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The Daily Star BUSINESS

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**HYUNDAI**

CARS THAT MAKE SENSE

NBL opens office in Yangon to facilitate border-trade

National Bank Limited (NBL), a leading private-sector commercial bank, has been nominated to handle banking transactions under the border-trade agreement between Bangladesh and Myanmar, reports UNB.

The government of Bangladesh nominated the bank during the recent visit of Commerce and Industries Minister Tofael Ahmed to Myanmar to augment trade and develop mutual cooperation with the neighbouring country.

NBL, which has experience in regional banking, opened a representative office in the Myanmar capital of Yangon during the visit of the Bangladesh minister, eyeing on promotion of business in the country.

Abdul Awal Mintoo, Chairman of NBL who visited Myanmar with the Bangladesh delegation, told UNB they had a plan to upgrade the office to a full-fledged branch and hoped for permission from the Myanmar government in this regard by mid-1997.

Tofael Ahmed and Myanmar Minister for Finance and Revenue Brigadier General Win Tin inaugurated the NBL representative office. NBL Managing Director Kazi Abdul Mazid was also present.

The bank has also plans to open a branch at Mongdu or Sitwe — known as Akaia here — to facilitate border-trade, he said, anticipating that border trade between the two countries would pick up in next two months.

Although Dhaka signed a border-trade agreement with Yangon in May 1994, the trade volume was insignificant for lack of banking arrangement and restriction of draft per transaction to a mere 2500 dollars.

During the official level meeting on October 30, both the sides agreed to amend the banking arrangement in respect of the amount of draft per transaction to be increased from 2500 US dollars to 10,000 US dollars.

SCB executive due today



David Loretta, Chief Executive for Institutional Banking Group of Standard Chartered Bank (SCB) will arrive in the city today on a two-day visit, says a press release.

During his stay, he will meet the Finance Minister, chief executives of various commercial banks and inspect SCB's institutional banking business in Bangladesh.

Chairman of Karnaphuli Ins re-elected

Nizamuddin Ahmed has recently been re-elected Chairman of Karnaphuli Insurance Company Ltd. for the next two years, says a press release.

Nizamuddin Ahmed is the founder and Chief Adviser of the Medina Life Insurance. He obtained MA degree in journalism in 1972 from Dhaka University.

Economist Intelligence Unit forecasts

Agri, industrial sectors may post higher growth

By Inam Ahmed

The country's agriculture is expected to grow by 2.5 per cent in the fiscal 1996-97 provided that bad weather is no worse than usual and industrial growth will also average higher at around nine per cent, the Economist Intelligence Unit (EIU) forecasts.

This will represent a considerable improvement on the previous year and will require the government to take action to raise market prices for staple crops," said the latest report of EIU for the fourth quarter, 1996.

It further forecasts that this growth rate will be maintained in 1997-98, again only if the AL government implements an "effective procurement policy and manages to prevent large-scale leakage of jute to India."

But it noted that the likelihood of fertiliser shortages and

the lower than expected prices currently being offered to jute growers and to rice farmers are a reminder that Bangladesh's deep-seated agricultural problems — overdependence on rice, lack of transport infrastructure, fragmented land holding patterns, inadequate irrigation and flood control and consequently low crop yields — will take many years to address.

About the industrial outlook, EIU maintained, "if the weather is the potential bane of the agriculture sector, it is politics that is the crucial determinant of prospects for industry."

Though industry was badly hit by the political standoff, its dynamic potential is apparent from the fact that it still managed to grow by an estimated six per cent.

In the following years in-

dustry should register accelerating growth as entrepreneurs, both domestic and foreign, take advantage of the country's newfound stability," EIU observed.

Investment growth will continue to be strong, benefiting from the encouragement that the government has given to foreigners, it noted hoping that rate of investment will also grow, helped by measures such as the provision of EPZ for individual countries which want them.

EIU forecasts that in the two fiscal years ahead, the industry should grow by about nine per cent provided that the political situation does not deteriorate.

Pointing out the government's vagueness about how to deal with the problems of the loss-making State Owned Enterprises (SOEs), EIU noted that

Prime Minister Sheikh Hasina's recent visit to China, and her attempts to woo direct foreign investors, suggest that her government may emulate China in dealing with the problem of SOEs.

Against the government's announced target 5.5 per cent rate of growth for GDP in 1996-97, EIU estimates a rise to average 5.75 per cent. The growth will come largely from an upturn in agricultural output and continued expansion of the manufacturing export sector.

But it said inflation will be boosted by the need to raise the prices for key inputs such as power and probably fertiliser. It forecasts that average consumer price inflation will stay 7.5 per cent in 1997, before falling back a little, to 6.8 per cent in 1998.

Subscription of IPOs: unusual rush at banks

A huge demand for cash to subscribe initial public offerings (IPOs) of two companies at the same time put many of the banks in pressure as depositors hoping to hit the jackpot in the stockmarket rushed to withdraw bank money, reports UNB.

Clients of a city branch of a nationalised commercial bank on Sunday were found queuing in front of its counters, but the bank people told them that they were unable to encash their cheques for fund shortage.

A customer complained that he came to the bank also on Saturday but turned back as the bank could not give him money. Also yesterday the bank has saying the same, said the help-less account holder.

A senior official of the branch, on condition of anonymity, said the bank ran out of cash and they had given requisition of Tk 20 lakh to the zonal office.

But the officials of the zonal office informed the branch that they could at best give them Tk 10 lakh — that also at the end of the banking hour, said the official.

But a top Bangladesh Bank

official said he didn't have the idea why that particular branch of the bank could not encash the cheques as the bank has enough surplus liquidity and invested a large amount on the Bangladesh Bank bills.

The surplus liquidity in the banking system was about Tk 1300 crore, he said, but admitted that some of the banks are not in an easy liquidity position as they invested a major portion of their liquidity on the bills.

"They also quoted a very low rate without understanding," he said, adding that those banks might face a fund shortage which was reflected in the call money market yesterday.

According to him, the call money rate shot up to around 5.5 per cent from 4.95 per cent. The official, however, informed that no bank had approached the central bank for funds from its discount window.

"So it is impossible that any bank is in problem with liquidity position... it's a news to me that one particular branch could not give money to its customers," he said, commenting on the branch's liquidity crisis.

'UK contribution to Bangladesh on the rise'

SYLHET, Nov 4: The British High Commissioner in Bangladesh, David C Walker, has said the existing friendly relation between the two countries is on firm footing, reports UNB.

He was speaking at a reception accorded to him by Bangladesh Overseas Centre on Sunday evening.

The British envoy said the contribution of UK in the development programmes in Bangladesh is increasing day by day.

Walker also said the Overseas Development Organisation of Britain and the Bangladesh Government are going to implement the projects jointly for the development of communication sector in the country.

He added that a substantial percentage of Britain's population is Bangladeshi community and they have been contributing to the socio-economic as well as political fields of that country.

SCCI, QAV sign MOU to promote investment, trade

The SAARC Chamber of Commerce and Industry (SCCI) Sunday signed a memorandum of understanding (MOU) with the German Asia-Pacific business organisation Ostasiatischer Verein EV (OAV), says BSS.

The MOU signed by Salman F Rahman, president of SCCI and Rolf Dittmar, Senior Managing Director of OAV, is intended to expedite contact between German and South Asian business people to promote trade and investment between Germany and the SAARC countries.

Rahman also chaired a meeting between representatives of SCCI and OAV on the occasion.

Among the attendees were: AS Kashiwal, the President-elect of the Federation of Indian Chambers of Commerce and Industry (FICCI), which had organised the meeting on behalf of the SCCI, and KR Podar, Vice-President SCCI.

Grameen CyberNet holds 2-day fair

Grameen CyberNet organised the third Internet fair in the city from November 3 to 4, says a press release.

The fair, held at the Ball Room of Hotel Purbani, was specially designed for the corporate clients.

The Internet fair consisted of live on-line Internet demonstrations which included, information gathering from computers all over the world, electronic mail, slide shows on web-development, business promotion over the Internet etc.

Guests from different sectors attended the fair.

Grameen CyberNet is creating mass awareness about the benefits of Internet and is promoting the various services of Internet through these fairs.

New GM of Rupali Bank

Dr Jadab Chandra Saha has joined Rupali Bank Ltd. as General Manager Recently, says a press release.

Before joining Rupali Bank, he was the General Manager of Bangladesh Krishi Bank where he served for about 16 years in different responsible positions.

Prior to his joining service in BKB, Saha served BIDS as a Staff Economist and BIBM as a Faculty Member.

Dr. Saha obtained his Post Graduate degree in Statistics from Rajshahi University in 1969. He received Masters Diploma in National Economic Planning in 1973 from the Central School of Planning and Statistics, Warsaw, Poland. He got his PhD degree in Economics from the same school.

He participated in many Training Programmes and Study Tours at home and abroad including India.

Violation of forex laws in India: British firm denies involvement

NEW DELHI, Nov 4: Britain's Bat Industries PLC denied in remarks published Sunday that it was involved in the alleged violation of Indian forex laws by Indian tobacco firm ITC Ltd. in which it has 31 per cent stake, reports AFP.

The Times of India newspaper quoted Michael Prideaux, Bat's head of corporate affairs in London, as saying that efforts were being made to implicate his firm in the case that has led to the arrest of six ITC executives.

"Desperate attempts are being made to drag Bat into this mess," he said. We refuse to rise to the bait. We shall provide all information as and when it is sought by Indian authorities or at a board meeting."

Dhaka invited to Indian Ocean Community confce in Tehran

Iran has convened an international conference on Indian Ocean Community in its capital of Tehran November 10-12, apparently as a countermeasure against an emerging trade bloc, reports UNB.

Diplomatic sources said here Sunday that as many as 40 countries, including Bangladesh and Commonwealth of Independent States, had been invited to the meet.

Bangladesh is expected to attend the conference. However, constitution of the delegation is yet to be finalised.

An official of the Iranian embassy here said the main objective of the proposed conference is to promote cooperation among the countries in the region, particularly in trade and economic field.

Taxis rare, shops empty, thanks to lack of illegal workers in UAE

DUBAI, Nov 4: Taxis are becoming a rare sight and finding a housemaid has become almost impossible since the United Arab Emirates (UAE) forced up to 200,000 illegal foreign workers to return home, reports AFP.

Economists are warning that the UAE could pay a high price for the mass exodus, which culminated with an October 31 deadline for illegal residents to leave the country or face heavy fines or prison terms of up to three years.

Work at several construction sites has come to a halt. Hotels and restaurants are also complaining of a lack of manpower, like the shops in Sharjah where many stalls are left empty because the workers are not available to transport the goods.

Out of 2.23 million residents, less than 20 per cent are Emirati nationals, according to estimates from foreign embassies.

More than 160,000 overstaying foreigners and illegal migrants from India and other South Asian countries have left the oil-rich UAE over the past three months.



A foreign buyer at a handicraft stall at the Autumn Fair organised in observance of Tourism Month '96 at Dhaka Sheraton Hotel yesterday. —Star photo

Most Asian currencies fall against dollar over week

HONG KONG, Nov 4: The Japanese yen fell to a 43-month low against the US dollar over the last trading week, joining most other Asian currencies on the slide against the resurgent greenback, reports AFP.

The Australian dollar was one of the few currencies to rise, on rumours of an impending US interest rate cut before Christmas.

JAPANESE YEN: Hit a 43-month low against the US dollar with financial markets worried about Japan's low interest rates, dealers said.

The Japanese unit stood at 113.64-65 yen to the dollar Friday, down from 113.09-11 a week earlier.

On Tuesday, the greenback touched 114.92 yen, its lowest level since April 1, 1993.

Bank of Japan Governor Yasuo Mutsushita said he backed the continuation of the easy

monetary policy to support recovery. The official discount rate remains at a record low of 0.5 per cent.

Towards the end of the week, the yen rallied moderately with investors covering their positions, dealers said.

THAI BAHT: The Bank of Thailand Exchange Equalisation Fund on Friday fixed the official mid-rate at 25.50 baht to the dollar, compared to 25.47 baht the previous week, a central bank official said.

SINGAPORE DOLLAR: Ended sharply higher over the week against the US dollar, finishing at 1.4090 compared with 1.4165 at the end of the previous week.

HONG KONG DOLLAR: The Hong Kong dollar, closely linked to the greenback, closed at 7.732-7.733 to the US dollar Friday, down marginally from the previous week's close of 7.7315-7.7325.

INDONESIAN RUPIAH: Closed on Friday at 2,352 rupiah to the dollar, two rupiah weaker than the previous week's close.

TAIWAN DOLLAR: Rose to close Friday at 27.509 to the US dollar on lackluster trading, up five Taiwan cents from the previous week's finish.

MALAYSIAN RINGGIT: Ended the week 197 points lower at 2.5255 from 2.5058 to the US dollar the previous week following strong commercial demand for the US dollar, dealers said.

"It's not the ringgit that went down. It's the dollar which went up," Prime Minister Mahathir Mohammad said on Thursday.

Dealers said the local currency fell sharply on Wednesday on talk that the US was planning to impose sanctions on Malaysia's national oil corporation Petronas for investing in Iran — a target of US sanctions for allegedly supporting terrorism.

Currency dealers said they expected the ringgit to remain weak in the short run.

SOUTH KOREAN WON: Strengthened marginally from 829.00 won per dollar a week earlier to 828.90 won to the greenback Saturday.

PHILIPPINE PESO: Remained at 26.282 pesos to the dollar on Thursday, the same level it shoot at on October 26.

There was no trading on November 1, holiday in the Philippines.

Donors to support BDRCS projects

The aid consortium on the second and the final day of its meeting Sunday arrived at a consensus that the Bangladesh Red Crescent Society (BDRCS) should be given all possible support and assistance so that it could continue its routine as well as development programmes, reports BSS.

Its on-going projects under Disaster Preparedness Programmes (DPP), Cyclone Preparedness Programme (CPP), health and community development programmes must be sustained so that the humanitarian objectives of the Society could be upheld, an aid club source said.

The Chairman of the BDRCS Major General (Retd) Abdus Salam MP while talking to newsmen said that the aid club members had assured support and assistance in unequivocal terms that the programmes and projects under the DPP, CPP and medical sector could be executed properly.

One of the major objectives of the aid club meeting, General Salam said, was to deliberate

on the "crisis of confidence" developed over the years because of the lapses, dereliction of duties and other lacunae of individuals.

"We have been able to restore the lost confidence of the society by dint of our honesty, dedication to duty and fair play in our everyday performances," General Salam said and added that this restoration of the lost image reciprocated the views of the secretary general of the International Federation of the Red Cross and Red Crescent Societies (IFRC) George Waiver. During his recent visit to Geneva, George Waiver had assured me that the BDRCS had returned to its old track.

On the activities of the society, General Salam said that the social welfare and humanitarian activities of the society would be turned into a social movement from the grass-root level in the district to the national level in the headquarters. He said that the youth forces must be utilised in this task.



A team of Professors from UK specialising in Design Marketing are visiting Dhaka to hold seminars and workshops on fashion and textile designing. The trip is sponsored by the British Council. The team also visited the state-of-the-art textile manufacturing facilities of Beximco Textiles Division at Savar. Picture shows Prof Gillian Campbell, Head of Dept of Consumer Studies Glasgow Caledonian University, (Centre), Prof Edward Newton, Dean - Faculty of Art & Design, Nottingham Trent University (second right), Dr Simon Kay, Deputy Director, British Council (right) with S Naved Hossain, Executive Director and Aslam Khan Director Operations, Beximco Textiles at the factory premises in Savar.

Bangladesh Bank Motijheel Dhaka Enlistment of Printers

Applications are invited from bonafide and established printers at Dhaka for enlistment as printers of all kinds of printing materials of Bangladesh Bank for a period of 3 (three) years with effect from January 1997 to December, 1999.

The applications should be addressed to the General Manager, Bangladesh Bank, Motijheel Commercial Area, Dhaka prominently written on the envelope the words "Application for Enlistment of Printers". The applications are to be written on official pad of the firm concerned and should reach the addressee by the 19-11-96 under registered post along with a Bank Draft/Pay Order for Tk. 200/00 (Taka two hundred) only (Non-refundable). Photostat copies of up-to-date Trade Licence, Bank Solvency Certificate, Income Tax Clearance Certificate (1995-96), Press Declaration Certificate and 4 (four) years Experience Certificate should also be enclosed with the application. The selected firm will have to deposit a Bank Draft/Pay Order for Tk. 5,000/00 (Taka five thousand) only (refundable at the expiry of the tenure of contract) in favour of the General Manager, Bangladesh Bank, Motijheel, Dhaka as security money at the time of enlistment.

Incomplete & conditional applications will be treated as cancelled. The Bank reserves the right to accept or reject any or all applications without assigning any reason.

স্বাক্ষর: ৪/১১-১৮৪ S I M Moqbul Hossain Khondoker
তারিখ: ২/১১/৯৬ General Manager (Current Charge)
D-1201