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# DThe Paily Star DUSINESS



### IMF adopts new classification for industrial economies

WASHINGTON, Apr 24: Good-bye industrial countries. The International Monetary Fund has adopted a new classification for these nations and will henceforth call them "advanced economies," says AP.

Four booming Asian countries - Hong Kong, Korea, Singapore, Taiwan - and Israel get to join the club.

The industrial countries in clude the likes of the so-called G-7 countries the United States, Canada, Britain, Germany, France, Italy and Japan.

The IMF, in its latest World Economic Outlook report, unveiled the new classification. which it says "reflects the advanced stage of economic development" reached by the Asian nations and Israel.

"In fact," the report said, "they all now share a number of important industrial country characteristics, including per capita income levels well within the range indicated by the group of industrial countries, well-developed financial markets, and diversified economic structures with relatively large and rapidly growing service sectors.

The IMF said that it dropped the "old industrial country label" to reflect the "declining share of employment in manufacturing common to all these economies."

### 2-day workshop on pollution begins at DCCI tomorrow

A two-day national workshop on "Pollution minimisation in small and medium enterprises for enhancing their competitiveness" will begin tomorrow at the auditorium of Dhaka Chamber of Commerce and Industry (DCCI), a press release said here Wednesday, says BSS.

With the patronisation of Technonet Asia, Singapore, Bangladesh Small and Cottage Industries Corporation (BSCIC) and Dhaka Chamber of Commerce and Industry (DCCI) will jointly organise the workshop.

Experts from home and abroad will take part in the workshop. State Minister for Jute and

Textile A K Fazeul Haque will inaugurate the workshop as the chief guest on first day of the workshop while Commerce and Industry Minister Tofael Ahmed will be present in the concluding session as the chief guest on April 27.

### Hino Motors executive in city



Y Nakamura

Y Nakamura, Director of Hino Motors of Japan, arrived in the city yesterday on a fiveday visit to Bangladesh, says a press release. He was accompanied by H

lijima, Deputy General Manager of Hino Motors and H Oya, General Manager of Toyota Tsusho Corporation.

During Nakamura's stay Navana Limited, Distributor of Hino Motors in Bangladesh, will officially launch a new AK3H series bus.

Nakamura is also scheduled to visit Aftab Automobiles Limited Assembly plant in Chittagong.

# **Exchange Rates**

The following are the Janata Bank's dealing rate (BD Tk for one unit of Foreign Currency) to public as on 24/04/97

	Bu	ying		
	Clean Export		OD Transfe	
US Dlr	43.5200	43.3522	43.2386	
GB Pnd	70.5087	70.2204	70.0362	
D Mark	25.2846	25.1812	25.1152	
F Franc	7.4983	7.4676	7.4480	
JP Yen	0.3431	0.3417	0.3408	
C.Dlr	31.0310	30.9041	30.8231	
S Franc	29.6339	29.5128	29.4354	
	Sel	ling		
Name	of T.T.	& O.D.	B.C.	

	Selling	
Name of Currency	T.T.& O.D.	B.C.
US Dollar	43.8120	43.8650
GB Pound	71.5457	71.6271
D.Mark	25.7141	25.7433
F. Franc	7.6288	7.6325
JP Yen	0.3511	0.3515
C.Dollar	31.5510	31.5869
Franc	30.1404	30.1746
	c's selling and brency for public	
	0.11	D

	Selling	Buying	
US Dir	43.9000	43.4000	
GBP	70.3000	68.3000	
S Riyal	11.8000	11.4500	
UAE Dh	11.8500	11.3500	
Ku Dinar	143.5000	138.0000	

# Uganda becomes first beneficiary

# WB, IMF start multi-billion dollar debt relief plan

WASHINGTON, Apr 24: The International Monetary Fund and World Bank put their longawaited aid plan for poor nations into practice on Wednesday by approving hundreds of millions of dollars in debt relief for Uganda, reports Reuter.

The move, which came as the two agencies prepared for the start of their semi-annual meeting this week, will cut Uganda's 3.4 billion dollar debt burden by about a fifth, freeing up money for use in schools, hospitals and for other social purposes.

Ugandar Economic Development Minister Richard Kaijuka welcomed the IMF and World Bank action but said he would have liked to have seen

"Naturally we would have expected more," Kaijuka told a news conference. "But we do recognise the international limitations and that's why we

appreciate every effort."

Uganda is the first country to benefit from the multi-billion dollar debt relief plan that the IMF and World Bank launched more than six months ago. It has been a star performer in Africa, pursuing tough economic reform plan for the past

The new initiative, which combines the forces of the World Bank, the IMF and the Paris Club of creditor nations, aims to reward poor countries that are following strict policies by reducing their debts to levels that they can handle.

Up to about 25 countries, most of them in Africa, are expected to benefit from the plan, which could cost creditors as much as 7.7 billion dollars.

Bolivia, Burkina Faso and the Ivory Coast are already lined up as the next potential beneficiaries of the programme.

Others being looked at include Guyana, Benin, Mali and Togo. "Over the next couple of months we will come forward with a half dozen countries." World Bank official Axel Van

ference. Under the plan, Uganda will see its debts reduced on April

Trotsenburg told the news con-

1998 by 338 million dollars. "This decision will hurt the poor people in Uganda," Oxfam International's Justin Forsyth said. "This year many children, especially girls, will not be going to school, many health clinics will go without basic medicines.

The World Bank said that it would provide 75 million dollars in grants to help Uganda through the next year until the debt relief kicks in. But it is not clear what, if any, other interim financing will be available for that purpose.

The United States, mindful of the precedent that Uganda would set for other countries, had argued for an even longer delay, provided that sufficient interim financing could be lined up.

US officials have defended that action, saying that they were not out to punish Uganda and arguing that they have played a leading role in getting the initiative underway.

Of the 338 million dollars in debt relief approved for Uganda on Wednesday, the World Bank will provide 160 million dollars and the IMF nearly 70 million dollars.

The balance is expected to come from other development institutions, including the African Development Bank, and from the Paris Club of creditor nations. The IMF and World Bank action is contingent on those joining in as well.

### Aussie-Indonesian bid to launch new trade zone

AMBON, Indonesia, Apr 24: Australia and Indonesia announced a list of economic initiatives Thursday for a new trade zone intended to link underdeveloped areas of their countries, says AP.

The Australia-Indonesia Development Area is meant to encourage trade and private sector ties between Indonesia's remote eastern islands and sparsely populated northern Australia. Foreign Minister Alexander

Downer of Australia and Hartarto, Indonesia's coordinating minister for production and distribution, launched the scheme on the island of Ambon, about 2,400 kilometers (1,500 miles) northeast of Jakarta.

"It offers the prospect of a distinctive Australian role in the development of eastern Indonesia." Downer said. Indonesia plans to increase

airline services and expand ports and airports in the region, said Hartarto, who like many Indonesians uses only one

Indonesia also will review its immigration policy to find ways to attract Australians to work in the zone, he said.

### ILO DG proposes globally binding labour standards

GENEVA, Apr 24: Michel Hansenne, Director-General of the International Labour Organisaton (ILO), is calling on the organisation's 174 member states to implement a set of sweeping new measures designed to preserve the fundamental rights of workers in an increasingly global economy. according to USIS.

In a report released on Wednesday, Hansenne set out a series of proposals intended to revitalise the organisation's role in the new international context of trade liberalisation and globalisation.

He expressed concern that globalisation is becoming an end in itself and cautioned that trade liberalisation "must go hand in hand with social progress.

Specifically, Hansenne called on ILO members to issue a declaration that would make core labour standards binding on all member states regardless of whether they have ratified the specific conventions.

The core standards covered protect the freedom of association and collective bargaining prohibit forced and child

Book Closure

03/04/97-28/04/97

10/04/97-30/04/97

22/04/97-04/05/97

Delta Life Ins

Al Baraka Bank

Phoenix Ins

19/04/97-08/05/97 AGM

23/04/97-13/05/97 AGM

15/04/97-28/04/97 AGN

24/04/97-07/05/97 AGM

labour, and promote the principle of non-discrimination.

Hansenne further recommended that implementation of the standards be monitored through regular reports on social progress - or the lack

thereof — in member states. "We want to see if it might be possible to introduce some kind of mutual incentive or encouragement system for social progress," Hansenne told a press conference.

The report will be presented to the 1997 International Labour Conference in Geneva June 3-19. Hansenne said he hoped that the conference will decide to begin work on a declaration that could be adopted next year

Adoption of the proposals would mark a "historic turning point" in the history of the ILO and the protection of workers rights, according to ILO spokesperson Michel Barton.

Barton said the proposals aim to define the role of the ILO in the context of the global economy, just as the 1944 Declaration of Philadelphia defined its role for the post-World War II period.

**Dividend Proposed** 

Reports on millions of dollars of bad debts triggers a run at the Ninth Credit Cooperative in Taipei on Thursday. The bank has prepared five billion Taiwan dollars (180 million US - AFP/UNB photo dollars) in cash for deposits who wish to withdraw their savings.

# Motia tells Tehran Daily

### Dhaka willing to improve trade ties with Tehran

Food and Agriculture Minister Motia Chowdhury has said there is a potential for growth in trade of agriculture products between Bangladesh and Iran, says BSS.

"Bangladesh is willing to explore the avenues for expansion of reciprocal cooperation with Iran whose relations with Bangladesh are given great importance," Motia said in an interview with Tehran Daily published here Wednesday.

Motia, who is now visiting Iran as the leader of a highranking delegation, had separate talks with a number of high-ranking Iranian officials including Agriculture Minister Isa Kalantari and Minister for Construction Jihad Gholam Reza Forouzesh and discussed with them ways of upgrading bi-

Referring to the joint Iran-Bangladesh Economic Commission, Motia said, once the commission becomes functionally active trade and economic links between the two

lateral relations.

countries will be boosted. Lauding the social and political status of Iranian women she said, the government is taking positive measures to promote the situation of women in Bangladesh in the political, social and educational fields.

Referring to the inclusion of three female ministers in Sheikh Hasina's government, posting of a female ambassador and significant number of female MPs, Motia said many key posts have been allocated to women in the state-run organisations.

# Shipping Intelligence

Coming AGMs

Venue & Time

Hotel Purbani, 3.30pm

Hotel Purbani, 10am

Hotel Sonargaon, 4pm

Hotel Sheraton, 3,30pm

Factory Compound Dhamrai, Dhaka, 9am

Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Leaving
J/1 ·	Zheng Yang	CI	Sing	Prog	9/4	25/4
J/2	Solomon/Dacca	CI	Cal	Ancient	23/4	26/4
J/3	Al Swamruz	GI	Kauz	ASLL	14/4	25/4
J/4	Morning	THE RESIDENCE TO THE	14.114607-7-1-01	5090	770	
	Bright (Roro/24)	Vehi	Sing	OIL	23/4	24/4
J/5	Ib Everett	CI	Sing	Everett	R/A	26/4
J/6	Banglar Maya/	222	202022	1202201		0011
211111	Khanak	CI	Male	BSC	12/4	28/4
J/7	Ikan Selar	GI (D Peas)	P Lans	Rainbow	6/4	28/4
J/8	Western Progress	Cement	Lans	PSAL	12/4	02/5
J/9	Jiang Chun	CI	Xuan	Prog (	11/4	28/4
J/10	Al Quamar	Wheat (G)	-	BSL	R/A	24/4
J/11	Da Fu	Cont	Sing	APL (B)	22/4	26/4
J/13	Qc Pintal	Cont	Sing	ÖC2T	23/4	26/4
CCT/1	Fong Yun	Cont	Sing	BDShip	19/4	24/4
CCT/2	Kota Selamat	Cont	Sing	Pil (BD)	22/4	25/5
CCT/3	Steamers Future	Cont	Col	BDShip	22/4	25/4
∞.i	Wan Ru	C Clink	Chin	Seacom	7/4	28/4
GSJ	Kalisti	Wheat (G)	Kalu	RSA	12/4	24/4
TSP	Yan Qing	R Phos	100 C 100 C 10 C 10 C 10 C 10 C 10 C 10	Cosmos	17/4	28/4
RM/4	Georgiy Dimitrov	Cement	Sing	Delmure PSAL	20/3	29/4 28/4
RM/5	Samuda	Cement	Sing	BSC	10/4 R/A	26/4
DOI	Banglar Jyoti	Repair	Mumb	Cross	15/4	25/4
DD	Mantis Toponi Stor	Repair Idle	Para	PSAL	7/6	20/1
DDJ/1	Tanary Star		raia	BSC	R/A	30/4
RM/9	Banglar Kiron Blue North	Repair Cement	Qing	PSAL	3/6	50/1
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Naico(U)	rualli i ciitaralli					

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Ultima 12/4	24/4	Mong	Baridhi	Cont Co
Vanessa 20/4	25/4	Sing	RSL	Cont Sin
Padma 16/4	25/4	Sing	RSL	Cont Sin
Sakhalin-5	25/4	Sing	JF	Scraping
Elbe Star 13/4	27/4	Mong	BDShip	Cont Ca
Lian Sha 16/3	29/4	Sing	BDShip	Cont Ca
Fong Shin 10/4	26/4	Sing	BDShip	Cont Sin
Nicolas I K	25/4	_	OIL	CI .
Oriental Way	26/4	Mong	OTBL	Ballast
Fong Lee 13/4	28/4	CBO	BDShip	Cont Co
Susak 15/4	27/4	Col	Baridhi	Cont Co
Meng Yang 30/3	27/4	Sing	AML	Cont Sin
M Regina 20/4	29/4	Sing	PIL (BD)	Cont Sin
Arcadia	27/4	•	RSA	Wehat (G)
City of Lome	28/4	Hald	RSA	GI (Cont)
Mighty Tide	28/4	21 <b>-</b> 21	B Bay	
Mang Kiat 22/4	28/4	Sing	AML	Cont Sin
Banglar Moni 16/4	1/5	Sing	BSC	Cont Sin
Qc Teal 22/4	2/5	Sing	<b>OCST</b>	Cont Sin
Kota Bintang 22/4	2/5	Sing	PIL (BD)	Cont Sin
Ravidas (48) 23/4	6/5		SSL	CI UK Cor
Magister (48) 21/4	7/5	Bela	BDShip	CI .
Sea World	24/4	-		Urea MG
B Mookh	27/4	10 <b>4</b> 070	7. V	
D MOOKII	21/7			8001

51	T	anker Due	1024		100
Timashevsk Mauro D'Alesio	26/4 26/4	Mesa Sing	ECSL ECSL	HSD HSD	u z
	Vesse	els at Kutubdia	= 85=	25 1700	250 6
Name of Vessels	Cargo	Last Port Call	Loc Age	(C)	Date of Arrival
Ismaya Orizont Brunei Eagie	## # #	Sing Sing	BB	B Bay B Bay B Bay	
	Vessels a	t outer Anchor	age		
Ready On Kota Berjaya Asean Carrier Hong Gu Cheng Dignity Ritz	Cont Urea Cement SKO GI	Sing Cal Lans Aljuba Tuti	Pil ANG UST ECS Cro	rc L	22/4 22/4 14/4 24/4 24/4
	Vess	els not Ready			
Sea Concert	Cement	Sing	Bri	ght	21/4

Dignity Ritz	SKO	Aljuba Tuti	ECSL Cross	24/4 24/4
	Vessels	not Ready		
Sea Concert	Cement	Sing	Bright	21/4
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Banglar Sampad	12 N		BSC	R/A (17/1)
Mare	540	948 W	Lams	R/A (14/4)
Ping Shun	8603		Delmure	R/A (17/4)
Agensea-1	-	784	GEL	R/A (17/4)
Banglar Shourabh	<b>*</b> 0	8.53	BSC	R/A (22/4)
Banglar Asha	(100 to 100 to 1	35%	BSC	R/A (23/4)
Banglar Kallol	-		BSC	R/A (23/4)
	Vessels n	ot Entering		
Hydroussa	Ballast	Monr	OIL	21/12
Pilefs	Scraping	Hoan	CEL	3/3
Tonghae	Scraping	Jian	Simni	2/4
Nisi	Scraping	Tema	MTA	15/4

Banglar Asha Banglar Kallol	(5) )*)	2	BSC	R/A (23/4)
Dungan	Vessels n	ot Entering		
Hydroussa	Ballast	Monr	OIL	21/12
Pilefs	Scraping	Hoan	CEL	3/3
Tonghae	Scraping	Jian	Simni	2/4
Nisi	Scraping	Tema	MTA	2/4 15/4
Chestnut Hill	Scraping	K Dia	BSL	12/4
Tug De Yi		Sales and an	BSL	12/4
Lustdorf	Scraping	Maxi	RSA	20/4
Julia-III	Mop (P)	Coac	Litmond	20/4
Move	ement of Vessels	for 25.4.97	and 26.4.97	
Outcoming	Incomin	Ø		Shifting

Outcoming CCT/2 Kota Berjaya J/3 Al Swarmuz to J/A J/1 Z Yang J/10 Al Quamar to GSJ CCT/2 Kota Salamat J/12 Padma J/12 B Maya to J/3 St Future J/1 Mantis to RM/8 GSJ Kalisti 26/4 J/2 J/5 DOJ B Jyoti to DD Solomon Nikolas DOJ **IB** Everett Sea Concert Da Fu Q C Pintail J/13 CCT/1 Ultima

RM/6 Dignity The above are the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

# Gold procurement rules stifling ornament export industry

By Govinda Shil

Current gold procurement regulations are stifling the local ornament export industry,

according to sources. Despite orders for gold jewellery worth Taka 687 crore, the exporters have not been able to export a single gram in the last 18 months.

In an interview with The Daily Star the President of Bangladesh Jewellery Manufacturers and Exporters Association (BJMEA) Anwar Hossain said, "We have nothing to do with the export orders worth Taka 165 crore which have been placed before us in the past six months.

Exporters have recently received orders for 30 kilograms of ornaments but they have not been able to export a single gram of gold ornaments formally although they receive huge orders," he added.

At present, gold ingots must be imported under the "supervised bond" system. This system requires importing manu-

"The market, like the Lord,

helps those who help them-

selves, but unlike the Lord the

market does not forgive those

who know not what they do." —

country's stock markets has

been blamed primarily on vari-

ous factors, namely, insider

trading, market manipulation,

an impotent government body

(SEC), rogue foreign traders,

lack of transparency and above

all, an incompetent finance

minister. In the midst of all

these allegations, most people

have forgotten the principles of

investing in the share market.

No one seems to spend any time

on the fact that it was greed to

double ones money overnight

that blinded all and hence

brought about investment in

shares without following any of

the basic principles of invest-

investor Warren Buffett holds

the philosophy that when he

buys a share he buys part of a

business. A person who holds

stocks has the choice to become

the owner of a business or the

bearer of tradable securities.

Owners of common stocks who

perceive that they merely own a

piece of paper are far removed

from the company's financial

statements. These owners be-

have as if the market's ever

changing price is a more accu-

rate reflection of their stock's

value than the businesses' bal-

ance sheet and income state-

ment. This does not, however,

mean that the study of balance

sheets is the sole key to success-

ful portfolio investment. But

then again, studying a business

before buying will inevitably

The world's most successful

The recent debacle of the

Warren Buffett

ment.

facturers to pay a customs official, assigned to look after the bonded warehouse which stores the gold, Taka 80,000 a year.

The bond system also demands that goldsmiths keep their office hours at the warehouse between 8:30 and 16:00.

Aftab Ahmed, owner of Guinea Exchange Jewellers in Gulistan, said: "these conditions should not be applied to us as we are trying to create our market in this competitive age. Its application may hinder our competitiveness.

Ahmed suggested a general bonded warehouse system should be introduced, under which exporters could import gold duty-free and use letters of credit to finance the manufacture of their wares.

He said a general bonded warehouse system would not restrict exporters' working hours or require payment of customs officials, but would make them keep a passbook nothing any movement of the

An Export Promotion Bureau (EPB) official told The Daily Star that there was a lack of co-ordination between the Ministry of Commerce and the National Board of Revenue (NBR) on the import of gold ingots and the export of orna-

Exporters claimed that the lack of any official gold import policy and the incomplete state of export policy was causing them serious problems.

One kilogram of gold, in the form of jewellery, is sold at Taka 5,50,000 on the international market.

EPB and BJMEA sources said exporters had been able to sell a few kilograms of ornaments on the market in the past three years, but only when they participated in international trade fairs. They said formalities were relaxed on such occasions.

# Analysts say

# US ban has little impact on Myanmar economy

BANGKOK, Apr 24: A US decision to clamp sanctions on Myanmar is unlikely to hurt the economy which is increasingly dependent on its Asian trading partners, a Myanmar official and analysts said today, reports AFP.

Many analysts say that the US sanctions will have little bite given the small number of American companies currently doing business in Myanmar and will only open the door further for their Asian and European competitors.

US Secretary of State Madeleine Albright announced the sanctions in Washington Tuesday, citing the Myanmar ruling junta's repression of the pro-democracy opposition led by Aung San Suu Kyi.

Soe Myint, Director General of the Planning Department in Myanmar Ministry of Energy. said Myanmar officials had already shrugged off the sanctions.

"We have been surviving

without any assistance from the US government for years, so I don't think these sanctions will have any effect on the Myanmar (Burmese) economy,

Soe Myint said the impact would be weakened because the sanctions did not cover investments already in place, including a 1.2 billion dollar natural gas venture in which Unocal Corp. is a major partner. The project, under which

natural gas will be piped to Thailand from the Yadana fields in the Andaman Sea is expected to be Yangon's main foreign currency spinner when it comes on line in the next few years.

Soe Myint said Yangon was counting on continued interest in the Myanmar economy from Asian companies who were unrestrained by governmental meddling.

company with a low break-even

# Investment strategies

reduce the risks involved in an investment. While investing, one may end up paying the wrong price for a stock and also join the wrong kind of management but the biggest mistake could be the assessment of the future economics of a business. It is thus clear that there is no simplistic formula which will give one sure answer as to whether an investment is safe. The education of Warren

Buffett is best understood as a synthesis of two distinct investment philosophies from the minds of two legendary figures. Benjamin Graham and Philip Fisher. Graham is considered the dean of financial analysis.

He was awarded that distinction because "before him there was no (financial analysis) profession and after him they began to call it that." He learnt it the hard way after losing all his money in the 1929 crash of Wall Street. Graham wants people to become investors and less of a speculator. Graham proposed his definition of investment as "An investment operation is one which, upon thorough analysis, promises safety of principal and a satisfactory return." The phrase "thorough analysis" is elucidated by Graham as a three step process: descriptive, critical and selective. In the descriptive phase, the

analyst gathers all the facts

outstanding and presents them

in an intelligent manner. In the

standards used to communicate information. Ultimately, the analyst is interested in the fair passes judgment whether to buy a security or throw the finan-It the analyst is optimistic

growth and further believes that the company will be a suitable addition to the portfolio. the analyst has two techniques for purchase: purchase shares of the company when the overall market is trading at low prices (as in a bear market like DSE at the present) or purchase when the company is trading at or below its intrinsic value. which one might define as the net asset value and the possible future worth of the share. In either technique, Graham said a "margin of safety" is present in the purchase price. A company possesses a margin of safety, according to Graham, if on average for the last five years it is able to earn annually five times its fixed charges. This policy of investment makes green-field projects riskier than a company which is in an expansion stage. Graham further believed that the calculation of the intrinsic value would be safer if based on facts and figures rather than the quality of management and optimistic growth projections.

were responsible for stock market crashes. First was the manipulation of stocks by the exchangers and investment firms. Brokers are told by their backers or partners in crime to either 'push' a certain stock up or down as per their needs. Second is the bank policy of lending money for buying stocks without keeping a hand in the purchase. Since these loans are backed by the value of the stocks, when the crash occurs, like a house of cards, everything tumbles down. These two forces can be substantially restrained by legislative steps — arrest crooked brokers or tighten banking laws, but the third force can never be legally controlled which happens to be excessive optimism or greed of itinerant speculators. Philip Fisher's idea of a

sound investment is more qualitative in nature. He noted that superior profits could be made by: Investing in companies with above average potential and by

aligning oneself with the most capable management. He suggested the developing of a points table for all companies short listed for investment. A company would be considered above average if they

point, or correspondingly high profit margin, is better able to withstand depressed economic environments. Another major consideration would be to see whether a company show good growth without requiring equity financing. If a company is only able to grow by issuing right shares, the larger number of shares outstanding will cancel out any benefit that stockholders can realize from the company's growth. Fisher was also a great believer of getting to know about the managerial and other skills of the people running the company one has invested in. Fisher believed that to be successful, investors needed to do but a few things. well. This included investing in companies that were within the investor's circle of competence. The differences between Graham and Fisher are apparent. Graham, the quantitative

analyst, emphasized on factors that could be measured: fixed assets, current earnings, and dividends. Corporate filings and annual reports are considered the two measuring references. He was not concerned with the skill of the managers. Fisher's qualitative approach considered future prospects, one's own knowledge of the business under consideration and the capability of the management.

investor in history, Warren Buffett, follow? He says, "I am 15 per cent Fisher and 85 per cent Benjamin Graham.

(This article is based on ideas from the book 'The Warren Buffett Way' by Robert G Hagstorm, JR)

### By S M Shahrukh critical phase, the analyst is Benjamin Graham identified three forces that he felt concerned with the merits of

representation of the facts. In the selective phase the analyst cial papers out the window. about a company's future

So whom does the greatest are fortunate and able. Fisher believed that superior profits

were never obtained by investing in marginal companies. A