

DHAKA MONDAY, MARCH 24, 1997

Dhaka seeks continued US support for development

WASHINGTON, Mar 23: Bangladesh Ambassador to the United States K M Shehabuddin called for continued US and international support for socio-economic development and institutional improvement of democracy in Bangladesh, reports BSS.

The ambassador was making the key-note speech on "Bangladesh Today" at the National Foreign Affairs Training Centre for US diplomats Thursday.

Shehabuddin said the people of the country always remained unwavering in their commitment to democracy and economic justice. He said the people are determined to build 'Sonar Bangla' as dreamt of by

the Father of the Nation Bangabandhu Sheikh Mujibur Rahman.

He described the agenda for political and economic reforms pursued by the government of Prime Minister Sheikh Hasina. He listed the initiatives and achievements made by the government in the fields of economic growth and stability, education, immunisation of children, population control, micro-credit, rights of women and their induction into the mainstream economic activities.

On foreign relations, the ambassador said that "friendship to all and malice to none" was the cornerstone of the Bangladesh's foreign policy.

The country enjoys excellent relations with its neighbours and other countries in the world.

He said Bangladesh maintains a unique friendly relationship with the United States. It has further been strengthened after the visit of Prime Minister Sheikh Hasina to the US.

The ambassador mentioned the 'water sharing treaty' signed with India on December 17 last. Inspired by the spirit of the accord, Bangladesh and India are venturing into new areas of cooperation of mutual benefit, he said.

Dr Mesbahuddin Ahmed, Minister (economic) of the Embassy also spoke on the state of Bangladesh economy.

Kibria, ADB team talk draft recommendations on CMSDPL

A fact-finding mission of Asian Development Bank (ADB) called on Finance Minister Shah AMS Kibria at his Secretariat office in the city 'Saturday, reports UNB.

They discussed draft recommendations made by the mission on Capital Market Sector Development Programme Loan (CMSDPL).

The ADB mission made various recommendations concerning coordination and supervision of monetary and fiscal policies affecting capital market, widening scope for resource mobilisation to augment resources made available through banking system.

It also recommended developing capital market infrastructure and modernising capital market support infrastructure for development of the capital market sector.

RM Limjoco, leader of the mission, and B Horayangura, ADB resident representative, were present, said a PID hand-out.

Meril Lucky Coupon Draw held

The Meril Lucky Coupon Draw was held in front of Square Toiletries Ltd. pavilion at the Dhaka International Trade Fair '97 at Sher-e-Bangla Nagar on Friday night, says a press release.

The draw was held under the supervision of Export Promotion Bureau (EPB) officials. Prominent TV performer Afzal Hossain as chief guest, Siddique Rahman, Deputy Director (Fair), EPB, and SIM Badruzzaman, Asstt Director as special guests picked the winners of the lucky coupon draw.

Anjan Chowdhury, Managing Director, S K Das, Sales Manager, Towfique Ali, Senior Executive, and other high officials of Square Toiletries Ltd. were also present.

The first prize of Square's cash Tk two lakh went to Coupon No. 06215, second prize of 100cc Yamaha Motorcycle to Coupon No. 11901, third prize of 21 inch Sony Colour Television to Coupon No. 02647, fourth prize of Samsung Refrigerator to Coupon No. 03412, and fifth prize of Sony Deck Set to Coupon No. 14289.

US trade deficit soars to \$13b in Jan

WASHINGTON, Mar 23: The US trade deficit soared to 12.7 billion dollars in January as higher oil prices, increased auto imports and a surge of Chinese toys and shoes gave the country its worst imbalance in goods in history, says AP.

The Commerce Department reported Thursday that the overall deficit was up 21 per cent from 10.5 billion dollars in December.

The deficit for all of 1996 totaled 114.3 billion dollar the worst performance since 1988 and economists said the poor start to the new year pointed to an even bigger imbalance in 1997.

Analysts blamed a range of factors from sluggish demand in many of America's major foreign markets to the continued rise of the dollar. A stronger dollar makes American goods more expensive on overseas markets and imports cheaper for American consumers.

"January's increase in the trade deficit shows the dangers of a rising dollar and the failure of our major trading partners to pursue higher economic growth through deregulation," said Howard Lewis, vice president for trade at the National Association of Manufacturers.

New criteria for measuring poverty emphasised

By Staff Correspondent

Criticising the traditional growth approach, speakers at a dialogue put emphasis on the inclusion of social security and justice, moral values and other social indicators in the criteria for measuring the poverty situation in the country.

Noted economist Professor Anisur Rahman at the dialogue Saturday organised by Center for Policy Dialogue viewed that the contemporary economists were not taking social justice and equality into account to calculate the advancement of society.

Prof Rahman Sobhan Executive Chairman of CPD, presided over the function while Binaeyek Sen presented the key-note paper. Finance Minister S A M S Kibria was present as chief guest.

The dialogue was organised on the occasion of CPD's publication ceremony of its Independent Review of Bangladesh's Development 1996.

Among others, the discussion was addressed by State Minister for Planning and Civil Aviation, Mohiuddin Khan Alamgir, Fashuddin Mahtab, former minister for agriculture and planning, Salahuddin Ahmed of BRAC, Rashed Khan Menon of Workers' Party, Mujahidul Islam Selim of Communist Party of Bangladesh, Sheikh Maqsood Ali, former

member of Bangladesh Planning Commission, Khushi Kabir and Attur Rahman of BIDS and Swapan Adnan former Chairman of Department of Economics, Chittagong University.

Professor Rahman said increase in income and calorie intake do not necessarily mean that these factors can alleviate poverty in a true sense.

The unfortunate death of Yasmin of Dinajpur is sufficient to take lessons that improved diet or rationing or increase in income is not enough to secure life.

Rahman observed that now-a-days the poor people were being considered as 'livestocks' and not being involved in the development or poverty alleviation process.

Mujahidul Islam Selim said, "It is quite astonishing that we are discussing poverty alleviation after 25 years of our independence."

Only one ministry was working to alleviate poverty while other ministries were regenerating it. "We need radical approach and strategies to remove poverty," he maintained.

Selim suggested that a five-year national plan should be taken up to eradicate poverty.

Rashed Khan Menon said, "We cannot fight poverty unless

we establish poor people's social ownership on production." He observed that without change in the political system, social system couldn't be changed. Menon put emphasis on setting up strong local government bodies, one of the basic conditions for sustainable development, to empower rural and poor people.

Mohiuddin Khan Alamgir in his speech said there were many other reasons behind regeneration of poverty. The cause include "unequal distribution of state opportunities like education, health and loan facilities etc."

He said although the Constitution had empowered the mass people but their dreams could not be realised as there was no decision to make state activities pro-people.

He put emphasis on strong local government bodies and decentralisation of administration which, he alleged, could not be done due to resistance from a section of parliamentarians and leaders originated from Martial Law.

Alamgir also noted that a neutral administration, small-sized government and smooth delivery of education and other services might accelerate development process.

BASIC managers' confce held

A two-day Managers' Conference '97 of Bank of Small Industries and Commerce Bangladesh Limited (BASIC) was held in Chittagong recently, says a press release.

Managing Director (In-charge) Alauddin A Mazid presided over the inaugural and business sessions.

The Managing Director advised the managers to increase lending for development of small industries.

He directed them to double the quantum of micro-credit disbursement to the urban poor over that of the previous year.

Despite adverse economic-political scenario prevailing in the country in 1996, the bank's business performance including lending for industrial and commercial activities, handling of foreign trade, remittance and deposit mobilisation was viewed satisfactory in the year.

The bank posted a profit of Tk 14.79 crore in 1996, slightly higher than 1995.

First world water forum opens in Morocco

MARRAKECH, Mar 23: The first world water forum opened here Friday to lay the groundwork for a global water strategy in a bid to prevent shortages sparking conflicts in the world's driest regions, reports AFP.

Hundreds of specialists and representative from governments, development banks, UN agencies, non-governmental organisations and the private sector are taking part in the meeting, which hopes to work out a draft world water council, which organised the forum, said increasing awareness was a key factor in efforts to preserve and properly manage world freshwater supplies.

"We must radically change our way of living... and put an end to wastage if we want to avoid serious crises breaking out," he said.

ADB okays \$33m loan to Vietnam

MANILA, Mar 23: The Asian Development Bank (ADB) said Friday it approved a 33 million dollars loan to Vietnam for a forestry sector project, says Reuter.

The project would cost a total of 53.2 million dollars and would aim to reforest 114,000 hectares until the mid-2003, ADB said in a statement.



Lutfar Rahman Sarkar, Governor, Bangladesh Bank, speaking at a general managers' conference at Bangladesh Bank conference room Saturday.

SDFIL launches unit to produce coated nylon taffeta fabrics

By Staff Correspondent

The Savar Dyeing and Finishing Industries Ltd (SDFIL), a sister concern of the Korean apparel giant Youngone Corporation, has recently launched its nylon taffeta fabrics coating unit to cater to the need of the export oriented jacket and sportswear manufacturers of the country.

The SDFIL is the only producer of high quality washer and coated nylon taffeta fabrics in Bangladesh.

The washer and coating unit of SDFIL, located at the Dhaka Export Processing Zone (DEPZ), has the capacity of producing 24 million meters of high quality nylon taffeta fabrics a year for export purposes.

The SDFIL set up last year, mostly feeds the local export oriented garments industries. The annual demand for coated nylon taffeta fabrics is 80 million meters.

"This scheme will benefit the export oriented garment industries to a great extent. It takes more than 90 days to import nylon taffeta which is mostly used in jackets and sports gear. Now our industry can deliver the same within a month," Director of Youngone Mohammad Ashadullah told a press team at the DEPZ industry site Thursday.

Director Sunha Park from Youngone, Korea and General manager of SDFIL Maj (ret'd) Ifukhar Hossain were also present there.

In addition to the coating and dyeing unit, the SDFIL also has, at the same site, a synthetic fibre production unit, a quilting unit and a water treatment plant to avert pollution that could be caused by the use of chemicals in these plants.

The SDFIL was set up last year with an investment of 3.9

million US dollars and has a workforce of 123 employees.

Youngone Group has nine industrial units operating both in the Chittagong Export Processing Zone (CEPZ) and DEPZ. In the DEPZ units, the Youngone group employs nearly 5000 workers and in the CEPZ it employs 7000 workers. The annual turnover of these nine units was over 100 million dollars last year while Youngone authorities expect this figure to reach 150 million dollars this year.

The Padding and Quilting units here in DEPZ made a sale of around 10 million dollars last year and SDFIL earned 3.5 million dollars," said Sunha Park.

He said, "The Youngone group is continuously expanding its activities here. We will also invest 200 million dollars in the Korean Export Promotion Zone in Chittagong."

One of the leading foreign

investors in Bangladesh, the Youngone Group started its first unit in Bangladesh in 1980 to produce woven sports jackets. It is recognised as a world class sportswear manufacturer since its inception in 1974.

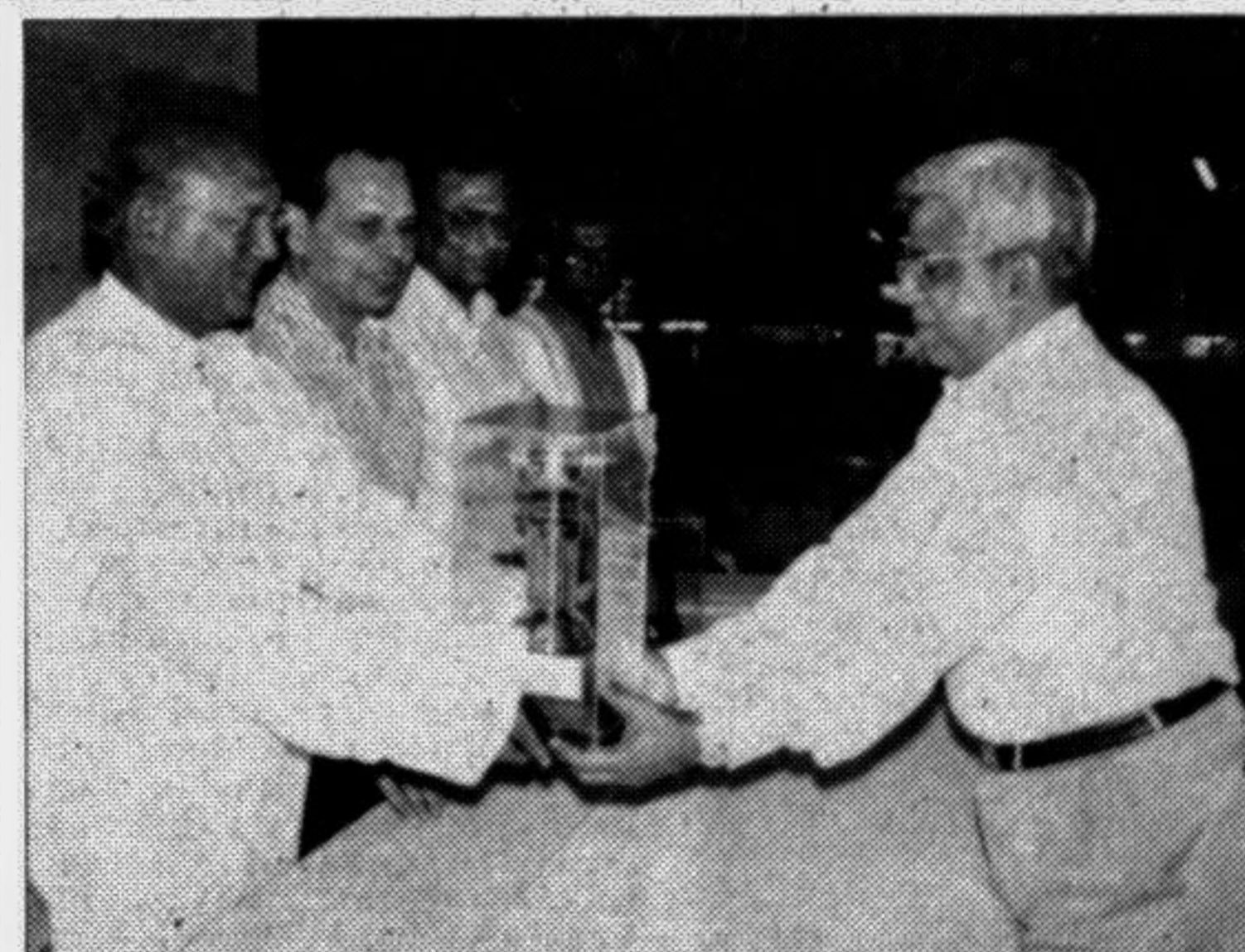
Replying to a question of the press the directors said that the Korean investors were very much satisfied with the performance of the Bangladesh workers.

They further said that they were getting cooperation from all levels of the government for the operation of the industrial units in the two EPZs.

"However, we would like to point out that we are often being let down by the public and private banks which are following a go-slow policy in their service," said Ashadullah, "we are also facing some difficulties at the Chittagong Port as workers frequently observe strike there."



A partial view of Savar Dyeing and Finishing Industries Ltd plant at the DEPZ.



Navana Group won the second prize at the Dhaka International Trade Fair '97. Commerce and Industries Minister Tofael Ahmed seen handing over the DITF '97 Trophy to Shaiful Islam Kamal, Chairman of the company at a function held at the fair on Friday.

'Pakistan may have to raise yields on securities traded in interbank market'

KARACHI, Mar 23: Pakistan

may have to raise yields on securities traded in the interbank market to attract foreign currency deposits from abroad after the IMF halted payments on its standby loan, bankers said here.

"The government will have to raise the rupee cut-off rates to maintain the spreads banks get by bringing in swap deposits," forex analyst Umer Ehtesham of Banque Indosuez told Reuters.

An International Monetary Fund mission left Islamabad on Friday without making a public statement after two weeks of talks to review Pakistan's economic performance.

Finance Minister Sartaj Aziz said the standby loan had been effectively suspended and the next few months would see a transition to a longer-term

structural adjustment loan.

Ehtesham said the absence of IMF funds meant Pakistan would have to rely on foreign currency brought in by banks from abroad as the main source of its foreign currency requirements.

Banks swap these foreign currency inflows for rupees, which are then used to lend to the corporate sector or to buy government securities in the interbank money market.

Six-month short-term federal bonds were last auctioned at a weighted average yield of 16.45 per cent a year compared to a yield of 16.50 per cent in the previous auction.

Prices of gold, cotton fall while tea rise

LONDON, Mar 23: The advance of rebels loyal to Laurent Desire Kabila in the east of Zaïre has spread panic among metal traders on the London market, who fear that President Mobutu Sese Seko's faltering grasp on power might hinder copper supplies, reports AFP.

Mineral-rich southeastern Zaïre, where the mighty Congo River rears its head, may soon fall to rebel forces, they feared. Shaba province holds one of the world's richest copper seams, making Zaïre the sixth most important copper producer in terms of output.

GOLD: Seesaw. Gold prices fell sharply early in the week, as traders were alarmed by proposed legislation in Switzerland which could open the way for substantial gold sales by the Swiss National Bank (SNB).

A gold analyst at Union Bank of Switzerland in London, Andy Smith, said that Bern intended to reduce a minimum requirement for the bank's gold reserves, which hitherto had been pegged at 40 per cent of the value of bank notes in circulation.

week's levels of 5.20 dollars per ounce.

PLATINUM AND PALLADIUM: Jitters. Platinum and palladium prices wavered this week, as dealers became concerned over the future of Russian exports of the metals to Japan.

Japan's car and electronics industries provide the backbone of demand for these two metals, used in catalytic converters and electronic circuit boards.

Platinum prices dipped slightly to 378 dollars per ounce and palladium prices to 148 dollars per ounce.

COPPER: Hard. Copper prices strengthened this week as market reserves dwindled and a question mark loomed over future output from Zaïre after anti-government rebels seized the country's third most populous town, Kisangani, in the northeast.

Dealers fear the rebels, led by Laurent-Desire Kabila, might seize the southern town of Lubumbashi, in mineral-rich Shaba province.

LEAD: Dull. Lead prices remained inert around the 695-dollar-per-tonne mark amid quiet trading. At the end of the week, prices were nudged slightly higher after the LME

announced a fall of 1,050 tonnes in its official reserves.

ZINC: Sparkle. Speculative buying lifted zinc prices to their highest level for four and a half years this week. Three-month prices rose by about 20 dollars to 1,300 dollars per tonne.

Dealers predicted that zinc reserves would fall throughout the year, taking the market to the brink of a supply deficit.

OIL: Pause. Brent North Sea oil prices settled between 20 and 20.20 dollars per barrel this week, after recent price fluctuations.

Some dealers noted that demand for petrol in the United States had taken off ahead of the habitual "driving season." In the summer months, the nation's gas-guzzlers take to the road and the frequency of car use there soars.

RUBBER: Sterling. Rubber prices on the London market firmed by five dollars to 802.5 pounds per tonne, as the value of the pound sterling fell slightly against the major currencies.

COFFEE: Strong. Coffee prices remained strong this week in the face of limited stocks of high quality arabica beans grown in Latin America.

In London, the price of robusta coffee, which is grown mainly in Asia and Africa, held

firm at about 1,650 dollars per tonne.

TEA: Boiling. Tea prices bubbled over in the London auction houses, as imports from Kenya started to dry up in the wake of a drought in tea-growing regions of the country. Kenya is usually the most important exporter country at this time of the year.

Medium quality leaves rose to their highest level since September 1994 at 128 pence per kg, which was two pence higher than last week.

SUGAR: Crystallised. Sugar prices crystallised around 305 dollars per tonne, despite predictions by numerous analysts that prices were set for a melt-down.

Czarnikow trading house said that prices remained high because of reluctance on the part of Cuban, Thai and Brazilian exporters to offload this year's harvest.

Another trader said that the current high prices were justified by rumours of heavy buying from Pakistan. The country reaped a smaller-than-expected harvest and might face a production deficit of up to 600,000 tonnes.

VEGETABLE OILS: Spurt. Rumours of Chinese buying lifted soy prices by 31 cents to 8.52 dollars per bushel (of 27.2

kg) on the Chicago Board of Trade (CBOT).

US dealers predicted that Beijing was due to buy large quantities of soy because of the low level of Chinese stocks. Any sizable rise in demand would put the heat on soy prices, because stocks in the world's number one producer country, the United States, have touched rock bottom.

Dealers were also troubled by drought in Brazil's southern state of Rio Grande do Sul, which might ravage the next harvest there.

Rapeseed oil prices fell by two guilders to 102 per 100 kg. Sunflower oil fell by 15 dollars to 520 dollars per tonne.

GRAINS: Buoyed. Wheat prices in Chicago were buoyed by the prospect of the American great plains - known as the bread basket of the world, for their rich cereal potential - becoming waterlogged this spring.

COTTON: Shrunk. Cotton prices on the US cash market covered by the cotton outlook index shrank by two cents to 80 cents per pound after speculative selling hit prices on the New York futures market.

WOOL: Slip. Wool prices in Australia fell by seven Australian cents to 619 cents per kg on the eastern index, amid quiet trading, dealers said.

Coming AGMs					
Company	Book Closure	AGM/EGM	Date	Venue & Time	Dividend Proposed
National tube	01/03/97-25/03/97	AGM	25/03/97	Factory Premises 11 am	182.15
Eastern Cables	01/03/97-25/03/97	AGM	25/03/97	185	185
BD Logistics (Ed)	15/03/97-04/04/97	(Half yearly interest)	---	---	---
Qg Vegetables	20/03/97-20/03/97	AGM	20/03/97	Hotel Sonargang, 11.30 am	38.1 (Per Tk 50)
Samuel Sigmond	25/03/97-28/03/97	AGM	28/03/97	Hotel Sonargang, 11.30 am	28.1 (Per Tk 150)
Altab Aluminium	22/03/97-25/03/97	AGM	25/03/97	185	---
Benzimco (Ed)	25/03/97-10/04/97	(Interest for 12th instalment)	---	---	---
Savar Refractor	27/03/97-21/03/97	AGM	21/03/97	Hotel Sonargang 11.30 Am	---
Singer BD	27/03/97-16/04/97	AGM	16/04/97	Hotel Sonargang	75.182
Padma Oil	23/03/97-29/03/97	AGM	29/03/97	Head Office, House No. 98, Road 9A	20
Jute Spinners	24/03/97-30/03/97	AGM	30/03/97	(New) Diamond 12 Noon	15
Wata Chemical	01/04/97-09/04/97	AGM	09/04/97	Jasaghar hall, Hotel Putani 4 PM	25
Pharmaco Int.	17/03/97-30/03/97	AGM	30/03/97	60, Moirheer CA, BCC Auditorium 10 AM	30
BTC	03/04/97-26/04/97	AGM	26/04/97	Party Center Dharmandi	22
Answer Galva	20/03/97-27/03/97	AGM	27/03/97	Hotel Sonargang, 3 pm	35.181
ULC	02/04/97-29/04/97	AGM	29/04/97	Hotel Sonargang, 10 am	35
DLC	05/04/97-13/04/97	AGM	13/04/97	Do	35
Reckitt & Colman	19/04/97-08/05/97	AGM	08/05/97	Do	35

Exchange Rates

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 23/03/97.

Selling		Buying		O.D. Sight		O.D.	
Name of Currency	T.T. & O.D.	B.C.	T.T. Clean	Export Bills	Transfer	Export Bills	Transfer
US Dollar	43.3620	43.4150	43.3000	42.9036	42.7912	42.9036	42.7912
GB Pound	69.7998	69.8801	67.7774	68.4955	68.3159	68.4955	68.3159
D Mark	25.8376	25.8673	25.4091	25.3049	25.2386	25.3049	25.2386
F Franc	7.6647	7.6735	7.5358	7.5049	7.4853	7.5049	7.4853
J Yen	0.3572	0.3576	0.3490	0.3476	0.3467	0.3476	0.3467
C Dollar	31.6114	31.6477	31.0850	30.9576	30.8764	30.9576	30.8764
S Franc	29.9039	29.9382	29.3964	29.2759	29.1992	29.2759	29.1992

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

	US DLR	GBP	S RYAL	UAH DH	KU DINAR
SELLING	43.4500	68.5498	11.8000	11.7500	142.5000
BUYING	42.9500	66.5498	11.4500	11.2500	137.0000

Government of the People's Republic of Bangladesh

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