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The Daily Star BUSINESS

DHAKA WEDNESDAY, FEBRUARY 19, 1997



HYUNDAI

CARS THAT MAKE SENSE

Gowda vows to continue reforms

BOMBAY, Feb 18: India's coalition government will forge ahead with economic reforms despite criticism from within the country. Prime Minister HD Deve Gowda said here Monday, reports AFP.

I want to make it clear whether some people like it or not, that we will liberalise and privatise power, roads, mining, ports, tourism, airports, telecom and oil exploration, said Deve Gowda launching an international investors conference here.

Deve Gowda was speaking on the first day of advantage Maharashtra, a two-day conference comprising 900 delegates from India and 26 other countries.

The Prime Minister who heads a minority coalition government of left and centre parties many of which oppose the reforms — said "firm decisions" would be taken soon to create a pro-investment climate.

He appeared to be targeting the government's communist allies as well as opposition parties when he said: "you should know that private investors come here for profit and there should be no aversion to that. Investors will not feel disappointed in India and investors have taken the number one place for us."

Deve Gowda was speaking a day after the Communist Party of India (Marxist), which backs the coalition from the outside admitted it had no option but to continue to support despite differences over economic policy.

The communists while unhappy with some United Front policies have — continued to back the administration to keep Hindu nationalists out of power.

Deve Gowda said he did not want to spell out specific measures as the budget was only 12 days away.

Nepal's export earnings up by 25pc in 6 months

KATHMANDU, Feb 18: Nepal's total export earnings increased by 24.8 per cent to about 192 million US dollars in the past six months, the country's central bank said yesterday, reports Xinhua.

According to a report of the Nepal Rastra Bank, during the first six months of the current 1996-97 fiscal year starting from mid-July, the country's export to India, Nepal's biggest trade partner, was up 35 per cent to 45 million dollars while the exports to other countries amounted to 147 million dollars with a 22 per cent increase.

Exports of woollen carpets and readymade garments, two major export items of Nepal, grew 24 and 31 per cent respectively during the review period, against a marginal increase of 0.5 per cent and a sharp decline of 18 per cent in the same period one year earlier, the bank report said.

Meanwhile, Nepal's imports from India and other countries during the six-month period totalled 229 and 517 million dollars, up 6.3 and 32 per cent respectively.

The total trade deficit in the review period increased by 22 per cent to less than 554 million dollars, compared with a 28 per cent rise in the same period last year, the central bank said.

US food aid to DPRK to be resumed soon

PARIS, Feb 18: The United States will announce a resumption of food aid to North Korea within a few days, the State Department spokesman said Monday, reports AP.

After delivering about 6.1 million dollars worth, food assistance was suspended when a North Korean submarine ventured into South Korean waters last September.

Spokesman Nicholas Burns, in Paris with Secretary of State Madeleine Albright, said the amount of food to be delivered through an international programme would be announced, as well.

In Seoul a few hours earlier, South Korea said it would send food aid and nuclear technicians to North Korea despite tension with its communist rival over the shooting of one defector and a standoff involving another.

"Our policy is to send the (nuclear) survey team regardless of the tense situation," said Ban Ki-moon, President Kim Young-sam's national security adviser.

Almost simultaneously, North Korea indicated it might accept the defection of Hwang Jang Yop, the high-ranking North Korean official who has been holed up in South Korea's Beijing consulate.

"Our stand is simple and clear. If he was kidnapped... we will take decisive countermeasures," a North Korean Foreign Ministry spokesman said. "If he sought asylum, it means that he is a renegade and he is dismissed."

62 cos likely to take part

US trade show opens in city February 27

By Rafiq Hasan

At least 62 companies are likely to participate in the 6th US trade show to be held in later this month.

The three-day annual show will be held at Dhaka Sheraton Hotel from February 27 to March 1, according to sources.

The show is being jointly organised by the American Chamber of Commerce in Bangladesh and the US Embassy in Dhaka.

"This is the first time the American trade show is going to be held under the banner of American Chamber of Commerce in Bangladesh. Earlier five such shows were arranged by the American-Bangladesh Economic Forum," said A Gafur, Executive Director of AM-

CHAM.

"He said the main objective of the show is to promote business between the two countries. This show will help a lot to focus Bangladesh to the American companies and consumers," Gafur noted.

"We are getting tremendous response from US companies as the number of participating companies have been almost double within five years," he said.

The AMCHAM Executive Director said in 1992 only 30 companies participated in the show but this year the participation of 62 companies has already been finalised.

The number of stalls will be increased to 100 this year from only 30 in the first year, he

said.

In the previous year, the participating companies had received about 3.5 million dollars worth of sale orders.

Major US-based companies which are expected to participate in the show are: IBCS-Primax Software Ltd, Leads Corporation Ltd, Citech Co Ltd, Prince Corporation, Flora Ltd, Systematique Computing Ltd, Bimex Trade Associates Ltd, New Asia Ltd, Transworld Trading Co, Pan Pacific Business Ltd, Information Service Network Ltd, Expo Resources Ltd, American Life Insurance Co, Multilink International, IBM World Trade Corporation Black and Veatch International and Ciproc Computers Ltd.



Ambassador of France in Bangladesh Renee Veyret (C) along with French Trade Commissioner Bertrand Desruelles (L) called on A S M Quasem (R), President of the Dhaka Chamber of Commerce & Industry at the DCCI Office yesterday.

PM's US tour secures \$350m investment pledge in '96: JS told

Foreign Minister Abdus Samad Azad Monday informed the Jatiya Sangsad that a number of investors on energy and other sectors pledged to invest about 350 million US dollars in Bangladesh during their meeting with Prime Minister Sheikh Hasina when she was in the United States to attend UN General Assembly last year, reports BSS.

Replying to a supplementary question from ruling party member Akhteruzzaman, Azad said chief Executive Officers of a number of US companies including Occidental Oil had met the Prime Minister and showed interest in investing in Bangladesh.

He said a production sharing agreement worth 168 million dollars was signed during British Prime Minister John Major's visit to Bangladesh last

month as a follow up step to the investors meeting in the United States in October.

He said the government was making all out efforts to attract investors so that jobs are created and country's economy is developed speedily.

The foreign minister in reply to a question from Nizamuddin Khan (BNP-Manikganj) said including 17 ministers and officials, the number of entourage accompanying Prime Minister Sheikh Hasina during her trip to the United States in connection to attending UN General Assembly were 50.

He said a sum of Taka one crore forty-three lakh forty seven thousand one thirty was spent in that trip. Taka one crore fifty-six lakh were spent for a similar trip made by the previous prime minister, he mentioned.

Cambodia to be member of ASEAN in July

PHNOM PENH, Feb 18: Cambodia has been informed that it will become a full member of the Association of Southeast Asian Nations at the group's summit meeting in July, senior government officials said Tuesday, reports AP.

Cambodia, which now holds observer status in ASEAN, was informed of the decision by Indonesian officials, said Sok An, a member of the Council of Ministers. Indonesian President Suharto is here for a three-day state visit.

Indonesia's strong support for Cambodia probably helped pave the way for the decision to give full member status in July, Sok An said after extended talks at the Royal Palace between President Suharto and Cambodia's two premiers.

Last November, ASEAN leaders agreed that, Burma, Cambodia and Laos would be admitted simultaneously as full members. The date of their entry, however, was left open.

Asia-Pacific states divided over global telecom deal

HONG KONG, Feb 18: Asia-Pacific nations were divided yesterday over a World Trade Organisation (WTO) deal to liberalise the multi-billion dollar global telecommunications sector, reports AFP.

Australia, Hong Kong and the Philippines welcomed the landmark deal struck on Saturday, but Japan and South Korea-led countries sounding notes of caution.

Sixty-eight countries signed the WTO agreement in Geneva, liberalising global telecommunications which are set to ring up sales of over a trillion dollars by 2000.

Savings to consumers would total about 1,000 billion dollars over 10 years, of which 211 million dollars would come from the Asia-Pacific and another 201 million dollars from Japan, according to a US research institute.

Asia-Pacific reaction to the accord has been mixed, with Tokyo rejecting US demands that it go further in liberalising markets.

The United States demanded the abolition of all restrictions on foreign shareholdings in Nippon Telegraph and Telephone Corp. (NTT) and Kokusai Denjin Denwa Co. Ltd. (KDD).

"For the time being, we don't think we have to accept such unilateral demands," a Posts and Telecommunications Ministry official said Monday.

"We may consider it if the United States offers a new proposal such as promising to lift the restriction on foreign stakes in wireless communications operators, which is now limited to 24 per cent," he said.

After the accord, US trade equivalent to 20 million US dollars as the foreign ministry's department of cooperation soft loan to Bangladesh for the year 1997.

Representative-designate Charlene Barshefsky urged Japan to lift limits on foreign ownership of NTT and KDD.

Under the WTO agreement, Japan will lift foreign shareholding limits on common carriers except NTT and KDD where foreign ownership will remain limited to 20 per cent.

NTT, a former government monopoly, is Japan's biggest domestic carrier and remains two-thirds owned by the government. KDD is the country's biggest overseas carrier and has close ties with the government and NTT.

In Seoul, the Korea Herald greeted the agreement with a headline saying "Koreans wary," and asked if Seoul had gone too far in agreeing to open domestic companies to majority foreign ownership in 1999.

The Italian government has further made available for Bangladesh an amount of up to 75 billion Italian lira equivalent to 50 million dollars for financing joint ventures.

It now remains with the Board of Investment to identify specific projects and selected credible Bangladeshi entrepreneurs for the joint ventures. The Bangladesh mission has sufficient contacts and networking with Italian entrepreneurs to follow up matters on the Italian side.

Meanwhile, Italian companies are showing their increased interest in taking part in tenders for projects or joint ventures. During the PM's visit chief executives of four Italian corporations — ABB, Sac Sadelmi-Italy, Ansaldo Energia, Italtel, and Impregilo — had

Sinha-led panel declared for BGMEA election

By Staff Correspondent

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Forum headed by its president Capt. (Rtd) Anisur Rahman Sinha has formally declared its nine-member panel for the ensuing election of the nine-seat executive committee of the association.

At a city hotel Monday, BGMEA Forum held its projection meeting which was addressed, among others, by Sinha, Benazir Ahmed, Khalilur Rahman, Anisul Huq and Uzair Afzal.

The candidates are: Alamgir M Z Rahman of Consumer Products Ltd., A F M Fakhrul Islam Munsi of Rafkat Garments Ltd., A K Azad of Ha-meem Fashions Ltd., Gazi Md. Shahnewaz of Uttaran Garments Ltd., Md. Reaz Uddin of Reaz Garments Ltd., Rehman Sharif of Lakshma Fashion Ltd., Sharfuddin Ahmed Sharif of Fairman Ltd., Badrur Rahim Chowdhury of Everwear Industries Ltd., and Abdus Salam of Asian Apparels Limited.

The speakers in the meeting said BGMEA required a dynamic and dedicated leadership to go ahead through resolving various hanging issues.

They also praised BGMEA president for his success in minimising the custom procedures, cancelling flood and cyclone insurance charges, taking efforts to lower the bank charges etc.

BGMEA leaders claimed that a number of 'successes' were achieved by the new office bearers who took over BGMEA on November 6 last year.

They said initiatives were taken to open the shut-down industries and those who experienced stock-lots, and opening fresh Letters of Credit (LCs).

The other initiatives were: Opening of LCs against not only export LCs but against business contacts also, formation of

proposed 'Apparel Board,' release of raw materials within 24 hours from custom houses, renewal of 'Bond license' automatically before it expires, allowing garment owners a cash subsidy instead of GSP facilities for the interim period, withdrawal of Naval Insurance on imports on CIF basis, cancellation of Bonds from each of the consignments, minimising the BGMEA tolls, continuation of GSP facilities for the knitwear factories with a 'two-stage-derogation' within two months etc.

\$ 3.30m IDB loan for commercial complex

A loan agreement for 3.30 million US dollars was signed here Sunday between Islamic Development Bank and Islamic Solidarity Educational Wafk (ISSEW) represented by its Mutawalli Committee, reports BSS.

Md Anwar Hossain, Joint Secretary, Economic Relations Division, signed the agreement on behalf of the Mutawalli Committee, as Member-Secretary of the committee, a press release said.

The loan will be utilised in the under-construction prestigious high rise 20-storied commercial complex located at Sher-e-Bangla Nagar in Dhaka. Islamic Development Bank has also provided 10.5 million US dollars earlier for construction of this building.

Bank holiday

The Bangladesh Bank and all Scheduled Banks will remain closed on 21st February, on account of Shaheed Day, says a press release of the Bank yesterday.

Sammilita Parishad's manifesto BGMEA to set up joint venture banks

By Staff Correspondent

The Sammilita Parishad, competing against the BGMEA Forum in the February 25 election, has released its manifesto yesterday, said a press release.

The Parishad said, the garment manufacturers and exporters were presently facing a lot of difficulties in their dealing with the country's banks, especially the nationalised ones. "Archaic rules and old-fashioned attitudes have been stifling the proper growth of the garment sector."

If elected, said the release, the Parishad leaders will try for joint ventures with the world's reputed banks, like Citibank, Chase Manhattan, Deutschbank etc., to facilitate the opening of back to back LCs.

"Fifty per cent of such joint venture banks would be owned by the garment sector," said the press release.

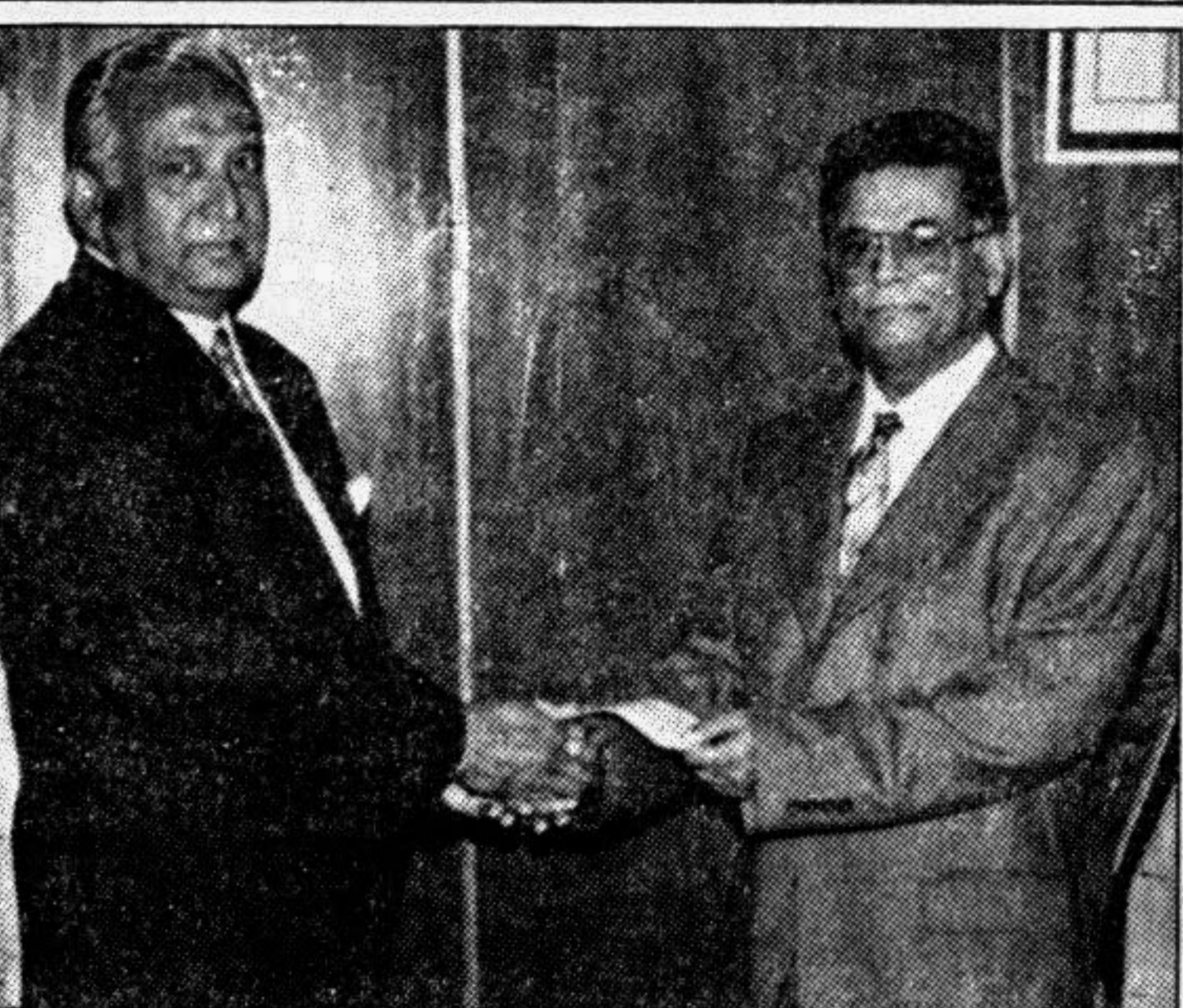
The Parishad leaders will

also negotiate seriously with the government to do away with the present system of deduction of 2.5 per cent advance income tax, treat the factories facing stock-lot problems with fore-most priority and do everything possible for them.

The manifesto further said the Parishad will set up a private export promotion bureau under the aegis of the BGMEA to further promote garments export.

Regarding the withdrawal of the GSP, the Parishad 'fairly believes that until and unless a proper backward linkage is established, the government should continue to provide GSP as before after re-negotiating with the European Union.

The Parishad also plans to set up a 'Garment Palli' with generous help from the government in the suburbs of Dhaka.



F N M Afzal Ali, Sr Manager, Phoenix Insurance Co Ltd, New Market Branch, Dhaka recently handed over a cheque for Tk 61,82,330 to A K M Nazmul Haque, Managing Director, Rupali Bank Ltd on account of Fire Insurance Claim of the bank's godown at Hatkhola, Dhaka.

PEREGRINE BANGLADESH INDEX

Tuesday's market comment

The PBI continues to slide as it closed at 835.19 down by almost 4% on heavy profit-taking. Trading was bearish as 20 issues declined over only 4 gainers. One issue remained unchanged. Chittagong Cement led the losers with a 9.58% drop followed by IDLC which fell 8.53% on retail profit-taking. BTC (-8.47%) and Beximco Textiles (-7.86%) also fell significantly under retail selling pressure. Beximco Pharma, Beximco Synthetic and Prime Textile succumbed to institutional selling pressure as they fell 3.49%, 3.40% and 3.34% respectively. Reckit & Colman, ACI, and Monno Fabric were amongst the notable gainers as they appreciated 5.72%, 1.75% and 1.35% respectively on solid retail demand. Meghna Cement was not traded.

Exchange Rates

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 18/02/97

Selling	Buying		O.D. Sight	O.D. Transfer
	T.T. & C.	Clean		
US Dollar	42.9120	42.9650	42.6200	42.3438
GB Pound	69.5892	69.6700	68.5727	68.2909
D Mark	25.3379	25.3673	24.9134	24.7489
F Franc	7.5102	7.5189	7.3840	7.3537
JP Yen	0.3486	0.3490	0.3404	0.3390
C Dollar	31.8511	31.8880	31.3151	31.1864
S Franc	29.1155	29.1492	28.6167	28.4244

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

	US DLR	GBP	S RYAL	UAE DH	KU DINAR
SELLING	42.9000	68.5892	11.5500	11.6500	141.0000
BUYING	42.3000	66.3392	11.2000	11.1500	135.5000

Shipping Intelligence

Chittagong Port

Berth position and performance of vessels as on 18.2.97									
Berth No.	Name of vessels	Cargo	L. Port	Local agent	Date of arrival	Leading			
J/1	Hong Xiang	Urea(G)	Sing	Seacom	31/1	19/2			
J/2	Nei Jiang	Cl	Sing	BdShip	1/2	20/2			
J/5	Banglar Shobha	Urea(G)	Marc	BSC	11/1	22/2			
J/6	Yong Tong	Urea(G)	Sing	Litmond	7/2	20/2			
J/7	Tropeon	Cl	Mad	RSA	14/2	18/2			
J/8	Golden Grace	Urea(G)	Umm	Litmond	11/2	20/2			
J/9	Siba	M Seed	Bomb	Rainbow	15/2	20/2			
J/10	Gios	Cl	Cl	Cross	8/2	18/2			
J/11	Jupiter-1	Cl	Bang	Prog	10/2	20/2			
J/12	Daizu Maru	Gl(D.Pearl)	Sing	Aass	27/1	25/2			
J/13	Faarabi	Cl	Mong	SSL	16/2	21/2			
CCT/1	Padma	Cont	Sing	RSL	14/2	18/2			
CCT/2	Meng Kiat	Cont	Mong	Bdship	15/2	19/2			
CCT/3	DAFU	Cont	Sing	Ap(B)	17/2	20/2			
RM/4	Meekhanik Gordi-yenko	Cement	Sing	RML	R/A	22/2			
RM/5	Capt. x Kyriakou	HSD	Mapt	ECSL	13/2	19/2			
RM/6	Ocean Porpoise	L.Oil	Sing	Mstpl	17/2	20/2			
DOJ	Banglar Shourabh	C.Oil	Sing	BSC	R/A	18/2			
DD	Banglar Moni	Repair	Mong	BSC	15/1	22/2			
DDJ/1	Tanary Star	Idle	Para	Psal	7/6				
RM/8	QC teal	Repair	Sing	QCSL	10/2	19/2			
RM/9	Banglar Robi	Repair	Mong	BSC	16/2	21/2			
Cutl	Blue North(Atch.								
10/7	CementQing	Psal	3/6	20/2	24/1	18/2			

Kafco (DUAL) Mubarak, Urea, Indo, Mtlc

Vessels due at outer anchorage

	arrival	call	agent	port
Hang Cheong	19/2	Mong	RML	
Emeral venture	18/2		Simini	
Magie Sky	18/2	Sing	Oil	Vehi
Hemlock	18/2	Argen	Owsl	Wheat(P)
Freesia	19/2	Mong	Bdship	Cont
Fong Yun	19/2	Sing	Bdship	Cont
Mare	19/2	Sing	IP1	GI
Chang Ping	20/2		Ceacom	Urea(G)
Banglar Urmi	18/2	Sing	BSc	cont
Amer Prabha	20/2		Litmond	Urea(G)
Vanessa	20/2	Sing	RSL	Cont
Lady Juliet	20/2		Prog	GI
Kota bintang	21/2	Sing	Pil(BD)	Cont
Amrta-Vii	22/2	Sing	Everett	GI(Coll)
Fong Shin	22/2	Sing	Bdship	Cont
Bismihita La	22/2	Argen	Owsl	Wheat(P)
Asian Harp	23/2	Sing	BBA	Vehi
Consistence	23/2	Sing	RSL	Cont
Sea Elegance	23/2	Sing	Pil(BD)	Cont
Este Fresco	23/2	Sing	Everett	GI
Norbulk Namir	23/2		Oil	GI
Anangel Honour	24/2	South	RSA	Wheat(G)