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HYUNDAI
CARS THAT MAKE SENSE

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Kuwait keen to invest in Bangladesh

KUWAIT, Dec 20: Kuwait is keen to invest in Bangladesh, reports BSS.

Chairman of the Foreign Relations Committee of the Kuwait National Assembly Abdul Aziz al-Adisani said this when the visiting Bangladesh parliamentary delegation, led by Deputy Speaker Abdul Hamid Advocate, called on him Thursday.

Adisani also invited a Bangladesh delegation to apprise the investors here of the investment opportunities and facilities in Bangladesh.

Earlier, the five-member delegation had meetings with Speaker of Kuwait National Assembly Ahmed Abdul Aziz al-Saadoon and Deputy Speaker Talal al-Ayyar and discussed matters relating to the functioning of Kuwait National Assembly.

The Bangladesh parliamentary delegation is now in Kuwait on a six-day official visit since December 16.

Water, Sanitation policy soon

Local Government, Rural Development and Cooperatives Minister Zillur Rahman Thursday said the government would formulate a water and sanitation policy soon, reports BSS.

He was speaking at the inaugural function of International Training Network (ITN) Center for Water Supply and Waste Management at Bangladesh University of Engineering and Technology (BUET), here.

Chaired by Vice-Chancellor of BUET, Professor Iqbal Mahmood, the function was also addressed by Erik S. Jensen, Arun Banerjee, and Professor M. Feroze Ahmed.

Danish Charge-d'Affairs Erik Sjorslev Jensen, representing the donors, said that the drinking water supply and sanitation was one of the three sectors identified for future co-operation between Denmark and Bangladesh.

Arun Banerjee, from the World Bank, said World Bank in Bangladesh is giving priority to the sectors like alleviation of poverty, improvement of public sector management and human resource development (HRD).

Professor M. Feroze Ahmed, Director of ITN-Bangladesh, said ITN was using computer Internet service for the global dissemination of the local messages.

S'pore Nov exports below forecast

SINGAPORE, Dec 20: Weak demand from its major trading partners sent Singapore's non-oil domestic exports for November tumbling 8.8 per cent to 7.28 billion dollars (5.2 billion US dollars) from the same months a year ago, reports AP.

Commenting on its figures released Friday, the Trade Development Board said weak demand for computer parts, peripheral computer products and notebook computers contributed to the decline reported for the United States, European Union, Malaysia, Japan and Hong Kong.

The figures were well below expectations. Economists had forecast that non-oil domestic exports, a benchmark of the economy's general health, would dip by only one to three per cent.

However, oil exports rose 29 per cent against the same 1995 period at 1.47 billion dollars (1.05 billion dollars).

Car sales in Indonesia down 15 pc

JAKARTA, Dec 20: Car sales in Indonesia dropped 15 per cent in the first 11 months of this year, according to an industry official, reports AP.

Automakers sold 292,925 cars by the end of November, compared with 348,205 cars sold in the same period last year, the Jakarta Post quoted chairman Herman Z. Latief of the Association of Indonesian Automotive Companies as saying Tuesday.

Latief said the association expects total sales for the year to reach 325,000 cars.

Automakers blame slumping sales on generous tax breaks granted to a car company owned in part by President Suharto's youngest son, saying buyers are putting off purchases until its over-priced model is available.

But Latief blamed high interest rates. He said the decline had nothing to do with the exclusive tax breaks granted in February to Tommy Suharto, who is supposed to be developing Indonesia's first 'national car'.

"The national car programme ... is only a tool to strengthen the structure of the automotive industry," Latief was quoted as saying at a seminar on Asia's automotive industry.

Automakers and Indonesia's trading partners have protested the special treatment for Tommy Suharto, whose PT Timor Putra Nasional is exempt from luxury and import taxes that can double the price of a car.

Prices of winter vegetables fall slightly, foodstuff remain stable

By Staff Correspondent

The prices of winter vegetables have declined slightly in the city market while foodstuff remain stable.

According to the city retailers, the prices of tomato, potato, country-beans, the lady's finger, pepper, kidney-bean (*barbati*) have gone down. One kilogram of tomato is now being sold at Taka 28-32 while it was being sold between Taka 36 and 40 some 10 days back.

The prices of rice, pulses and sugar remain stable while the prices of cauliflowers, cabbages and onions decline very little, the retailers told The Daily Star.

The prices of fine and coarse rice, mainly *Nazirsail* and *IRRI*, are static. *Nazirsail* sells at Taka 15 to 17, *IRRI* at Taka 10 to 11 and *Paizam* at Taka 12 to 14 respectively per kg.

The prices of aromatic rice which is needed for 'fried-rice' are still high ranging from Taka 28 to 44 per kg. *Kalaribhog* which is cheaper is sold between Taka 28 and 34 per kg. *Chinigura* and *Kaligira* from Taka 40 to 44 respectively. Country-Masur is costlier (Taka 51 to 52 for each kg) in the market but imported Masur is sold at Taka 42 to 44. The

prices of *moo dal* is same as imported masur.

The prices of chick-pea (*chhola*) for one kg vary from Taka 22 to 28. Imported *chhola* is cheaper and is sold at Taka 22 to 24. The pepper is sold at Taka 16 to 20 per kg. Barbati is sold at Taka 14 to 18 per kilogram.

The price of zinger declined to Taka 24-28 from Taka 36-40 within the last ten days. Price of onion for one kg is dwindling from Taka 11 to 16. Fresh onions are cheaper. Prices of garlic also fall and range between Taka 28 and 36 (old) and 15 to 28 (new).

New potato sells at Taka 12-14 and old ones at 10-12. One kg of papaya is sold at Taka 6 per kg.

A medium-size cauliflower sells at Taka 8-12, cabbage Taka 6-12, country-bean Taka 12-15 (per kg), medium-size bottle-gourd (*lau*) at Taka 15-20 respectively.

The price of edible oil for one litre is rising from Taka 44 (bulk) to Taka 48 to 54 (packed). The price of one kg of powdered milk is dwindling between Taka 88 and 125 according to its brand. The price of four eggs is between Taka 11 and 14.

Private insurance cos make progress

Private sector insurance companies, both life and general, have made remarkable progress.

This progress has been achieved despite many constraints of Insurance Act and Rules.

This was disclosed by M. Moyeedul Islam, Chairman of the Bangladesh Insurance Association (BIA), at the ninth annual general meeting of the association held at a city hotel on Thursday, says a press release.

BIA is the apex body of six life and 24 general insurance companies in the private sector. In his report, the chairman highlighted the progress and



The ninth annual general meeting of Bangladesh Insurance Association was held at a city hotel on Thursday.

Asian stock markets close higher

HONG KONG, Dec 20: Asian stock markets closed mostly higher Friday. Share prices in Tokyo managed to pull off a slight recovery following three days of losses, reports AP.

Tokyo stocks rose solidly during the day but fell back on a late bout of selling. The barometer Nikkei Stock Average closed up 119.79 points, or 0.61 per cent, to end the week at 19,690.46 points.

Stocks rose early as bargain-hunters returned to pick up lower priced shares, particularly blue chips. The strong rebound overnight on Wall Street and higher Nikkei futures prices on the Chicago Mercantile Exchange also boosted buying sentiment.

But lingering fears about the Japanese economy once again checked the market's gains, dealers said. Those concerns were blamed for the Nikkei's 2.6 per cent plunge on Thursday. That 522.36 point plunge left the Nikkei at its lowest level all year.

"The market didn't have enough energy to bounce back," said Yasufumi Ohigashi, deputy general manager of equity operations at Nomura Securities.

The Tokyo Stock Price Index of all issues listed on the first

section rose 6.11 points, or 0.42 per cent, to 1,475.84 points. The TOPIX fell 28.75 points, or 1.92 per cent (the day before).

In Hong Kong, share prices rose as traders bought rate-sensitive blue chips stocks on favourable overnight directional cues from Wall Street.

The key Hang Seng Index of blue chips, jumped 84.85 points, or 2.2 per cent, to 13,131.41, following Thursday's 80.54 point gain.

Hong Kong traders closely track movements in the US market as the territory's credit policy is tied to the US through its pegged currency.

Elsewhere in Asia: WELLINGTON: New Zealand share prices rose, led by strength in overseas markets. The NZSE-40 capital index added 14.07 points to 2,349.98.

TAIPEI: Share prices rose modestly on shrinking volume. The market rebounded on active buying in financial shares. The Weighted Index advanced 31.26 points to 6,890.66.

MANILA: Share prices rose as investors continued to snap up issues with good earnings potential for 1997. The Philippine Stock Exchange Index of 34 selected issues soared 25.82

Japan to loosen rules on currency flows

TOKYO, Dec 20: Japan on Thursday unveiled some of the first concrete steps in liberalising its financial markets under a wide-ranging plan to boost the competitiveness of Tokyo as a world finance centre by 2001, reports AP.

The initial steps call for lifting many of the tight restrictions that currently control international flows of capital into and out of Japan and dealings in the Japanese currency.

The measures, which were compiled in a report by a special committee on foreign exchange, were to be submitted to parliament in January and are expected to take effect April 1, 1998, said a top-ranking Ministry of Finance official who asked not to be named.

Japan said it would eliminate rules requiring prior notification of many kinds of cross-border financial transactions. Other proposals include abolishing rules that limit which banks may deal in foreign currency as well as limits on the kinds of accounts Japanese nationals can hold overseas.

The measures are intended to free up the flow of capital by businesses and individuals both into and out of Japan and to promote the yen as an international currency.

Certain restrictions on cross-border transactions would remain in place, however, such those covering dealings in drugs, arms, and transactions with countries against which economic sanctions are in place.

The official called the measures the first step toward implementing the kind of deregulation markets that Prime Minister Ryutaro Hashimoto hopes will result in a "Big Bang" of financial activity as occurred in the London markets during the 1980s.

Other kinds of deregulation being considered include loosening rules on securities transactions, including an end to fixed stock commissions, and liberalising insurance premiums in accordance with a Japan-US agreement reached last week.

Industrialists will meet Gowda to discuss economic slowdown

NEW DELHI, Dec 20: Indian industrial leaders will grill Prime Minister H.D. Deve Gowda in a face-to-face meeting to discuss the country's economic slowdown, a leading business representative said Friday, reports AP.

The country's three main industrial bodies, the confederation of Indian industry, the Federation of Indian Chambers of Commerce and Industry and the Associated Chambers of Commerce and Industry (Assocham), will meet Deve Gowda on December 31.

"We will appeal to the prime minister to take bold initiatives to carry forward the process of economic liberalisation to ensure that the current slowdown does not stifle the economy," said Assocham President H.L. Somany.

Somany said industrial output grew 8.9 per cent for the four months of July 1996 as compared to 12.3 per cent during the corresponding period last year, while exports grew by a "meagre" 9.8 per cent compared to 28 per cent.

V. Raghuraman, Secretary-General of Assocham, said the meeting would also focus on the "contradictory policies taken by the United Front government" which had affected economic growth.

Take the instance of the controversial minimum alternative tax (introduced in June to force about 200 companies that did not pay tax into the tax net). This tax has to go," Raghuraman said.

"We also have instances of ministers in the coalition government not speaking in the same language," Raghuraman said Deve

ADB okays loans for Indonesia, Mongolia

MANILA, Dec 20: The Asian Development Bank approved loans Thursday to upgrade urban infrastructure in Indonesia and educational and banking reforms in Mongolia, reports AP.

The 80 million dollars loan for Indonesia is intended to make life easier for about 6.7 million people in 13 major cities and towns around the capital, Jakarta, the bank said.

The project will improve water supply, roads, drainage, trash-management, market-places and bus terminals in these fast-growing urban areas.

The loan, part of a 228 million dollars project, will be repaid in 25 years, including a five-year grace period. Annual interest will be about 6.82 per cent.

A 35 million dollars loan will help restructure Mongolia's banking system to help it establish a market-based financial system.

The loan is aimed at reviving the country's 10 commercial banks and restoring confidence in the country's financial system, which is burdened by more liabilities than assets, a legacy of the previous centrally-planned economy, the bank said.

The interest-free loan is repayable in 40 years, including a 10-year grace period, and carries a one per cent service charge.

The second loan to Mongolia, 15.5 million dollars will help reform the country's educational system to meet new requirements of an emerging market economy.

The bank said the emerging economy has created a demand for public administrators and business managers skilled in law, financial management, accounting, auditing, marketing and information technology.

It did not specify any repayment period or interest rate.

\$400m plan to rebuild heart of Colombo

COLOMBO, Dec 20: Sri Lanka today unveiled a 400 million dollar plan to rebuild the heart of the capital Colombo, devastated by a Tamil Tiger rebel suicide bomb attack in January, reports Reuter.

The plan will complement the expansion of the port. South Asia's trans-shipment hub, Urban Development Authority (UDA) official told a news conference.

"Historically, this is how the city was built — around the port," said UDA Deputy Director-General, Lakshman Jayasekera.

"We plan to develop Colombo accordingly."

Under the first phase of the project, the fort financial district, devastated by the attack, will be completely rebuilt in an entirely new style, he said.

Almost 100 people were killed when a Liberation Tigers of Tamil Eelam suicide bomber rammed a truck full of explosives into the central bank on January 31.

"We have got international sympathy because we are victims of terrorism," Jayasekera said. "The United States, the

Filipino sugar producers seek high tariff on imports

MANILA, Dec 20: The country's largest sugar producers have asked President Fidel Ramos to withdraw tariff discounts of up to 35 per cent on refined sugar imports from Southeast Asia, reports AP.

Sugar is among the Philippines' chief agricultural products along with rice and coconuts.

The tariff discounts are included in a tariff-reduction scheme among the seven countries in the Association of Southeast Asian Nations.

The Philippines is set to reduce import duties on refined sugar by another 20 per cent next year under a world trade agreement, said the National Council of Sugar Producers.

The council said cheap imported sugar is threatening local producers and warned that a collapse in the domestic sugar industry would displace thousands of sugar planters and mill workers.



A group of sixteen trainees from the Tourism Training Institute of the Bangladesh Parjatan Corporation completed their month-long attachment with the Sonargaon Pan Pacific Hotel for gaining in-house work experience. The General Manager of the hotel Scott Swank, gave away certificates to the trainees.



Md Rafique Ullah (sitting right), Managing Director of Bay Leasing and Investment Ltd, signed a 25 million dollar MOU for financing in Korean industrial machinery with Choi Se Chang (sitting middle), President of Foreign Investment Consultant Services, Seoul, in the city recently.

NEW DELHI, Dec 20: An American vehicle designer has tied up with a local industrial group to make electric passenger cars for the Indian market, a newspaper reported Friday, according to AP.

Advanced Technology Group, a division of Amerigon, which is based in the United States, will make 6,000 Reva cars this summer in collaboration with the Maini group of companies, which is based in the southern city of Bangalore. The Financial Express newspaper reported.

Reva, which has a top speed of 50 to 60 kilometers per hour, is ideal for Indian roads, the newspaper quoted Amerigon Chief Executive Joshua Newman as telling reporters in Bangalore on Thursday.

The car will be priced 160,000 rupees (4,500 dollars) and will be produced by the joint venture, Maini-Amerigon Car. Co. Pvt. Ltd., it said.

SEOUL: Koo Bhon-young, a US-educated economist, was named Friday as South Korea's first envoy to the Organisation for Economic Cooperation and Development.

The appointment was part of a Cabinet shakeup that also saw the minister of trade replaced in an apparent show of dissatisfaction by President Kim Young-sam over slumping export earnings.

The cabinet reshuffle aims at rejuvenating the nation's economy in the wake of the OECD enrollment," chief presidential spokesman Yoon Yoo-joon said in announcing the list.

South Korea became the 29th member of the OECD, a Paris-based club of industrialised nations, early this month.

Koo, 49, a 1977 graduate of George Washington University, has served in various government economic policy-making posts, including chief presidential economic adviser. He was named the minister of science and technology in August.

SINGAPORE: Weak demand from its major trading partners sent Singapore's non-oil domestic exports for November tumbling 8.8 per cent to 7.28 billion dollars (5.2 billion US dollars) from the same month a year ago.

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The figures were well below expectations. Economists had forecast that non-oil domestic exports, a benchmark of the economy's general health, would dip by only one to three per cent.

However, oil exports rose 29 per cent against the same 1995 period at 1.47 billion dollars (1.05 billion US dollars).

Domestic exports are of goods originating in Singapore, as distinguished from the city-state's re-exports and transshipments of goods.

BANGKOK: Warning that Thailand could be headed for national bankruptcy, a group of about 400 top Thai business executives and academics has urged the government and citizens to kick their free-spending habits.

The group, which includes some of the most prominent members of Thailand's business elite, published an open letter to the government late Thursday calling for cuts in military expenditure and other public spending and an end to "unnecessary trips abroad" by government officials.

The letter was signed, among others, by Pin Chakkaphak, chief executive of Finance One, the nation's top securities firm and Kovit Poshyananda, chairman of the Stock Exchange of Thailand, Chodchoy Sophonpanich, the outspoken daughter of the founder of Bangkok Bank PCL, also signed the letter.

The letter comes at a time of mounting domestic anxiety about the health of the once-sizzling Thai economy, which this year is expected to record its slowest growth in a decade.

TOKYO: Japan's principal electronic industry association

said Friday production by the industry is expected to grow by 5.3 per cent from a year earlier to 25,387 trillion yen (219 billion dollars) next year, although the rate of the growth will slow from this year.

The Electronic Industries Association of Japan said in a release that for 1996, the industry's total production is expected to come to 24,101 trillion yen (217 billion dollars) up 6.3 per cent from the 1995 level. The increase is largely due to stronger domestic demand for communications equipment.

For next year, the group said, "overall growth is expected to be driven by the expanded production of information-related products."

The production numbers don't include overseas output by Japanese electronic makers.

By product segment, consumer electronic equipment is projected to grow 2.1 per cent next year to 2,270 trillion yen 20 billion dollars, constituting the first year-on-year increase in six years. The increase will be supported by such new products as digital video cameras, digital video disc equipment and mini-disc players both in the Japanese and overseas markets.

CANBERRA: Australia's Industry Commission Friday called on the government to cut tariff protection for the auto industry after 2000.

The government currently protects the industry with a 25 per cent tariff on imported vehicles, although it plans to reduce this to 15 per cent by the end of the century.

However, in a draft report prepared for the government, the commission recommended sharper and quicker cuts.

The commission said the present protection level for the auto industry is very expensive for Australian consumers, adding an average of Australian 3,700 dollars (2,935 US dollars) to the price of an average new automobile.

Labour unions have criticised the call for a lower tariff.

The Australian Manufacturing Workers Union said drastic cut in protection would be "economic suicide" and could wipe out as many as 17,000 jobs.

Biggest labour demonstration in Cambodia

PHNOM PENH, Cambodia, Dec 20: Armed police deployed along the capital's streets Thursday as about 3,000 striking garment workers staged Cambodia's biggest-ever labour demonstration after being locked out from their factory, reports AP.

The workers, mostly women, marched under a pouring rain 10 kilometres (six miles) from the Malaysian-owned Cambodia Garments Ltd to the National Assembly and Council of Ministers buildings in downtown Phnom Penh.

The lockdown followed the start of a strike Tuesday demanding an eight-hour working day and five-day week, plus a salary increase to 50 dollars per month from 35 dollars. The workers complained that they work seven days a week for an average 12 hours per day.

It was the first industrial strike since the United Nations-sponsored elections in 1993. The desperately poor country is attempting to rebuild an economy from scratch after more than two decades of war.

The protesters demanded Thursday that the factory be reopened and their other demands be met. No violence was reported. The march was headed by Sam Rainsy, leader of the legally unrecognised opposition Khmer National Party.

"I appealed to the government to help and protect all Cambodian workers' interest," Rainsy yelled from the top of a car. "Do not allow foreign businesses to look down upon Cambodian workers. They have to abide by Cambodian law."

Kann Man, chairman of the assembly's commission on public health, social welfare and women's affairs, had been assigned to talk to the factory owners and workers to resolve the dispute.

Cambodia's existing labour code, passed during the former communist regime, has been criticised for failing to protect the rights of workers to organise.

Asia business briefs

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— Source: AP