scheme.

The government has taken the decision to restore the service as the prospect of Benapole Land Port brightened with the increasing trend of import.

Some four lakh metric tons of goods are being imported through Benapole every year which is much higher than any time before.

Course on Apparel industries management from Sept 16

The Center for Human Resource Development (CHRD) will introduce a 10-week management training course of Apparel industries management from the 16th of this month, says a press release.

The course is being held for the first time in Bangladesh.

The Course Director, Shoeb M Jahangir, has said it will help improve the managerial skill of the people engaged in this sector.

This course will include all the managerial aspect of garments management, its production and commercial management, export to foreign country, computer application etc.

The trainers will be from both gov't and private sectors who are directly involved in export earning industrial sector. The course is designed for the potential entrepreneurs, garments and buying operators and sick garment industry holders.

IMF undecided on Yugoslav membership

WASHINGTON, Sept 6: A top Yugoslav official said on Thursday that the International Monetary Fund would not say when or if his government could rejoin the organisation, reports AP.

"These talks have been productive and helpful, and they will continue very soon," Yugoslav Finance Minister Tomica Ralicvic said after making his case for membership in talks with fund officials Wednesday.

Four of the six republics in the former Yugoslav federation seceded in 1991 and 1992. All four have become IMF members since then.

But rump Yugoslavia refused to accept some IMF terms, chiefly the recognition that the new nation was not the sole successor to the former Yugoslav federation.

Renewed membership for the country, which now consists of only Serbia and Montenegro, would open the way to much-needed loans and investments from the fund, the World Bank, commercial banks and private businesses.

Faced with a deteriorating economic situation, the government in Belgrade abruptly reversed its position, announcing last week its agreement to all IMF conditions. Parliament then approved the measure without discussion.

Ralicvic did not say whether the issue of succession had been discussed Wednesday.

A fund spokesman confirmed that its officials met with a Yugoslav delegation, but declined to comment on the talks.

Ralicvic said that although Yugoslavia had fulfilled the fund's terms, the organization had not indicated when the decision on membership will come.

"Don't think it will be a year," he commented.

IMF conditions included acceptance by Yugoslavia of its share of fund assets, and its share of debt to the fund, Ralicvic said.

ECNEC okays 4 projects worth Tk 140 cr

Executive Committee of the National Economic Council (ECNEC) has approved four more development projects with an involvement of Tk 140.42 crore including project aid of Tk 24.50 crore, reports UNB.

The approval was given at an ECNEC meeting here Thursday. Prime Minister Sheikh Hasina, who is the Chairman of ECNEC, presided over the meeting.

The projects include Dutch-aided Early Implementation Project (phase-IV, group-3) at a cost of Tk 53.55 crore including Tk 60 lakh project aid and afforestation in unclassified and reserved forest area in CHT and Jhomia rehabilitation project at a cost of Tk 28 crore.

The two other projects envisage public administration skill development (BPATC-III phase) at a cost of Tk 35 crore and construction of thana family planning store rooms at a cost of Tk 24.87 crore including Tk 23.90 crore project aid.

Under the afforestation project, 27,318 acres of unclassified and reserved forest area of Chittagong Hill Tracts (CHT) will be brought under afforestation and 350 Jhomia families will be rehabilitated in CHT. The meeting was attended by

Finance Minister SAMS Kibria, LGRD and Cooperatives Minister Zillur Rahman, Water Resources Minister Abdur Razzak, Commerce and Industries Minister Tofael Ahmed, Agriculture, Food, Disaster Management and Relief Minister Matia Chowdhury and Health and Family Welfare Minister Salahuddin Yusuf.

The Cabinet Secretary, principal Secretary, Governor of Bangladesh Bank, a member of the Planning Commission, Secretary to the Prime Minister and secretaries of the concerned ministries and divisions were present.

Decline in US jobless claims shows signs of economy's strength

WASHINGTON, Sept 6: The number of Americans filing first-time claims for unemployment benefits fell by 15,000 last week, an unexpectedly large decline that provided further evidence of the economy's strength, reports AP.

The Labour Department said Thursday that new applications for unemployment benefits totalled 316,000 last week, pushing the claims level to its lowest point since early August.

Many analysts had been expecting only a modest decline in jobless filings of around 2,000. Claims had risen by 5,000 in each of the two previous weeks.

On Friday, the government will release its closely watched unemployment report for August. Many analysts expect the jobless rate will decline to 5.3 per cent, down from a level of 5.4 per cent in July, and for payroll jobs to grow by around

230,000 for the month.

If payroll growth is significantly higher than that figure, economists said it will greatly increase the prospect that Federal Reserve policy-makers will raise interest rates when they next meet on Sept 24 in an effort to dampen economic growth and keep inflationary pressures at bay.

Investors have been jittery about the jobless report since March when unexpectedly strong payroll growth triggered a 171-point one-day slide in the Dow Jones industrial average.

The weekly jobless claims report had an initial negative impact on Wall Street Thursday. Demand for bonds slumped, pushing the yield on the 30-year Treasury — a barometer of long-term borrowing costs for consumers and business — to 7.14 per cent, up from 7.09 per cent late Wednesday.

Robert Dederick, chief economic consultant at Northern Trust Co in Chicago, said the chances of a Fed rate hike on Sept 25 at 50-50, saying he believed the central bank was split currently between two camps.

"I think there is one group that says let's move and there is another group that says we need some evidence that inflation is a problem because everybody is telling us that we are anti-growth," Dederick said.

The strength in the nation's labour markets has been spotlighted by President Clinton as evidence that his economic policies are working and he deserves a second term.

Republican rival Bob Dole, however, has contended that even with low unemployment, incomes have been stagnant and Americans deserve a 548 billion dollars tax break.



Prof Dr M A Mannan, Chairman of the Board of Directors of Social Investment Bank Limited, speaking at the first Annual General Meeting of the bank held at its board room in the city Thursday. Members of the board, organisers, Managing Director M Azizul Huq and secretary of the board were present. The meeting approved the directors' report and annual accounts for the year 1995.

Asian stock markets close lower

HONG KONG, Sept 6: Asian stock markets closed mostly lower Friday, with Tokyo share prices falling on reports that there may be a general election in Japan next month, reports AP.

Tokyo's 225-issue Nikkei Stock Average fell 227.29 points, or 1.12 per cent, ending the week at 20,152.53. On Thursday, the average had gained 177.95 points, or 0.88 per cent.

The Tokyo Stock Price Index of all issues listed on the first section was down 11.88 points, or 0.76 per cent, to 1,545.92. It had slipped 16.81 points, or 1.09 per cent, the previous day.

Prices fell on newspaper reports that Prime Minister Ryutaro Hashimoto has decided to dissolve Parliament's lower house and call new elections as early as next month, traders said.

The news discouraged investors because an early general election lessens chances of the government adopting supplementary spending measures

soon, they said.

Meanwhile, the US dollar rose slightly against the Japanese yen as most players waited for figures on US unemployment in late afternoon, the dollar was quoted at 109.16 yen, up 0.14 yen from late Thursday and also slightly above its overnight New York level of 109.13 yen.

In Hong Kong, share prices closed generally lower, dragged down by an overnight decline on Wall Street.

TAIPEI: Share prices closed lower in lackluster trading. The key Weighted Price Index fell 14.73 points to 6,290.23.

WELLINGTON: New Zealand share prices closed lower in heavy trading, with most leading issues finishing down. The NZSE-40 Capital Index fell 4.11 points to 2,231.82.

MANILA: Share prices closed lower for the fourth consecutive session as foreign investors stayed on the sidelines

to await the release of US economic data. The Philippine Stock Exchange Index of 41 selected issues fell 21.40 points to 3,170.16.

SYDNEY: The Australian market fell to its lowest close in three weeks, reflecting an overnight deterioration in base metal prices and US equities. The All Ordinaries Index fell 20.4 points to 2,237.0.

SEOUL: Share prices closed mixed in thin trading. The Korea Composite Stock Price Index fell 3.09 points to 784.05.

SINGAPORE: Share prices closed mostly lower in light trading. The benchmark 30-share Straits Times Industrials Index fell 13.64 points to 2,096.70.

KUALA LUMPUR: Malaysian share prices closed generally higher, but the key index fell because of a drop in blue chips. The Composite Index slipped 2.16 points to 1,105.33.

JAKARTA: The stock exchange's Composite Index rose 0.718 points, closing at 543.751.

Training on industrial relations begins today

A six-day training programme on Industrial Relations jointly organised by the Ministry of Labour and Manpower and ILO begins here today, reports UNB.

Labour and Manpower Minister M A Mannan will inaugurate the programme at Hotel Purbandi, said a press release yesterday.

Thirty-five government officials and employees, including union leaders, will take part in the training programme aimed at enhancing labour relations in the country.

The resource persons of the programme include A Sivannanthiran (India), Auret Van Heerden (Geneva) and Daus-uz-Zaman Chowdhury, joint secretary of the Ministry of Labour and Manpower.

Marcos' jewellery to be auctioned in London

MANILA, Sept 6: About 12 million dollars worth of jewellery that belonged to the family of the late strongman Ferdinand Marcos will be auctioned in London, the government said Thursday, reports AP.

Some of the pieces of jewellery were seized by US customs agents from the Marcos family when they fled to Hawaii after Marcos was ousted in a "people power" revolt in February 1986, and others were found inside the Malacanang presidential palace after their departure.

One batch of jewellery worth about six million dollars was seized from a Greek national who allegedly tried to smuggle it out of the country on orders from the Marcoses one month after their downfall.

Magtanggol Gunigundo, chairman of the Presidential Commission on Good Government, the agency in charge of recovering the alleged ill-gotten wealth of Marcos, said he has signed a contract with Sotheby's auction house for the sale, with the proceeds to go to the government.

The government claims the jewellery is part of the billions of dollars that Marcos allegedly stole during his 20-year administration. The Marcoses have denied any wrongdoing.

The government also wants to recover 475 million dollars in Marcos' Swiss bank accounts, which has also been claimed by 10,000 Filipinos who won a class-action suit against Marcos for human rights abuses.

Manila stops deployment of workers to Gulf region

MANILA, Sept 6: The government decided Friday to suspend deployment of Filipino workers to seven countries in the Persian Gulf region because of the US missile strikes against Iraq, reports AP.

About 1 million Filipinos now work in the region and hundreds leave the Philippines each month for Jordan, Kuwait, Iran, Syria, Lebanon, Saudi Arabia and Bahrain.

Felicitissimo Josen, administrator of the Philippine Overseas Employment Administration, said the government also has prepared contingency measures to evacuate 180,000 Filipino workers now in the province in Saudi Arabia nearest to Iraq in case the conflict escalates.

Filipino workers abroad, particularly in the Middle East, provide crucial support to the Philippine economy.

This year, overseas workers are expected to send home more than \$16 billion.



Prime Minister Sheikh Hasina was warmly welcomed by San Amalan, General Manager of Dhaka Sheraton Hotel, upon her arrival at the hotel to attend the ABEP Luncheon meeting recently. Picture also shows Director P R Rashida Muhiuddin presenting a bouquet to the Prime Minister.

US, European money markets appear to absorb latest Gulf fighting

NEW YORK, Sept 6: US and European financial markets Wednesday appeared to absorb renewed fighting in the Gulf, as shares advanced in calm trading and oil prices registered a modest decline, reports AFP.

On Wall Street, where the Dow Jones industrial average closed 8.51 points higher at 5,656.90, dealers appeared more concerned with a report on US August unemployment due out Friday than with a second US missile strike on Iraq.

On the bond market, the average rate on 30-year US Treasury Securities rose to 7.07 per cent from 7.05 per cent on Tuesday.

Dealers reacted negatively to a report that US department store sales in the last week of August were higher than the previous seven-day period.

The news fuelled speculation that the US Federal Reserve would intervene later this month to raise interest rates to curb growth and inflation.

The fear on the market now is that a spurt in job creation in August will induce the Fed to raise rates — perhaps by as much as half a point.

"No one wants to be a hero before the publication of the jobs report on Friday," said Larry Wachtel of Prudential Securities when asked to explain Wednesday's subdued activity.

The dollar meanwhile dipped slightly against major currencies in New York under the effect of profit taking, while gold gave up 70 cent an ounce to end the day at 385.40 dollars.

Currency traders were likewise untruffed by the US-Iraqi confrontation. With dealers paying more attention to possible moves by the Federal Reserve after Friday's jobs report.

Oil prices closed lower in New York, reversing an early surge on Tuesday when they shot up following an announcement that a United Nations agreement allowing Iraq to sell 700,000 to 800,000 barrels of oil a day to pay for humanitarian supplies had been suspended.

A barrel of the US benchmark light sweet crude closed down 16 cents lower at 23.24 dollars.

Several oil industry analysts reaffirmed predictions made Tuesday that the fighting in the Gulf would not greatly affect oil supplies and prices in the long term.

According to analyst Nizam Sharief of Hornsby and Company in Houston, Texas, "If you take out the 700,000 to 800,000 barrels a day, we are still in a slight-over-supply environment."

While inventories are currently low, he predicted that they would expand in the fourth quarter of the year, from both

the organisation of petroleum exporting countries as well non-OPEC suppliers.

"As we go into the fourth quarter we'll find inventories gradually building up. Demand is good but supply is better... Inventories are low but there's not much concern because enough supplies are coming on stream."

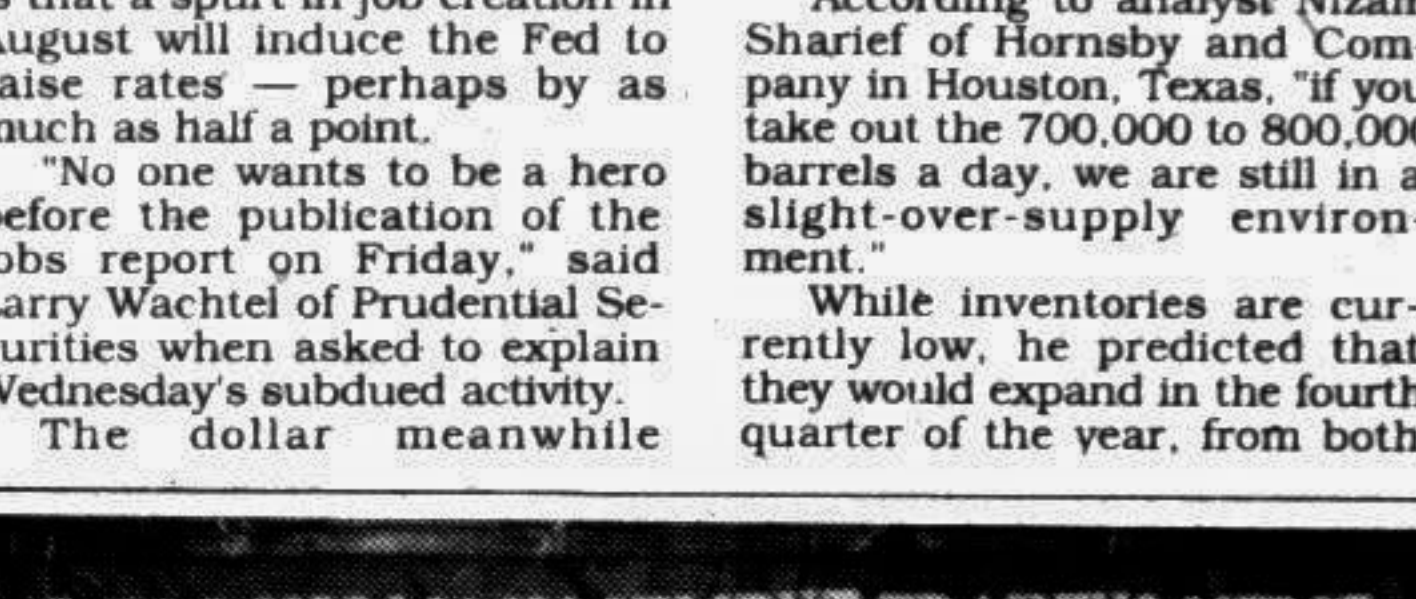
Leading European stock markets all gained ground on Wednesday, with the advances ranging from a tiny 0.04 per cent in Milan to 0.86 per cent in Frankfurt.

The London market was boosted by moderate investor optimism about the monetary situation in the United States, while in Paris the bourse took little notice of the second US missile strike and managed to chalk up a substantial gain in quite trading.

The Frankfurt Stock market moved ahead firmly as the dax index finished at 2,532.39 points, up 0.86 per cent from 2,510.77 points at the Tuesday close.

Traders said the gain should actually be considered a "technical rebound" in the wake of Tuesday's loss, with the rise limited by uncertainty stemming from the Gulf situation.

The Milan Stock Market marked time, with the Mibtel Index gaining a mere 0.04 per cent on the day to end at 9,339 points.



Participants of the day-long management training course for the Secretaries and Personal Assistants sponsored by Rapport... are seen with Mosharrar Hossain.

Rapport management training course held

A day-long Management Training Course for the secretaries and personal assistants was held at Panda Garden Restaurant in the city recently, says a press release.

Sponsored by Rapport Bangladesh Limited, the course was represented by Siemens Bangladesh Limited, IDLC, Families in Children, Rahimafrooz (Bangladesh) Limited and Islami Bank Bangladesh Limited.

M Mosharrar Hossain, Managing Director of Rapport Bangladesh Limited conducted the course as the principal trainer.

The participants were exposed to modern management concepts and principles and various tools and techniques of office management.

Two video management films were also showed to the participants.

NEW DELHI, Sept 6: The federal government is trying to revive Indian Bank, which suffered the highest loss this year among state-owned banks, Finance Minister P Chidambaram said Friday.

The bank, one of the top financial institutions in the country, has been in the red after a series of questionable loans, according to studies by the Federal Reserve Bank of India.

Chidambaram told lawmakers in parliament that the Indian Bank had asked a private financial consultant to suggest strategies to reduce its losses, United News of India news agency reported.

The consultant was appointed on orders of the RBI, which also suggested several changes in the management and accounting policies of the bank, headquartered in Madras, capital of the southern state of Tamil Nadu, Chidambaram said.

Indian Bank's lending policies have been under scrutiny in recent months after lawmakers alleged that its former chairman ignored suggestions by other bankers and violated standard investment checks to lend millions of rupees (thousands of dollars) to businessmen and powerful politicians.

Police in Madras also are investigating loans to the aide of the former chief minister of the state who broke local laws.

The bank posted a loss of 13 billion rupees (371 million dollars) in 1995-96 on a capital base and reserves of 10.3 billion rupees (293 million dollars).

MANILA: US cargo airline Federal Express Corp. announced Friday that it has added China to its Asian cargo-handling routes.

The company established its Asian base last year in the Subic Bay Freeport Economic Zone in Zambales, a province north of Manila.

The zone was a US military base before it was handed back to the Philippine government in 1992.

The inclusion of China in FedEx's Asian network brings to 13 the number of Asian cities covered by the company's overnight air cargo-handling service in the region.

The company's regional vice president, John Quinn, said Chinese authorities have given FedEx approval to operate all-cargo flights two to four times a week to the United States and to its Subic hub from Shanghai, Beijing and 60 other Chinese cities.

FedEx hopes to add 20 more Chinese cities to its network within the next five years, Quinn said.

President Fidel Ramos has signed an executive order that will open more Philippine industries to foreign investors on a limited basis.

The executive order, which takes effect October 24, 1996, allows foreign equity ownership of up to 40 per cent of retailing, operation and management of public utilities, and ownership of private land.

Advertising is also open to foreigners, but only up to a 30 per cent equity share.

Analysts doubt that foreign ownership will actually be allowed on retailing since there is a specific law that prohibits foreigners from the retail industry, there are initiatives in the Philippine Congress to repeal this law.

TOKYO: A wholly owned subsidiary of Sumitomo Trust Bank, a Japanese trust bank, and a 50 per cent shareholding company has ordered 52 planes from Boeing and Airbus Industries for about 4.2 billion dollars.

Bouillon Aviation Service Inc., the subsidiary, bought 12 planes for about 520 million dollars while Singapore Aircraft Leasing Enterprise Inc., an equal shareholding company with Singapore Airlines, bought the remaining planes, the spokesman said Friday.

The 28 planes from Boeing, based in Seattle, Washington, include the latest B777 models. The 24 planes from Europe's Airbus include several A302s.

The two companies will lease the planes to European and Asian airlines, the spokesman said, noting that Asian Airlines can't keep up with increasing demand for passenger planes.

Sumitomo Trust and Banking, based in Osaka, is one of the largest of Japan's seven trust banks.

KUALA LUMPUR: Malaysia's ActaCorp Holdings Ltd announced Friday it will develop a 100 million dollars, hotel and market complex in Myanmar through its construction arm Teknik Cepak Private Ltd.

The company is also looking at the possibility of a joint venture with local partners, ActaCorp executive chairman Amin Shah Omar said.

Last month, the company had announced that it has given Teknik's former managing director Joseph Chong Wan Ping the option to develop the project, but Amin now said that has been cancelled. He did not elaborate.

The three-year project involves building a commercial area with high-rise offices, hotel service apartments, retail outlets department stores and a supermarket in Rangoon.

Amin said the company also was negotiating a housing development project of 30,000 units in Ghana.

Another company owned by Amin is awaiting the government's decision on its proposal to acquire a stake in Penang Port.

Setron had proposed to acquire between 40 per cent and 60 per cent stake in the port, which is being privatized by the government before it is listed on the Kuala Lumpur stock exchange early next year.

SINGAPORE: US-based Hilton Hotels Corp. intends to penetrate Asia with its three-star Hilton Garden Inn chain as part of its attempts to expand globally, the company chief was reported Friday as saying.

The main problem is identifying opportunities and sealing deals, and finance was only a secondary problem, the Straits Times newspaper quoted Hilton president and chief executive Stephen Bollenback as saying.

Hilton Hotels Corp. recently reunited with Hilton International Corp., a wholly-owned subsidiary of London-listed betting chain, Ladbroke PLC. The two companies signed an agreement last week for a substantive worldwide alliance including the reunification of the Hilton brand, the Times said.

Under the terms of the alliance, HHC and HIC plan to cooperate on sales and marketing, loyalty programmes, hotel development and other operational matters that will benefit both sides.

Apart from the Hilton class hotels, HHC's premier five-star chain, Conrad International, will also make a determined push to enter the Asian markets. The Times said. — Source: AP.

US-Japan insurance talks to resume Sept 18

TOKYO, Sept 6: US and Japanese officials will resume talks in Tokyo Sept 18 on the two nations' dispute over restrictions on entering Japan's insurance market. Japan's Finance Ministry announced Friday, reports AP.

Japan will be represented by Hidechiro Hamaoka, deputy general director of the ministry's international finance bureau, and the United States by James Southwick, deputy assistant trade representative.

The talks follow a senior-level meeting between Eisuke Sakakibara, head of the international finance bureau, and US senior negotiator Ira Shapiro in Washington Wednesday.

Erratum

Khairul Huda is the Chairman of the Management Board of Aramit Limited and Managing Director of ICB. His designation of ICB was published in Tuesday's (September 3) issue of the paper as General Manager which was given in a press release by the company.