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HYUNDAI

CARS THAT MAKE SENSE

Tax collectors in China itching for new law

BEIJING, Feb 15: China's tax collectors are itching for new legislation to allow them to enforce an inheritance tax, a senior Chinese tax consultant said yesterday, reports AFP.

The conditions for China to introduce an inheritance tax are getting more mature by the day as the country's economy is growing rapidly, Liu Zuo, a consultant for the state administration of taxation, told the Xinhua news agency.

"Some Chinese have become millionaires or multi-millionaires as a result of the country's economic reform and opening-up drive," he added.

China already levies income tax and property tax, but does not have an inheritance tax, largely because the nation lacks an effective property registration system.

The huge increase in properties like real estate, vehicles, deposits and securities have combined to provide considerable resources for inheritance taxes," Liu said.

"It will supplement personal income tax and will not only help ease the widening gap between rich and poor, but also increase the government's fiscal income," he added.

China started to introduce personal taxes when it launched economic reforms in the early eighties but these were not really enforced until the nineties.

Oil dealing scam Mitsubishi Oil Co chief to resign

TOKYO, Feb 15: Kikuo Yamada, Chairman of Japan's Mitsubishi Oil Co Ltd, is to resign to take responsibility for his company's involvement in an oil dealing scandal, the Asahi Shimbun said Saturday, reports AFP.

The major oil refiner and distributor belonging to the Mitsubishi Group allegedly gave more than 2.4 billion yen (19 million dollars) in illegal funds to Junichi Izui, an Osaka-based oil broker, between 1993 and 1995 in the form of an oil deal, the daily said.

In January police arrested a former senior official of Mitsubishi and raised the headquarters of the company in Tokyo in connection with the scandal, which also involved politicians, bureaucrats and major companies.

Police questioned the 69-year-old chairman and raided his home late last year on suspicion of his involvement in the scandal.

Izui, 60, known as a big donor of political funds, has been charged with tax evasion and bribery.

Bid to attract \$5b foreign funds in Maharashtra

BOMBAY, Feb 15: The Indian state of Maharashtra has made a strong bid to attract five billion dollars of foreign funds, officials said Friday, reports AP.

Beginning Sunday, state capital Bombay will hold a conference — advantage Maharashtra — where investors can bid for projects in sectors like agriculture, bridges, housing, power, ports, roads, and tourism.

"The response has been very good," State Industry Secretary Vinay Bansal said of India's first investors' conference.

"We had anticipated 500 delegates, but 670 from 27 countries have confirmed attendance," he said.

Bansal said the state government has been working for the past several months to lure investors from Britain, Hong Kong, Singapore, Switzerland and the United States.

The conference will showcase Maharashtra as the most attractive and friendly investment destination in India now," he said.

EC presses Spain to compensate strike-hit foreign hauliers

BRUSSELS, Feb 15: The European Commission yesterday pressed Spain to compensate the foreign hauliers who have been hit by a truckers' strike that has paralysed the north of the country, reports AFP.

Transport Commissioner Neil Kinnock wrote to Spain's Public Works Minister, Rafael Arias Salgado, asking "whether the Spanish government will compensate foreign hauliers for the damage they have suffered as a result of this dispute."

The commission has no power to force Spain to pay compensation. But Kinnock pointed out in his letter that France had established a compensation scheme after a similar strike blocked roads there last year.

Kinnock also expressed concern about the violence associated with the strike and reminded the Madrid government of its obligation to ensure the free movement of goods and people throughout the union.

"Urgent action is needed to find a rapid solution, to allow the Spanish lorry drivers to get back home and ensure that free movement is guaranteed," he said.

16 WB-funded projects progressing well

Despite various implementation problems, 16 out of the 25 projects funded by the World Bank in Bangladesh are progressing well, reports UNB.

Officials said there has been tangible progress in recent times as the government took some resolute steps to remove the existing problems for the smooth implementation of the foreign-aided projects.

The World Bank's Continuous Reporting of Project Status (CROPS) for January says, both the development objectives and the implementation progress of the 78.10 million US dollar Road Rehabilitation and Maintenance project are highly satisfactory.

It said development objective and rate of implementation

progress of the remaining projects are satisfactory.

These are: 45.01 million US dollars Rural Roads and Markets Improvement and Maintenance Project, 80.92 million US dollars General Education Project, 79.60 million US dollars Third Rural Electrification Project, 31.3 million US dollars Third Inland Water Transport Project, 24.40 million US dollars Agricultural Support Services Project, 133.20 million US dollars Fourth Population and Health Project.

The 36.4 million US dollars Forest Resources Management Project, 49.5 million US dollars Female Secondary School Assistance Project, 143.6 million US dollars Jamuna Bridge Project, 103.90 million US dollars Second Road Rehabilitation and Main-

tenance Project, 83.4 million US dollars Gas Infrastructure Development Project, 40.10 million US dollars Integrated Nutrition Project, 78.40 million US dollars River Bank Protection Project, 33.6 million US dollars Agricultural Research Management Project and 7.10 million US dollars Non-formal Education Project.

Most of the projects were launched during the past regime, but these could not be implemented on schedule due to dilly-dally in project implementation.

Officials said that despite the current good performance, the World Bank says the country needs to address some generic problems to further improve its performance.

Bid to boost exports Jakarta gives spl facilities to 6 additional products

JAKARTA, Feb 15: The Indonesian government has decided to grant special facilities to six additional categories of products in a bid to boost the country's flagging exports, a senior official said, reports Xinhua.

Minister of Industry and Trade Tunkuy Ariwibowo said here Friday the six additional categories of products are food, paper, rubber, fish, vegetable oils and toys.

This brought the number of eligible product categories to ten after four industrial commodities — textile and textile products, leather shoes, wood products and electronics — received export tax and non-tax incentives in January.

Special facilities offered include exemption from a customs post-audit one year after

goods are exported, notification that goods for export can be delivered directly to export officials at embarkation port without passing through a foreign exchange bank, and an establishment of special places/services for document inspection.

According to a new decree issued Friday by the industry and trade ministry, companies entitled to the facilities are producer-exporters and non-producer exporters who are free of tax or loan problems, and have paid tax for the last two consecutive years.

The Indonesian government has set an increase of 14.2 per cent in non-oil/gas exports for the 1997/98 fiscal year, while total exports were estimated to rise by 8.6 per cent.



Philip Tose, Chairman of Peregrine Group, called on Shoaib Ahmed, Managing Director of Bangladesh Shilpa Rin Sangstha (BSRS), in the city yesterday. During the meeting, they exchanged views on the prospect of capital market in Bangladesh and possibility of equity participation in industrial undertakings specially in joint venture companies.

More UK investment in DEPZ

UK is to invest another 2.38 million US dollars in the Dhaka Export Processing Zone, says a press release.

With this, the number of British Industries in the Export Processing Zones of Bangladesh now stands at 12. Of these, six are in CEPZ and the rest in DEPZ.

The total British investment in the EPZs of Bangladesh stands at about 45 million US dollars equivalent to Taka 1935 million.

The latest British investment is in the garments sector. The factory, known as FCI Limited, will produce rain coat, over coat, blazer, jacket, blouse, suit and dress. This industrial unit will create employment opportunity for 264 Bangladeshi nationals.

The other British investments are in the fields of audio and video tape, grey fabric and

shop towel, cap and hat, metal products, woven fabric, leather shoe and cotton fabric.

Beijing economy grows

BEIJING, Feb 15: The Chinese capital's GDP stood at 160.73 billion yuan in 1996, some 9.1 per cent up over the figure for the previous year, the municipality's statistics bureau announced yesterday, reports Xinhua.

Investment from overseas was one of the major propellers of Beijing's economy and the city received 14.7 per cent more foreign investment last year than in the previous year, said a spokesman for the bureau.

Clinton blocks American Airline pilots' strike

WASHINGTON, Feb 15: President Clinton blocked an American Airline pilots strike Saturday morning, ordering a 60-day "cooling off" period just minutes after union leaders ordered a walkout that would have shut down the nation's largest airline, reports AP.

Clinton took the action immediately after union president James Sovich ordered local strike leaders around the country to shut down the airline, a move that would have stranded up to 40,000 travelers.

Bruce Lindsey, the president's top liaison on the talks, said the Clinton was acting under a 60-year-old labour law designed to protect the economy against labor strikes. Negotiations will continue during the 60-day "cooling off period," but the strike won't be allowed.

In addition to the stranded passengers, an administration study said the strike would cost up to 200 million dollars a day and force layoffs of 90,000 airline workers.

While pilots continue to fly, a Presidential Emergency Board appointed by Clinton will take 30 days to propose a settlement. The parties would get another 30 days to resolve the dispute. If that doesn't work, Congress could impose a settlement.

Politicians from cities with major American operations joined the airline to urge Clinton's risky eleventh-hour involvement; the union had told him to butt out.

This time, the pilots say they aren't interested in binding arbitration, in which a third party makes the final decisions.

PC sales growth in Asia may ease to 22 pc

SINGAPORE, Feb 15: Personal computer sales growth in Asia excluding Japan is expected to ease to 22 per cent this year after soaring 33 per cent in 1996, US market research firm Dataquest said yesterday, reports AFP.

Sales should grow to 11 million units this year from nine million units in 1996, during which China was the hottest market growing at 53 per cent, it said.

In 1995, 6.8 million personal computer units were sold in the region, up from 5.4 million units the previous year.

For the Asia-Pacific region as a whole, Dataquest said the market grew over 36 per cent in 1996, up from 32 per cent in 1995.

Dollar rises against yen, mark in New York

NEW YORK, Feb 15: The dollar rose further Friday, touching a new four-year high against the yen and 34-month high vs. the mark on benign US inflation news, the ebullient American stock market and more economic anemia in Germany, says AP.

Although rumors of a possible Bank of Japan intervention to defend the yen caused an early sell-off of dollars, underling demand for the currency remained strong and pushed the dollar back up. It closed slightly lower vs. the yen and mostly higher in other foreign exchange dealings.

Even with the three-day weekend in the United States because of the Washington's Birthday holiday Monday, when OS financial markets are closed, many traders bought dollars on the assumption the currency will keep rising.

"There's still a bias toward a firmer dollar, all the reasons for favouring the dollar are still there, said Dennis Pettit, foreign-exchange manager at the Long-Term Credit Bank of Japan Ltd's New York branch. "Those factors are expected to be in place on the other side of the long weekend."

In intraday trading, the dollar reached a high of 124.80 yen, the strongest level since February 1993 and the first new four-year high against the yen in a week, before settling in New York at 124.22 yen, off from 124.35 yen Thursday.

Against the mark, the dollar reached an intraday high of 1.6945 marks, the strongest since April 1994, before settling in New York at 1.6885 marks, up from 1.6828. The British pound cost dlr 1.6221, down from dlr 1.6239.

The dollar got an early boost in Japan on the strength of the US stock market, which pushed the Dow Jones industrial average past 7,000 points Thursday for the first time and drew more

interest from Japanese investors to put their money to work in the United States. Stocks closed slightly lower on Wall Street Friday but the bond market rallied on the strength of unexpectedly lower wholesale inflation in January and a slowdown in December industrial output — further evidence that the US economy is growing modestly and inflation is suppressed.

"It's hard to find a good reason not to buy dollars," said Roger Chapin, foreign-exchange manager at Bank One in Columbus, Ohio. "If you're a Japanese investment manager and see the stock market hitting new records here, do you really say to yourself 'I'll stick with the half-cent rates of return here in Japan? I don't think so.'"

Traders said the dollar derived further strength on news from Germany that the country's retail sales figures fell 3.2 per cent in December from the month before, underscoring the pervasive weakness that has pushed unemployment there to record highs.

The dollar has finished mostly stronger for the past four days, reflecting the foreign-exchange market's willingness to test the tolerance of the world's richest industrialized nations on how high the US currency can go.

Financial leaders of the so-called Group of Seven countries — Britain, Canada, France, Germany, Italy, Japan and the United States, declared last Saturday that the dollar has risen enough from its postwar lows reached in the spring of 1995.

But the G-7 also said that currency values should reflect economic fundamentals, which overwhelmingly favour a stronger dollar because of the healthy US economy and comparative weakness in Japan and much of Europe.

PEREGRINE BANGLADESH INDEX

Saturday's market comment

The PBI shot up 2.55 per cent for the day to close above the 900 mark at 908.64. Trading was bullish as 19 issues advanced over five losers. One issue was unchanged. Shine Pukur was the top performer of the day with a 9.87 per cent gain followed by Prime Textiles which gained 8.77 per cent on good retail demand. Apex Tannery, Beximco Pharma, and Monno Ceramic performed well as they added 7.28 per cent, 6.39 per cent and 4.59 per cent respectively. Olympic Industries led the losers with a 4.05 per cent drop under retail selling pressure along with Eastern Cables which fell 3.28 per cent. Chittagong Cement did not trade.

Exchange Rates

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 13/02/97

Selling	T.T. & B.C.	T.T. Clean	O.D. Sight	O.D. Transfer
US Dollar	42.9120	42.9650	42.4531	42.3438
GB Pound	69.8215	69.9026	68.4852	68.3057
D. Mark	25.5771	25.5868	25.1319	24.9630
F. Franc	7.5822	7.5910	7.4508	7.4202
JP Yen	0.3492	0.3496	0.3409	0.3395
C. Dollar	31.9644	32.0015	31.4265	31.2973
S. Franc	29.4636	29.4978	28.9587	28.7641

Janata Bank's selling and buying rates in cash currency for public:

	US DLR	GBP	S. RIYAL	UAE DH	KU DINAR
SELLING	42.9000	68.8215	11.6500	11.6500	141.0000
BUYING	42.3000	66.0715	11.2000	11.1500	135.5000

Shipping Intelligence

Chittagong Port

Berth Position and Performance of Vessels as on 15-2-97

Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Leaving
J/1	Hong Xiang	Urea(G)	Sing	Seacom	31/1	18/2
J/2	Nei Jiang	GI	Sing	Bdship	1/2	19/2
J/4	Gios	GI	Col	Cross	8/2	20/2
J/5	Banglar Shobha	Urea(G)	Marc	BSC	11/1	17/2
J/6	Yong Tong	Urea(G)	Sing	Litmond	7/2	18/2
J/7	San Mateo (Roro/24)	Vehi	P Kel	JF	14/2	15/2
J/8	Golden Grace	Urea(G)	Umm	Litmond	11/2	17/2
J/9	GI Ryu Gang	GRPhos(P)	Col	Litmond	6/2	16/2
J/10	Banglar Mamata	GI	Sing	BSC	9/2	17/2
J/12	Datta Maru	GI	Sing	AASS	27/1	20/2
J/13	Padma	Cont	Sing	RSL	14/2	18/2
OCT/1	Qc Pintal	Cont	Sing	Qcal	11/2	15/2
OCT/2	X-Fress Trisuli	Cont	Col	Bardhi	11/2	17/2
OCT/3	Meng Yang	Cont	Sing	Ami	11/2	16/2
RM/4	Mekhanik G	Cont	Sing	Ami	11/2	16/2
RM/6	ordynko	Cement	Sing	RML	R/A	18/2
RM/6	Andrea	Had	Sing	Ecal	10/2	16/2
DOJ	Banglar Shourabh	C.Oil	-	BSC	R/A	16/2
DOJ/1	Banglar Momi	Repair	Mong	BSC	15/1	22/2
DOJ/2	Tanay Star	Idle	Psal	7/6	-	-
DOJ/2	Banglar Asha	Repair	Mong	BSC	23/1	-
RM/8	QC Teal	Repair	Sing	Qcal	10/2	19/2
Cult	Blue North	Cont	Sing	Qcal	10/2	19/2
Atch 10/7	Atch 10/7	Cement	Qing	Psal	3/6	20/2
Al Mubarak	Urea	Indo	Mtel	24/1	15/2	-

Vessels due at Outer Anchorage

Name of vessels	Date of Arrival	Last Port Call	Local Agent	Cargo	Loading Port
Meng Kiat 29/1	25/2	Mong	Bdship	Cont	Sing
Faarabi	15/2	Mong	SSL	GI	B. Abbas
Siba	15/2	Xing	Proag	M. Seed	-
Yi Yang	15/2	Sing	Simu	Scraping	-
Emeral Venture	15/2	UMM	Litmond	Urea	-
Professor Buznik	15/2	Mers	Litmond	Urea	-
Trading Dawn	15/2	Rml	Cont	Ballast	-
Hung Cheong	15/2	Sing	Bdship	Cont	Sing
Fong Yun 4/2	18/2	Sing	Bdship	Cont	Col
Freesia 11/2	18/2	MGL	Bdship	Cont	Col
Mare	16/2	Jpl	GI(Copra)	-	-
Evimeria	16/2	USA	RSA	Wheat(G)	-
Banglar Urmi 4/2	19/2	Sing	BSC	Cont	Sing
President Challenger	16/2	Yoko	Ancl	GI	-
Da Fu 12/2	17/2	Sing	API(B)	Cont	Sing
Magic Sky (Roro/24)12/2	17/2	Sing	Oil	Vehi	-
Hemlock	18/2	Argen	Owsl	Wheat(P)	-
Amrita-VII(28)1/2	22/2	-	Everett	GI	-
Chang Ping	18/2	-	Seacom	Urea(G)	-
Eate Fresco	20/2	-	Everett	GI	-
Venessa 12/2	20/2	Sing	Rsl	Cont	Sing

Tanker Due:

Name of vessels	Date of Arrival	Last Port Call	Local Agent	Cargo	Loading Port
Ocean Propulse	17/2	Sing	Mspil	Naphtha	-
White Star	18/2	-	Seacom	Crdo	-
Jian She-35	22/2	-	Bdship	Lube oil	-

Vessels at Kutubdia

Name of vessels	Cargo	Last Port Call	Local Agent	Date of Arrival
Islama	Wheat(P)	Ukra	B Bay	9/2
Martupol	C.Oil	-	Aass	(12/2)
Aspiros	C.Oil	-	BSC	11/2
Banglar Jyoti	C.Oil	-	BSC	R/A

Vessels at Outer Anchorage:

Name of vessels	Cargo	Last Port Call	Local Agent	Date of Arrival
Ready on Jupiter-1	GI	Bang Mad	Prog	10/2
Tropeon	GI	Mad	RSA	14/2

Vessels not ready:

Name of vessels	Cargo	Last Port Call	Local Agent	Date of Arrival
Chelyabinsk	Cement	Sing	CCNL	26/1
Capitan Kyriakou	HSD	Mapt	Ecal	13/2
Savann	Urea(G)	Bont	Litmond	9/2

Vessels Awaiting Instruction:

Name of vessels	Cargo	Last Port Call	Local Agent	Date of Arrival
Hydroussa	Ballast	Monr	Otl	21/12
Banglar Sampad	Ballast	Tampa	BSC	R/A(17/1)
Aegensea-1	Ballast	Tampa	Gel	10/2

Vessels Not Entering:

Name of vessels	Cargo	Last Port Call	Local Agent	Date of Arrival
Marinik-G	Cement	Sing	Psal	30/1
Starsin	Cement	Sing	Ustc	7/2
Tae Chon	Cement	Lans	Ustc	6/2
Pedro-S	Scraping	Durb	Umtl	12/2

Movement of Vessels for 16-2-97

Chittagong Port as per berthing sheet of CPA supplied by **HRC Group**
Dhaka.