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**HYUNDAI**

CARS THAT MAKE SENSE

ERD, FAO sign project accord on emergency assistance

Giule A Mahbub, Joint Secretary of Economic Relations Division (ERD) of the Ministry of Finance and Hiroyuki Konuma of FAO Representative in Bangladesh signed a project agreement on "emergency assistance to tornado affected families", says a FAO press release here yesterday.

Project support covers the tornado affected families of Gopalpur, Basail, Kalihati, Mirzapur, Shakipur and Ghatal thanas of Tangail district and Madargani, Bakshiganj and Sharishabari of Jamalpur district.

The project is funded from the regular budget of FAO with FAO's financial contribution of Taka 5.8 million aimed to provide assistance in the agricultural rehabilitation of the tornado affected families in the above mentioned thanas through provision of agricultural inputs such as fruit saplings, agricultural tools, boro paddy seeds, etc to enable them to resume agricultural production.

Considering the urgency of providing assistance to the affected families, Bangladesh govt and FAO have already started the project activities.

The project is implemented by the Department of Agricultural Extension (DAE) with active support from the district administration of Tangail and Jamalpur and the affected thanas, and active involvement of six local NGOs.

Among the project inputs 75,000 pieces of fruit saplings including Mango, Guava, Coconut, Jackfruit, Lemon and Lichies trees as well as improved variety of boro paddy seeds are being distributed to approximately 15,000 tornado affected families in the area.

Agricultural hand tools such as spade and sickles will also be distributed to tornado affected wage-labourers in the area.

The TCP assistance would provide valuable inputs to tornado affected families to enable them to resume agricultural production.

FBCCI leader seeks urgent solution to paper crisis

The Acting President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) Kazi Md Shafiqul Islam has said BCIC and concerned ministries of the government should immediately form a Task Force to address the paper crisis, says a press release.

In a statement Islam approximately 55 to 60 per cent demand of paper is met by Karnaphuli Paper Mills. The collection of bamboo and wood, the two principal raw materials for production of paper starts from October to March. He apprehended that by pension of gas to the mill in November, the production of paper has been stopped and there might be some evil forces working on this which needs to be identified.

The production and supply of paper has been stopped for want of only two million cft of gas which resulted in the upward trend in the price of paper. The sufferers are common consumers, specially the students, teachers and publication and printing industries, Education Boards, School Text Book Board, universities and export oriented Corrugated Carton Industries. He observed that there is no scope to under-estimate the crisis.

He further added that the suspension of the production of paper has created a serious crisis in the country.

LONDON, Nov 17: A blast of cold weather across Europe and the United States sent shivers through crude oil prices during this week and oil prices rose from their already lofty heights on the London market, reports AFP.

As households snuggled down for winter, the demand for heating oil went through the roof, but this surge in demand has come at a time when stocks in consumer countries, and particularly in the United States, have touched rock bottom.

London dealers on the International Petroleum Exchange (IPE) forecast that the cold snap would heat up interest in crude, particularly from the North Sea region.

Copper prices swung like a pendulum this week, as dealers followed the twists and turns in the on-going saga of the mysterious slump in reserves of the metal.

GOLD: Weak. Gold prices fluctuated this week between 378 and 382 dollars per ounce, in quiet trading. The cautious interest shown by investors a few weeks ago has disappeared.

Market players still fear that European central banks will be tempted to sell some gold reserves to help them meet the economic convergence criteria for joining a single European currency.

SILVER: Low. The price of

Tofael tells expatriate Bangladeshis

Favourable investment climate prevailing in country

Commerce and Industries Minister Tofael Ahmed said a favourable investment climate is prevailing in the country for the expatriate Bangladeshis to invest there, reports UNB.

The government is implementing massive economic and administrative reforms for attracting the expatriate Bangladeshis to invest in the country, he told a reception in Geneva yesterday.

The reception was jointly organised by Bangabandhu Parishad and Probasi Bangladeshi Sangstha in Geneva and Bangabandhu Parishad of Lausanne, according to a message received here.

Referring to various measures undertaken by the government for domestic and foreign investment, Tofael said prospective investors of various countries have already shown keen interest in investing in Bangladesh.

He urged the expatriate Bangladeshis to contribute to the country's socio-economic development by investing their earnings.

The Commerce Minister said the government had

passed the Private EPZ Bill for establishing export processing zones (EPZs) by private entrepreneurs.

"Come forward, avail the opportunity and set up industries," he called upon the expatriate Bangladeshis.

He said the expatriates send Tk 1.5 billion dollar a year to Bangladesh but their hard-earned money could not be utilised earlier for lack of proper planning by the government.

Tofael alleged that the anti-liberation forces had tried to destroy the country in a planned manner by killing father of the nation Bangabandhu

Sheikh Mujibur Rahman in August 15, 1975.

After 21 years of struggle, Awami League returned to power and with the passage of the Indemnity (Repeal) Bill on November 12, the way for trial of the killers had been cleared, he said.

He asserted that the trial of the killers of Bangabandhu, his family members and four national leaders would be held in the soil of Bangladesh.

Later, Tofael left Geneva for London where he will hold talks with the British investors at a meeting to be organised by the British Department of Trade and Industries.



IBM computers at the three-day BCS computer show which began November 16 at Dhaka Sheraton Hotel. —Star photo

Port City expects a new leap in development horizon

CHITTAGONG, Nov 17: The Port City here expects a new leap in its development horizon as a number of uplift projects is being implemented while many others are on the anvil for implementation, reports BSS.

According to official sources here, the government has given green signal to the ministries concerned for finalising minutes of the agreement with South Korean investors for establishing a second export processing zone on the southern bank of the river Karnaphuli. The proposed EPZ is expected to provide employment opportunities for thousands of Bangladeshis.

The sources said that Japanese investors have also evinced keen interest in setting up a special economic zone in Chittagong. The Japan International Cooperation Assistance (JICA) which conducted an industrial survey in Chittagong a few months back has suggested building up of basic infrastructures in Chittagong which it terms as a potential site for massive industrial development. JICA has approached the government to accept its suggestions for development of the port city including expansion of Chittagong Export Processing Zone at Patenga.

The sources hinted that the government would give due consideration to JICA suggestions for further industrialisation of this potential region.

JICA has also suggested construction of a third bridge over the Karnaphuli at Sadarghat to link the southern region of the Karnaphuli with the main city.

Prime Minister Sheikh Hasina during her last visit to Chittagong announced that her

government could not ignore Chittagong and as such development of Chittagong would receive priority over others. She also said that the demand of the Chittagong people for turning it into a commercial capital of the country, her government would do everything possible in this regard.

The sources said that Japan has agreed to provide Taka 600 crore for the development of Chittagong Airport as an international one. Some preliminary works have been completed at Chittagong Airport while major works on its development are to be undertaken soon. The sources added.

Development of Chittagong Airport as an international one would ensure direct air links with some Middle East and other countries where thousands of Bangladeshis work.

Chittagong Port has a Taka 1000 crore development plan which is being implemented gradually.

Shipping Minister ASM Adur Rob said recently in Chittagong that a second container terminal would be constructed at Chittagong Port to facilitate handling of more ships and containers. He also said that several river ports of the country would also be developed while some container depots would be constructed at suitable places.

Rob also called for involvement of private sector in development and expansion of Chittagong Port to enable it to handle increasing export and import cargoes.

The Telephone and Telegraph Department here will install 49,000 digital telephones in the port city of which 28,000

have already been installed. At present 11,000 digital telephones are being installed in the city. By June 1997 the T and T Department will complete installation of 39,000 digital telephones in the port city, department sources said.

Installation of digital telephones will help expand trade and commerce in the port city to a great extent.

The Chittagong television station constructed at an expenditure of over Taka 18 crore is likely to be inaugurated soon. The Chittagong TV station could not be commissioned during the past over one year because of some technical faults.

The city corporation in cooperation with some foreign companies will construct a tourist-cum-recreation centre at Patenga while a children's park would be built at Agrabad Junction Ground.

Chittagong Development Authority has been implementing three road development projects with financial assistance of the Asian Development Bank. These are Chaktai road, Oxygen to Burishar road and Kulsai to Dhaka trunk road. CDA is also developing a housing estate on the other side of the Karnaphuli in order to meet the increasing demand for accommodation in the sprawling city.

Meanwhile, several foreign trade missions and business delegations visited Chittagong and held discussions with members of the Chittagong Chamber of Commerce and Industry on joint ventures and trade expansion. The trade missions which visited Chittagong during the past few months were from South Korea, Japan, Britain, Thailand and India.

Berthing facilities of launches to be extended in phases: Rob

Shipping Minister ASM Adur Rob said "berthing facilities" of launches at Sadarghat launch terminal and other important launch terminals would be extended in phases, reports BSS.

He said this while exchanging views with an eight member delegation of Launch Owners Association, Bangladesh in the conference room of the Shipping Ministry here yesterday.

The minister urged the launch owners to introduce more launches on different routes including coastal areas for avoiding passengers' rush and ensuring safety journey.

The launch owners urged the ministers to take up necessary measures for massive dredging programme throughout the country including northern region so that oil tankers can ply on these areas smoothly.

President of Launch Owners' Association and Bangladesh Ship Builders' Association KM Mahmudur Rahman led the delegation.

New chairman of IATA

MEMPHIS, Tenn, Nov 17: The International Air Transport Association announced at the 52nd annual general meeting in Geneva that the IATA Board of Governors approved the recommendation that Frederick W Smith, Chairman, President and CEO of Federal Express, be chairman-elect of the Board and member of the chair committee, says a press release.

According to the Director of Corporate Communications, William Gaillard, "The Board of Governors is IATA's most influential body in shaping IATA's policies and controlling its finances".

Smith moderated an afternoon seminar on "Air traffic management systems" focusing on ATM's global harmonisation. The panel also featured JC Baumgarten, CEO of Air France, Yang Ho Cho, President & CEO of Korean Airlines and Sir Harry Tivengadum, Chairman and Managing Director of Air Mauritius.

The Chairmanship will be effective at the close of next year's annual meeting when Dr Cheong Choong Kong's, CEO of Singapore Airlines, chairmanship expires.

The IATA, founded in 1945 in Montreal, Canada, aims to promote the safety and security of air services for the benefit of the peoples of the world, to provide means of collaboration among airlines engaged in air transport and to cooperate with the International Civil Aviation Organisation (ICAO) and other relevant international organisations.

Bangladesh-India trade talks today

The third meeting of the private level Bangladesh-India Joint Business Council (JBC) will be held in New Delhi today, reports UNB.

A 13-member delegation, headed by executive committee member of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) A K M Shamsuddoha, left Dhaka yesterday to attend the meeting.

The meeting will be inaugurated by Indian Commerce Secretary Tejendra Khanna and addressed by India Bangladesh JBC chairman Mumtaz Ahmad, co-chairman Suresh Kotak and FBCCI President Yusuf Akhuliah Harun.

In the meeting, the Indian side will make sectoral presentations on banking and infrastructure while the Bangladesh side will present paper on investment opportunities in the country.

The delegation members will also attend the SAARC Economic Cooperation Conference to be held November 19-21 in New Delhi, which is likely to be opened by Indian Prime Minister H D Deve Gowda.

Indian Minister for External Affairs Inder Kumar Gujral will present the key-note address in the conference.

Other members of the delegation are M Rezaul Malik, Dewan Sultan Ahmed, Mohammad Ali, Maleka Khan, Mohammad Shamsul Kaunain, M Abdul Haque, Khandaker Ruhul

\$1.2b LNG plant in Oman

MUSCAT, Nov 17: Sultan Gabrew of Oman inaugurated on Saturday the construction of a 1.2 billion dollars liquefied natural gas (LNG) plant as part of a plan to reduce the country's dependence on oil exports, reports AFP.

The construction of the liquefied natural gas plant falls within a six-billion dollars project, which should generate 24 billion dollars for the Sultanate over the next 25 years, Oman's Oil Minister Said Iban Ahmed al-Shanfari said at the ceremony.

He said that several international financial institutions had provided loans covering 80 per cent of the cost of the project.

Oman awarded a contract on Thursday to a consortium made up of Japanese company Chiyoda and the US firm Foster Wheeler for the construction of the LNG plant.

The plant is being built at Al-Gaila, near the port of Sur on the Gulf of Oman, and is to be operational in 1999, with annual production of 6.6 million tonnes of LNG, the official Omani news agency ONA said.

Mark 14 times oversubscribed

Mark Bangladesh Shilpa and Engineering Limited, a footwear manufacturer and exporter of the country, has received fairly more than Taka 365 crore against the public offer of 13.39 lakh ordinary shares of Taka 26.76 crore recording a 14 times oversubscription compared to the public offerings, says a press release.

The company is yet to get the total amount of subscription through Investment Corporation of Bangladesh (ICB). The total figure of subscription may further be increased substantially on receipt of collections from ICB branches.

The issue price of the share was Taka 100 each at 100 per cent premium i.e. Taka 200 per share. The subscription was opened on October 30 and closed on November 9 last.

The main purpose of the issue is to meet the costs of two major expansion projects, one at Savar EPZ and another at BSCIC Industrial Estate, Konabari, Gazipur.

Mark Bangladesh has joint-venture with two world-famous German companies in the field of technical assistance, production and marketing.

It has a prestigious membership of UK-based Shoe and Allied Trade Research Association (SATRA).

Banks penalized for illegal stock deals in China

BEIJING, Nov 17: China's securities watchdog body has penalized 12 banks and brokerage firms for illegally bidding for shares on credit, an official newspaper reported, reports AP.

The China Securities Regulatory Commission warned and fined the banks and brokerages, the newspaper Shanghai Securities reported Saturday.

The report said the Jiangmen branch of the Guangdong Development Bank in southern China was fined 1.13 million yuan (139,000 dollars), while the Zhongshan Securities Co. was fined 790,000 yuan (96,000 dollars) and an unnamed international trust and investment company in China's southern province of Hainan was fined 690,000 yuan (84,000 dollars).

Singer sales centre opens at Laxmipur

A new Singer show room-sales centre was opened at Laxmipur recently, says a press release.

This brings the total number of centres of Singer so far opened in the country to 60.

The Deputy Commissioner of Laxmipur, Iman Ali, inaugurated the centre while the Chairman and Managing Director of the Company presided over the functions.



Iman Ali, Deputy Commissioner of Laxmipur, opened the Singer show room-sales centre at Laxmipur recently. Mahbub Jamil, Chairman and Managing Director of the company, also seen in the picture.

Commodity market: Tea, oil rise while gold, cotton fall

this metal, used mainly to make photographic films, remained low, at around 4.85 dollars per ounce.

PLATINUM: Neglected. This precious metal is in the doldrums, as makers of catalytic converters (one of the main outlets for platinum) are increasingly choosing to use its sister-metal, palladium, which is three times cheaper.

Demand for platinum used in catalytic converters has fallen as car makers in Europe, Japan and the USA make wider use of palladium-rich catalysts. Johnson Matthey, the British industrial group, said in a recent report.

COPPER: Chaotic. Confusion spread across the copper market this week after the mystery surrounding the inexplicable slump in stocks held in London Metal Exchange (LME) warehouses around the world thickened.

The root of it all was a study by the World Bureau of Metal Statistics (WBMS) which suggested the existence of a large stockpile of metal that was not included in official LME statistics. The report said the metal was in the Dutch port city of Rotterdam.

The WBMS, which examined

copper flows to and from the Netherlands between 1991 and 1995, calculated that an unreported cache of 568,000 tonnes had built up in Rotterdam's warehouses by the end of last year.

Copper prices have now returned to the levels they displayed before the Sumitomo affair in June, which provoked a slump in the value of copper.

The market remains concerned about the rock-bottom levels of LME stocks, which could spark a shortage of copper supplies for industries, such as construction, which use the metal heavily.

LEAD: Lighter. The price of lead lost some 15 dollars to 730 dollars per tonne, fluctuating in the wake of copper's swings. LME stocks were down by 1,200 tonnes to 114,175 tonnes.

ZINC: Stable. Zinc prices held relatively firm at 1063 dollars per tonne while LME reserves fell by 5,250 tonnes to 535,400 tonnes.

ALUMINIUM: Melting. Buyers stayed away from the aluminium markets in Europe and the United States this week and prices fell by about 20 dollars to 1,440 per tonne.

GNI trading house said that US investors had stayed away

from the market as they sought to reduce their aluminium stocks.

In Europe, demand was equally low. Nonetheless, LME stocks fell by 3,250 tonnes this week to 965,400 tonnes.

NICKEL: Tumble. Nickel prices fell by about 80 dollars to 7,120 dollars per tonne, in the face of an increase of LME reserves, which rose by 1,200 tonnes to 44,508.

TIN: Rise. Tin prices rose by 100 dollars to 6,040 dollars per tonne after a fall of 375 tonnes in LME reserves to 9,320 tonnes. But GNI warned that a rise in Chinese output might hit prices in the future.

OIL: Spurt. Oil prices soared this week as biting cold lifted demand for heating oil in the Northern Hemisphere.

The reference price for North Sea crude oil rose by one dollar over the week to 23.5 dollars per barrel, after falling back from a high-point of more than 24 dollars.

The arrival of cold weather across Europe and in the eastern United States has prompted a surge in demand for heating oil at a time when reserves of refined petroleum products are extremely low and cannot meet any sustained rise in demand.

Mid-week, the market shuddered after publication of weekly US stock figures which again showed a sharp fall.

RUBBER: Inert. The rubber market remained quiet this week and prices rose by 7.5 pounds to 815 per tonne.

Heavy rainfall in Thailand and Malaysia delayed production there, but the market was unswayed by this climatic hiccup in the face of abundant supplies.

Cocoa: Chilled. Cocoa prices fell by about 20 pounds to their lowest level since March at less than 920 pounds per tonne.

Producers have stepped up output and the crop in Ivory Coast, which alone produces one third of world output, has proved to be extremely large this season.

Dealers said that the harvest there is proceeding well and 200,000 tonnes of beans have already arrived in Abidjan warehouses for export.

The market was still under pressure from strong sterling, which made the London market seem more expensive to investors.

COFFEE: Iced. An announcement that only 471 bags of coffee (weighing 60 kgs each) were left in warehouses belong-

ing to the New York futures market failed to lift prices, which instead fell because of sales by African and Asian producers.

In London, the price of a tonne of robusta, which is grown in Africa and Asia, fell by 20 dollars to 1,430 dollars per tonne.

The market failed to react to a warning from the association of coffee producing countries, which said the global production deficit would grow to one million sacks in 1996/97, in the face of annual consumption of 100 million sacks of 60 kg each.

TEA: Strong. Prices for high grade teas from Assam in India rose on the London market.

Medium quality brews remained unchanged at 112 pence per kg.

SUGAR: Bitter. Sugar prices slipped by two dollars to 303 dollars per tonne, dragged down by a combination of weak demand.

This picture is confirmed by several estimates, including those of the US Department of Agriculture (USDA), which predicts the world sugar harvest over 1996/97 will reach a new record of 125 million tonnes, from 122.5 million the previous

year.

VEGETABLE OILS: Firmer. The price of soya gained five cents to 6.91 dollars per bushel (27.2 kgs each) on the Chicago futures market, despite the prediction of a strong jump in the US harvest by the USDA.

The market was underpinned by a wave of buying from speculative investment funds, which overcame the negative effect of the USDA's increased estimate for the 1996 US soya crop, now 65.39 million tonnes, up from 63.85 million forecast previously.

GRAINS: Reinvigorated. Grains prices on the Chicago market took off this week, encouraged by US estimates that world wheat stocks are less plentiful than previously thought, and by the prospect of large purchases by Egypt and Turkey.

The US Department of Agriculture (USDA) now calculates global stockpile of wheat at 110.8 million tonnes, significantly below its previous estimate of 116.5 million tonnes. It also predicted that foreign countries would step up their imports of US grains in coming months.

On the Chicago Board of Trade (CBOT), the world's

largest grains exchange, the price of wheat rose by 21 cents to 3.96 dollars per bushel (27.2 kg each - for delivery in December). Maize rose on the wings of wheat, gaining seven cents to 2.71 dollars per bushel (25.4 kg).

The USDA's announcement of a larger than expected maize harvest by the United States, by far the world's biggest producer, damped prices in Chicago only temporarily.

European grains prices, however, slipped slightly.

In London, the price of wheat declined by one pound to 93.5 pounds per tonne.

COTTON: Damp. Cotton prices fell on the New York futures market on the prospect of bumper crops in the United States, the world's number one exporter.

According to the USDA, this year's US harvest should amount to a healthy 18.6 million bales (of 217.7 kgs each), thanks to good weather for cotton picking in the south of the country, especially Texas and Mississippi.

The cotton outlook index, which covers the cash market, eased by 0.4 cents to 74.8 cents per pound.

WOOL: Fleeced. Prices on the London market fell by 12 pence to 396 pence per kilo and the eastern index on the Australian market fell by six Australian cents to 566 cents per kg.