HYUNDAI

Loadshedding in Ctg 'Garment factories incur Tk 70cr loss per month'

From Staff Correspondent CHITTAGONG, May 16: First Vice-President of BGMEA, Mahbub Ali, has said the garments factories in Chittagong are forced to incur a loss of about Taka 70 crore per month due to power crisis.

Talking to local newsmen here Thursday, Mahbub said many factories have to suffer cancellation of shipment orders of garments products because of severe power crisis.

He said the garment sector during the last fiscal year had earned 66 per cent of country's total export earnings.

Mahbub urged the government to give proper attention to the development of garment sector that has already employed 12 lakh people.

Sonali Bank okays Tk 11 cr for project implementation

CHITTAGONG, May 16: A meeting of the Board of Directors of Sonali Bank held here Thursday approved an amount of Taka 11 crore for implementation of various projects, says

Held at Chittagong Chamber Conference room with Chairman of the bank Mohammad Asafuddowlah in the chair, the meeting also adopted some important decisions including realisation of the bank's loans at the quickest possible time, a bank press release said.

Board members, Khandaker Ibrahim Khaled, Dr Atiur Rahman, Nurul Guyum Khan were, among others, present at the meeting.

The Board of Directors have decided that they will continue this types of meeting in different divisions of the country so that they could evaluate the position of loans and advances on the spot.

China's exports surge by 27pc

BEIJING, May 16: China's exports returned to form in the first, four months of this year, soaring 26.9 per cent year-onyear growth to 50.3 billion dollars, the official China Daily reported yesterday, says AFP.

Quoting customs figures, it said however, that January-April imports fell 0.5 per cent to 40 billion dollars, leaving a surplus of 10.3 billion dollars. Total trade for the period was up 13 per cent from a year

State exporters saw exports slide dramatically in the first half of 1996. Fully-year export growth recovered to just three per cent, well down from the 22.9 per cent seen in 1995.

Vice Trade Minister Liu Shanzai last month warned exporters against complacency af ter strong first-quarter figures saying it would be difficult to meet the state's 1997 export target of 155 billion dollars.

US-Brazil tensions over free trade ease

BELO HORIZONTE, Brazil May 16: Tensions eased somewhat Thursday between the United States and Brazil over removing hemispheric trade barriers to create the Free Trade Area of the Americas, reports

Brazil's Foreign Minister, Luiz Felipe Lampreia, welcomed US Secretary of Commerce William Daley's willingness to study his nation's complaints about US non-tariff barriers.

"It is a positive gesture that should make negotiations easier," Lampreia said. "It is a concrete step in the right direction." Before committing itself to

the free-trade zone, Brazil wants a reduction of non-tariff barriers for several products, including steel, orange juice, shoes and textiles.

The US economy, he told the Estado de Minas newspaper, "is closed precisely where we are most competitive."

Francisco Dornelles, Brazil's Trade and Industry Minister, said Daley offered to review US countervailing duties and anti-dumping procedures which Brazil says block its steel products from competing on the

US market. Daley's offer was made on the eve of the Third Trade Ministerial meeting. Trade ministers from 34 countries of the Western Hemisphere will try to agree on launching negotia-

tions for the creation of the FTAA. The United States and Brazil are at odds over just how fast to push negotiations aimed at

creating the trade area. The United States wants comprehensive talks to begin next March trade union, which also includes Argentina, Uruguay and Paraguay - wants a Mercosur partners to become competitive before trade barri-

ers begin coming down. The creation of the free trade area was agreed on at the First Summit of the Americas, held in Miami in December 1994.

Investors regaining confidence in share market

By Rafiq Hasan

Trading at Dhaka Stock Exchange is improving and investors are regaining confidence in the market with the resignation of four accused

Although the controversy regarding the chairmanship of DSE is yet to be resolved but brokers, investors and persons related to the stock market are hoping that momentum in share trading would return

The DSE All Share Price Index which has been showing an upward trend for the past few days posted another 27.59point rise Thursday. The index closed at 1144.58

points from 1116.99 points previous day. Share prices of 106 compa-

nies rose and only 20 declined while two remained unchanged. Market capitalisation of the DSE also surged by Taka 237.93 crore reaching Taka 9,527.68

The new Chairman of the DSE, M A Hug Howlader, said the committee under his leadership has been trying its best to

Environment and Forest

Minister Syeda Sajeda Chowd-

hury Thursday called upon the

developed nations to come for-

ward with a liberal assistance

policy to combat desertification

"Asian countries are now

threatening Asia, reports UNB.

united in their concern of deser-

tification and degradation of

environment," she told the con-

cluding session of the three-day

Asian Ministerial Conference

of the UN convention in Beijing.

desertification and other envi-

ronment related issues tran-

scended the international

Sajeda said the problem of

restore peoples' confidence in the capital market.

In a bid to make the bourse more transparent, we are trying to build up a management concept in the DSE so that everything can be done properly,

He said the DSE secretariat would be divided into four departments to strengthen and accelerate office facilities pro-

surveillance, complaints and account section.

The surveillance team would keep a watch on any manipulation in the market and check whether share prices of any issue go up or down due to ru-

People will be able to make any complaint against any brokerage house or DSE member regarding transaction of shares and debentures. Hug

Warning the investors about any rumour in the market regarding declaration of bonus and right shares, Howlader said before believing any rumour one should check with stock market or the company con-

One of the major causes behind last year's upheaval in share prices was various rumours in the market, so nobody should invest his money on the basis of unchecked information, he said.

In this regard the DSE Chairman said from now on all information regarding any development in the listed companies would be reflected in the daily quotation sheet

Though he declined to makeany comment on the market situation. Howlader said one per cent rise or down in the price index does not reflect the actual market situation. To understand the develop-

ment of the market, it has to be observed that whether there is any continuation of ups and downs.

dent, some brokers at the DSE also echoed the chairman's

views saying they are hoping a better situation.

Investors who had become inactive due to massive fall in most of the share prices have started coming again to minimise their loses, said a member of the DSE.

Imtiyaz Hossain who has been removed from the post of chairman while commenting about the restoration of peoples' confidence said it depends not only on the management of stock exchange but also on fundamentals of the company and socio-economic condition.

Market may go up even if there is no management in the stock exchange, he said.

Spontaneity also returned to the kerb market where the number of traders was increasing day by day.

"I have come to sell some of my stocks seeing an upward trend in the market", said a kerb market player.

expecting that another minor bull-run in the share market is coming soon.

Tofael tells JS

SAPTA to help shrink trade gap with India

Bangladesh hopes that SAPTA (SAARC Preferential Trading Arrangement) will help shrink its trade gap with India. the Commerce Minister told parliament Thursday, reports

Replying to a question from Shahidul Islam of BNP, Tofael Ahmed said India has already announced twice duty concessions for Bangladeshi products under the trade accord.

He said India gave 10 to 100 per cent duty concessions for 59 items at the end of the first round trade negotiation in April 1995 and 25 to 50 per cent concessions for 513 products in November 1996.

sions, the Indian side also informed the Bangladesh authori-

the Bangladesh-India Joint decided to hold regular trade review meetings between the two countries.

He said the trade gap with India, which was only 180 million US dollars during 1972-75 period, rose to 460 million dollars during 1982-90 period.

It was 350 million dollars in 1992, 390 million dollars in 1993, 650 million dollars in 1994 and 1030 million dollars or Tk 4481 crore in 1995, he said.

Air India aims to post profit

NEW DELHI, May 16: Air India aims to fly past its financial doldrums and post its first profits in the fiscal year to March 1998 with its image retailored to suit the 21st-century trav eller, officials said today, reports AFP

Air India, Managing Director Brijesh Kumar, unveiling future plans of the 26-fleet airline, said the strategies now adopted will jack up its current market share by five percentage points to 27 per cent.

wrongdoing and described the

charge as politically motivated.

can't dislodge me through the

ballot so they ganged up against

me. The CBI became a tool in

scandal have died - one com-

mitted suicide alleging torture

during questioning and another

was killed in a road accident.

Opposition leaders have de-

manded an inquiry, saying

Singer holds

business

review meet

A day-long business review

meeting of Singer Bangladesh

Management was held at the

company's training centre on

Thursday, says a press release.

The meeting was partici-

pated by the company's sales

manager, all area managers as

and Managing Director of

Singer Bangladesh Limited

opened the meeting.

Mahbub Jamil, Chairman

The business review meeting

well as the district managers.

there could be murder cases.

their hands."

"The conspirators know they

Two of the accused in the

Dollar gains against yen TOKYO, May 16: The US dol-

lar gained slightly against the yen Friday as investors took a rest from the volatile trading that sent it plunging over the last few days, reports AP.

Traders said market players including US investors, bought the dollar early in the session to cover short, or oversold, positions ahead of the weekend

But the dollar later headed into a tight range as some investors retreated to the sidelines, traders said.

The dollar, which shed 2.72 yen Thursday, was changing hands at 116.41 yen late Friday afternoon, up 0.20 yen from late Thursday in Tokyo and also above its late New York trading

of 116.10 yen overnight. It ranged from 115.94 yen to 117.06 yen in Friday's trading. Since hitting a 56-month high of 127.46 yen on May 1, the dollar has dropped more than 12 yen, touching an overnight low in New York of 114.76 yen its lowest level since December

The dollar's decline has been propelled by recent comments by senior Japanese officials that the US currency has risen too high, as well as by market expectations of higher Japanese

interest rates. Hirohisa Mukai, a foreign exchange trader with Sanwa Bank, said the market needed a "respite" after days of continued volatile trading.

WB okays \$263.4m loan to China, Thailand

WASHINGTON, May 16: The World Bank announced here yesterday it had approved loans to China and Thailand worth a total of 263.4 million dollars. reports AFP. In China, the 120 million

dollars will be used to boost livestock and aquaculture development, while in Thailand the bank will help finance a university science and engineering project with a loan of 143.4 million dollars. The China programme is de-

signed to benefit 2.75 farm families in the northeastern Chinese province of Heilongjiang, a major producer of cereals and sova beans.

A bank statement said new production and processing technologies will be introduced as well as management techniques aimed at increasing "market responsiveness."

The total cost of the project is 239.8 million dollars, half of which will be financed by the World Bank. The provincial government will contribute 63.8 million and local beneficiaries the rest.

In Thailand, the bank said it would join the Australian Agency for International Development and the Thai government to address the country's shortage of scientifically and technically skilled work-

was conducted by the Marketing Manager, M A Siqqiqui. The field managers partici-Extension of pated in the analysis of the

business achievements of the first four months of 1997.

UN-Iraq oil deal likely UNITED NATIONS, May 16:

There are no obstacles that will prevent an extension of the United Nations-Iraq oil-forfood deal, the chairman of the UN committee on Iraq sanctions said Wednesday, reports Antonio Monteiro spoke af-

ter what he called a "very profitable" meeting in which the committee heard from two high-ranking UN officials regarding the implementation of the oil sale. Monteiro said the committee

adopted several measures that he hoped would speed approval of aid contracts by the UN and the delivery of food and other humanitarian aid to Iraq. If the UN finds no problems

in Iraq before June 7, it is likely that the oil-for-food sale will be rolled over at the current sales level of about two billion dollars for the next six months. The Sanctions Committee

heard Wednesday from Joseph Stephanides of the UN Department of Political Affairs and Yohannes Mengesha, the director of Iraq issues for the UN Department of Humanitarian Affairs.

The two men recently returned from separate trips to survey the situation in Iraq.

Filipino inflation rate may be under 6pc

Philippine government's economic planners said Friday that average inflation for 1997 could be less than the official prediction of between six per cent and seven per cent, reports

National Economic and Development Authority Deputy Director General Dante Canlas said achieving the government's 1997 inflation target "wouldn't be a problem." He said inflation "could come in lower than six per cent.

price index increases have not exceeded five per cent since last September. Double-digit inflation has been eliminated since

Apart from duty conces-

ties of withdrawal of non-tariff barriers and quantitative restriction on 180 Bangladeshi products. Tofael said. He said the fifth meeting of

Economic Commission (JEC) in New Delhi in March this vear

\$271m fraud case in India Presidential assent sought

to prosecute minister NEW DELHI, May 16: India's leged to have embezzled 14 million dollars, has denied any

main investigating agency yesterday sought official permission to prosecute a minister in a raging 271-million-dollar fraud case, which has claimed two lives and threatens the career of a ruling coalition stalwart, reports AFP. Sources in the Central Bu-

reau of Investigation said the body has asked President Shankar Dayal Sharma's approval to charge Minister of State for Rural Areas and Development Chandradeo Prasad

Under Indian law, serving ministers cannot be charged without presidential assent.

Verma, a politician from the eastern state of Bihar, is among 54 leaders accused of siphoning off money from a state fund set up to supply cattle feed. On Thursday, Bihar Chief

Minister Laloo Prasad Yadav, who is also President of Prime Minister Inder Kumar Gujral's Janata Dal (People's Party), was virtually given marching orders by a lynchpin of the 13-

party ruling alliance. Veteran Communist leader Harkishan Singh Surject told reporters that Yadav, who is the main suspect in a CBI dragnet, should "resign forthwith and abstain from politics until his name has been cleared."

Surject said Yadav had telephoned him Thursday from Bihar and sought his "blessings," adding, "he has no alternative but to step down."

The Earthy Yadav, who is al-



Central Insurance Company Ltd

best general insurance companies of the country which possesses, the capacity of maximum insurance protection within minimum cost and ability to settle insurance claims within the shortest period.

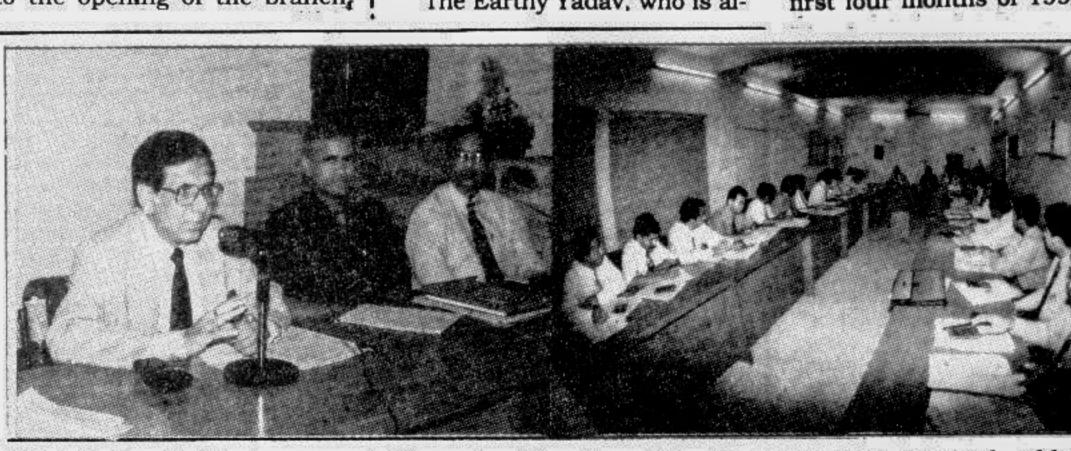
The Mymensingh branch of

In his brief speech, he hoped

A Khatm-e-Quran and a mi-

was opened at 1, Madanbabu now draft detailed legislation Road, Mymensingh on Wednesday, says a press release. The number of "remaining AKM Azizur Rahman, contentious issues" cited by Chairman of the company, in-McCurry rose from seven or augurated the branch as chief eight at his Wednesday press briefing to the "dozen or so" he that the company is one of the He assessed the "degree of

lad mahfil was arranged prior to the opening of the branch,



Mahbub Jamil, Chairman and Managing Director of Singer Bangladesh Limited, addressing the business review meeting in the city on Thursday. Also seen in the picture (from left) are Marketing Manager M A Siddiqui and Sales Manager AFM Jahangir Alam.

Asian conglomerates increasingly challenging Western corporations Fons Tuinstra writes from Shanghai that you have to specialise. Here term, we want to make a fast

Overseas Chinese businessmen - held up to the world as an example of outstanding entrepreneurial success - are an endangered species, according to Hong Kong executive Ronny

'We can exist in the unregulated and inefficient market that we have nowadays in most part of Asia," said Chan, whose Hang Lung Development Company has offices in 16 countries and an annual turnover of seven billion dollars. "But the law of the jungle cannot last for ever.

He foresaw that, ultimately, the West would impose its own rules. It had the biggest market, the capital, the technology and the management skills.

"In the end, the Asian way of doing business is going to erode," said Chan. "Asians, be careful — they are after us. Watch out for the future. I don't think that many of the overseas Chinese will survive and I certainly don't see us taking over the world in our way of working. The inefficiencies will be erased." Chan was musing on the fu-

ture with two other businessman - Jaime Zobel de Ayala, President of the Ayala Corporation in the Philippines, and April. Indonesia's Hashim Djodjohadisumo - at the invitation of lieves the Asian market offers the World Congress of the Inopportunities to local companies that contravene the teachternational Chamber of Com-

Asian conglomerates are increasingly challenging the Western corporations that dominate international trade. But, as Gemini News Service reports, a Hong Kong Businessman is warning that instead of becoming kings of the business jungle, they may end up as dinosaurs.

Up-and-coming giants Top 10 transnational corporations (TNCs) based in developing countries

Employees Home country Industry Assets \$33bn Electronics 200,000 South Korea 26,900 Diversified \$52bn Hong Kong Hutchison Whampoa 21,000 \$78bn Cement Mexico 220,000 \$63bn Construction Hong Kong Jardine Matheson Holdings No data No data China China State Construction Construction Engineering Corp. No data China Chemicals Imports China Trading No data & Exports Samsung \$38bn 196,000 Electronics South Korea LG Group \$25bn Electronics 59,200 South Korea 21,600 \$32bn Grupo Televisia Mexico Media No developing 44,900 Hyundai South Korea Diversified \$10bn country TNC is in the world's • More than half of the top 50 TNCs from developing countries are based in Asia top 100

merce, held in Shanghai in For the time being, Chan be-

Back to core business, say the Western management hibles, which promote the virtues of a lean organisation, out-sourcing of activities and a

ing of Western enterprise gurus. just-in-time production approach to reduce stocks. "Don't listen to them," advised Chan. "In the highly efficient markets of the West, business professors will tell you

Successful Asian conglomerates combined a wide variety of activities, and efforts to "pro-

you shouldn't."

fessionalise" management could sometimes be disastrous, Audited accounts of Asia's family-based conglomerates showed only a part of the picture. "What most people see are our flagships, our listed companies." said Chan. "But under

it, you will always find a much

larger grey area, with many

non-listed companies. In the future, as Western influence reasserted itself, he foresaw more regulation. And "the more regulation we get, the more we will get into trouble." There was also the motivation factor: "We work hard. Our fathers worked hard. But will our children work hard? I'm not

West were very small, he noted, adding: "I don't like to work in such surroundings." Chan cited another factor

In addition, margins in the

that contributed to the shortterm success of the overseas Chinese while creating longterm problems. "Our business is based on a sense of insecurity," he explained. "We are mostly minorities in the countries where we live and we feel under siege. We don't work on the long

tion in Indonesia was different because of the huge size of the domestic market. His company which has interests in mining, cement, banking and property, was one of the few looking for business outside the country.

buck. We don't want compli-

Fellow panelist Jaime Zobel

de Ayala, whose company deals

in property, banking, insur-

ance, food processing, electron-

ics, vehicles and construction,

and which is now the largest

producer of telecommunica-

tions equipment in the region,

pointed out that in the past,

Asian companies would have

been oriented towards the

United States, Japan and Eu-

rope. Now because of Asia's

rapid economic growth and the

potential for further expansion,

Asian firms were focusing on

Hashim noted that the posi-

"Both state-owned and pri

their own region.

cated technology."

vate companies have enough capital for investment abroad," he said. "But the Indonesian market is lucrative enough for most of them. The country has a huge demand for infrastructure ports, roads, telecommunications. - Gemini News

Fons Tuinstra is a Dutch journalist based in Shanghai.

MANILA, May 16: The

Canlas noted that consumer

mid-1996.

members from its council.

crore from Taka 9,299 crore.

Howlader told this correspon-

viding better services to the in-The departments are trading and clearing settlement,

human race, according to a

She said the Beijing Confer-

ence had successfully brought

the environment issue into the

light with adopting a regional

The conference was unani-

mous on the need for arousing

awareness of the people at the

grassroot level and to ensure

their participation in imple-

menting action plans to achieve

sustainable development, the

nese government on behalf of

the participating countries to

host such an important confer-

She also thanked the Chi-

message received here.

plan of action.

Minister said.

Sajeda at Beijing conference

North urged to help combat

desertification in Asia

He said everybody has been Talking to this correspon-

AKM Azizur Rahman, Chairman of Central Insurance Company Ltd inaugurating the Mymensingh branch of the

company at 1, Madanbabu Road on Wednesday.

boundaries affecting the entire White House, Senate reach accord to balance budget by 2002

WASHINGTON, May 16: The Senate and the White House Thursday reached final agreement to balance the budget by

2002. Senate majority leader

Clinton administration is ne-

An earlier report says: The

Trent Lott said, reports AFP.

gotiating with Republican Congressional leaders to remove "a dozen or so" obstacles to a balanced budget agreement. White House spokesman Michael McCurry said that House Chief of Staff Erskine Bowles was in direct negotia-

tions at the Capitol building

with leaders of the Republican-

controlled Congress, House of

BANGKOK, May 16: Thai

Prime Minister Chaowalit Yon-

gchaivaudh issued a written

denial vesterday of reports he

would reshuffle his economic

team amid continuing pressure

on the stock market and the

gestions of an imminent deval-

uation of the Thai currency,

which hit a 10-and-a-half year

low an European markets

Wednesday before easing

against the US dollar on Thurs-

He also firmly rejected sug-

baht, reports AFP.

Representatives Speaker Newt Gingrich and Senate Chief

"I am hopeful that they will reach agreement, but you can't

predict when," McCurry said. On Wednesday, Senate Democratic minority leader Tom Daschle said bipartisan disagreements on President Bill Clinton's proposals for a bal-

that day, but his forecast proved opposition Republicans on May

anced budget would be resolved Clinton, a Democrat, and the

2 reached an agreement on the budget's broad outlines but must Bangkok won't reshuffle

Chaowalit said that Finance

Minister Amnuay Virawan and

the Bank of Thailand were

preparing to announce fresh

measures next week to bolster

econ team, devalue baht

confidence in the economy and financial institutions and increase liquidity. A statement from the Prime Minister's Secretariat, sent in English translation to the foreign news media, said the eco-

nomic situation remained sta-

ble, with both inflation and the

current accounts deficit easing.

difficulty" in the negotiations at "9.9." adding, "there are still some fairly significant and contentious issues that have to be resolved." But he maintained an agreement would be reached.

for it to become law.

mentioned Thursday.

Curry said. McCurry stressed that the eventual agreement would not mean the end of disputes on budget specifics.

"Beyond whatever document

comes out of this process, there

will continue to be skirmishes

"Given the tone and positive na-

ture of the current session, it's

hard to imagine that "(failure to

reach a deal) happening," Mc-

back and forth as we write legislating language in law that implements the agreement," he The debate between the executive and legislative branches on how to eliminate the tril-

lion-dollar-budget deficit by

2002 has been going on for more

than two years.