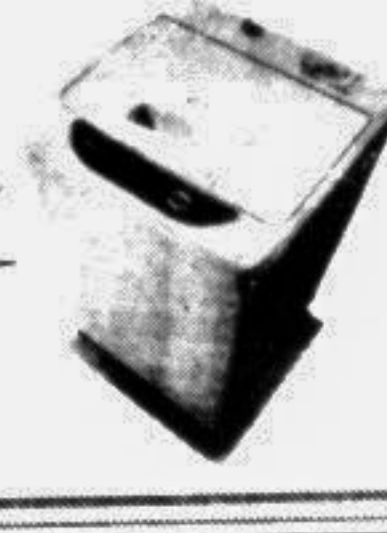



SANYO
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Tk. 25,000

HYUNDAI
CARS THAT MAKE SENSE

DHAKA THURSDAY, JUNE 26, 1997

Tk 9cr earned by exporting betel leaf

Bangladesh earns Taka 7-9 crore annually by exporting betel leaf, Commerce Minister Tofael Ahmed told parliament yesterday.

Replying to Prof Shahidul Islam (BNP-Kushtia), he said betel leaf is exported to Pakistan, UK, Kuwait, UAE, Oman, Bahrain, Germany, Italy, South Korea and Qatar.

The commerce minister said according to Export Promotion Bureau, Pakistan has not imposed new tax on betel leaf.

Drought hits China

BEIJING, June 25: Million of hectares (acres) of crops have been damaged by droughts in parts of China as the authorities Tuesday issued an urgent notice of drought relief. Xinhua reported, says AFP.

The state flood control and drought relief headquarters and the ministry of water resources jointly issued an urgent notice calling on various parts of the country to prepare for drought relief, it said.

Since the beginning of June many parts north of the Yangtze river have been plagued by high temperatures and little rainfall, while record high temperatures have hit northern China and western parts of northeast China, Xinhua reported.

The drought has caused damage to about 17.3 million hectares (42.7 million acres) of crops, 5.8 million hectares of which were hit by a severe drought, the notice said.

In late June most parts of North China will have less rainfall, it noted, and the middle and lower reaches of the Yangtze river would also suffer from a summer drought.

The notice called on areas to take immediate steps to fight the drought by "not being overjoyed by a summer harvest that was partly due to good spring weather, but getting ready instead for the next harvest in spite of the drought."

Hanoi's textile export to EU jumps by 42pc

HANOI, June 25: Textile exports from Vietnam, to the European Union (EU) jumped by 42 per cent in the first five months of 1997 from the same period last year, news reports said yesterday, says AFP.

Statistics from the Ministry of Commerce showed Vietnam's textile exports to the EU hit 157 million dollars from January to the end of May, said the Saigon newspaper, Giai Phong.

Germany was the top importer of Vietnamese textiles with 75 million dollars (47.8 per cent), followed by France with 20 million dollars (12.7 per cent) and the Netherlands with 17.8 million dollars (11.3 per cent), the newspaper said.

Vietnam's textile industry constitutes the country's second major export product to the EU behind footwear.

Hanoi sought to increase its textile exports which reached some 400 million dollars last year but the EU recently imposed quotas per category of the product.

Thai PM battles opposition over budget

BANGKOK, June 25: As Prime Minister Chavalit Yongchaiyudh defended his government's handling of Thailand's economic crisis during a budget debate in parliament Wednesday, opposition politicians and economists said he had little chance of balancing the country's books, reports AP.

Chavalit has been under fire for failing to resurrect the Thai economy which has been withering under the weight of an export slowdown, property and banking crises, loss of competitiveness and speculative attacks on the country's currency.

Last week, Chavalit's finance minister, Annuay Viravan, quit over policy disputes. Annuay was the administration's chief financial technocrat, and his departure further eroded the credibility of Chavalit's government.

The Nation newspaper, in a front-page editorial following Annuay's resignation, called on the prime minister to step down.

Housing scheme of Sundarban Techno-Park

Sundarban Techno-Park Limited has launched a new housing scheme in different parts of Dhaka city for middle class people.

The company is planning to come for higher and lower class housing project in different parts of Bangladesh. Pricing of the apartments will be within the reach of middle class people. The total investment budget is Tk 210 crore.

"It will be a milestone in the growth of the metropolis housing scheme," said a company press release.

150,000 Bangladesh immigrants legalised Malaysian restriction on workers' import to go soon: JS told

The Malaysian government has so far legalised some 150,000 illegal Bangladesh immigrants and new recruitment of workers from Bangladesh is under their active consideration, reports UNB.

State Minister for labour and Manpower MA Mannan said this in parliament yesterday, replying to AHM Mustafa Kamal (AL-Comilla).

Mannan said the Malaysian authorities have put restrictions on import of workers from different countries, including Bangladesh. He, however, added that the restriction would be withdrawn shortly.

In reply to Mustafizur Rahman (AL-Chittagong), the state minister said some 11,413

workers went to Singapore in July-May of the current fiscal year.

He said in last 20 years, Bangladeshi expatriates sent Tk 46,355.54 crore. The highest amount of Tk 5178.21 crore were sent in 1996-97 fiscal.

Tofael on trade

Another report says: Bangladesh's import from India during the five-year rule of BNP government stood at Tk 11,138 crore while exports to India during the period was only Tk 590.71 crore.

Commerce Minister Tofael Ahmed gave the figures in parliament yesterday, replying to a question from Mohammad Shahjahan (AL-Sirajganj).

The minister said Bangladesh mainly imports foodgrains, machinery, electrical goods, vehicles, clothes, cotton, chemicals, minerals, fertilizer, spare parts, tires and tubes, iron and steel, fruits and animals.

The major export goods include raw jute, tea, chemical fertilizer, leather, frozen fish, glycerine, newsprint, molasses, terry towel, readymade garments, jute goods and jamdane saree.

Replying to Shahidul Islam (BNP-Jhenidah), Tofael said since July 1 last year, some 28,500 metric tons of salt valued at Tk 4.86 crore were imported from India so far.

The Commerce Minister said

excepting Nepal, Bangladesh's trade was in favour of six SAARC countries during July 96-June 97. Bangladesh's export to the Maldives was shown zero as per statistics placed in the House.

During the period, Bangladesh's import from India was Tk 2603.10 crore (export of Tk 148.93 crore), import from Pakistan Tk 204.40 crore (export Tk 112.19 crore), import from Sri Lanka Tk 34.50 crore (export Tk 7.93 crore), import from Bhutan Tk 16.40 crore (export Tk 0.34 crore), import from Nepal Tk 14.30 crore (export Tk 21.92 crore) and import from the Maldives Tk 1.20 crore (export nil).

Dollar falls against yen in Tokyo

TOKYO, June 25: The dollar fell against the yen here on Wednesday, reports AP.

The dollar fell after the surprisingly strong Tankan survey. While the reading was not believed to be strong enough to warrant an immediate increase in interest rates, the bank may eventually move rates higher if the economy keeps strengthening.

Higher Japanese interest rates would help slow the economy but they would also bolster the value of the yen against other currencies by increasing the yield on yen-denominated investments.

The dollar cost 113.46 yen at mid-afternoon, down 1.07 yen from late Tuesday in Tokyo and also below its late New York level of 114.82 yen overnight.

Fears of higher interest rates in the future were also reflected in prices for Japanese government bonds, whose fixed rate of return would become less attractive to investors in a higher interest rate environment.

DHL global logistic centre expansion

DHL Worldwide Express planned to open a network of international logistics centres around the globe to expand the courier company's services, says a press release.

Global clients looking for a one-stop complete range of services could use the DHL logistics network to operate a worldwide 24-hour customer service.

The existing eight DHL-run Express Logistics Centres (ELC) in Brussels, Miami, Panama, Bahrain, Johannesburg, Hong Kong, Singapore and Brisbane, offering storage, 24-hour delivery to surrounding markets and added services such as part-assembly or repairs for different clients, would be expanded over next few years.

BIBM workshop on financial products ends

A three-day workshop on "Marketing of Financial Products" concluded yesterday at Bangladesh Institute of Bank Management, says a press release.

The BIBM conducted the workshop with a view to familiarising the concepts and importance of marketing of financial products and to develop skill in various techniques and strategies thereof.

Executives of different banks and financial institutions participated in the workshop.

ATM Abdus Shahid, Chairman of BIBM Faculty, presided over the concluding session of the workshop and distributed certificates to the participants.

Nepal govt cuts back increase in fuel prices

KATHMANDU, June 25: Strong protests from coalition partners forced the Nepali government on Tuesday to cut back a recent increase in fuel prices two days ahead of a Parliamentary debate, state radio said, reports Reuters.

"His majesty's government has instructed Nepal Oil Corporation to make some reductions in the recently increased prices of products like kerosene, diesel, and cooking gas," state radio said.

It said the government rolled back prices of diesel by 11.4 per cent and kerosene by 4.5 per cent.

On June 13 the Nepali government raised the domestic price of diesel by 25 per cent, kerosene by 15.7 per cent and petrol by 14.7 per cent.

The government has decided not to cut back the price of petrol, the state radio said.

The fuel price hike had sparked widespread protests and criticism of the three-month-old coalition government, comprising of communists and former royalists.

The decision to roll back the prices was expected to calm the coalition partners who intended to grill the government in the parliament over the price hike.

"The government will face more criticism from the ruling benches than from the opposition," Nepal said. "The biggest battle (with the government) over the oil price hike will be in the parliament," he added.

The parliament is set to convene on Thursday to debate the budget for the 1997/98 fiscal year, beginning on July 16.

Nepali truck and bus owners had threatened to raise fares by up to 35 per cent unless the price hike was reversed.

About 800 housewives

protested against the price increase last week, demanding the government reconsider its decision.

The government said it raised the prices to aid the loss-making state-owned Nepal Oil Corp. The firm, which has a monopoly over the import and distribution of petroleum products in Nepal, had been losing about 30 million rupees (525,400 dollars) a month since last October because of subsidies.

But the communists fear the move, which came in the wake of their victory in local council elections, could jeopardise the party's political prospects.

Philippines signs \$160m loan accord with Japan

MANILA, June 25: Japanese and Philippine officials signed a 160 million dollar loan agreement Monday to finance a large Philippine road project, reports AP.

Known as the Sixth Road Project, the project is aimed at enhancing the government's transportation infrastructure in underdeveloped rural areas and reducing transport costs, the Department of Finance said.

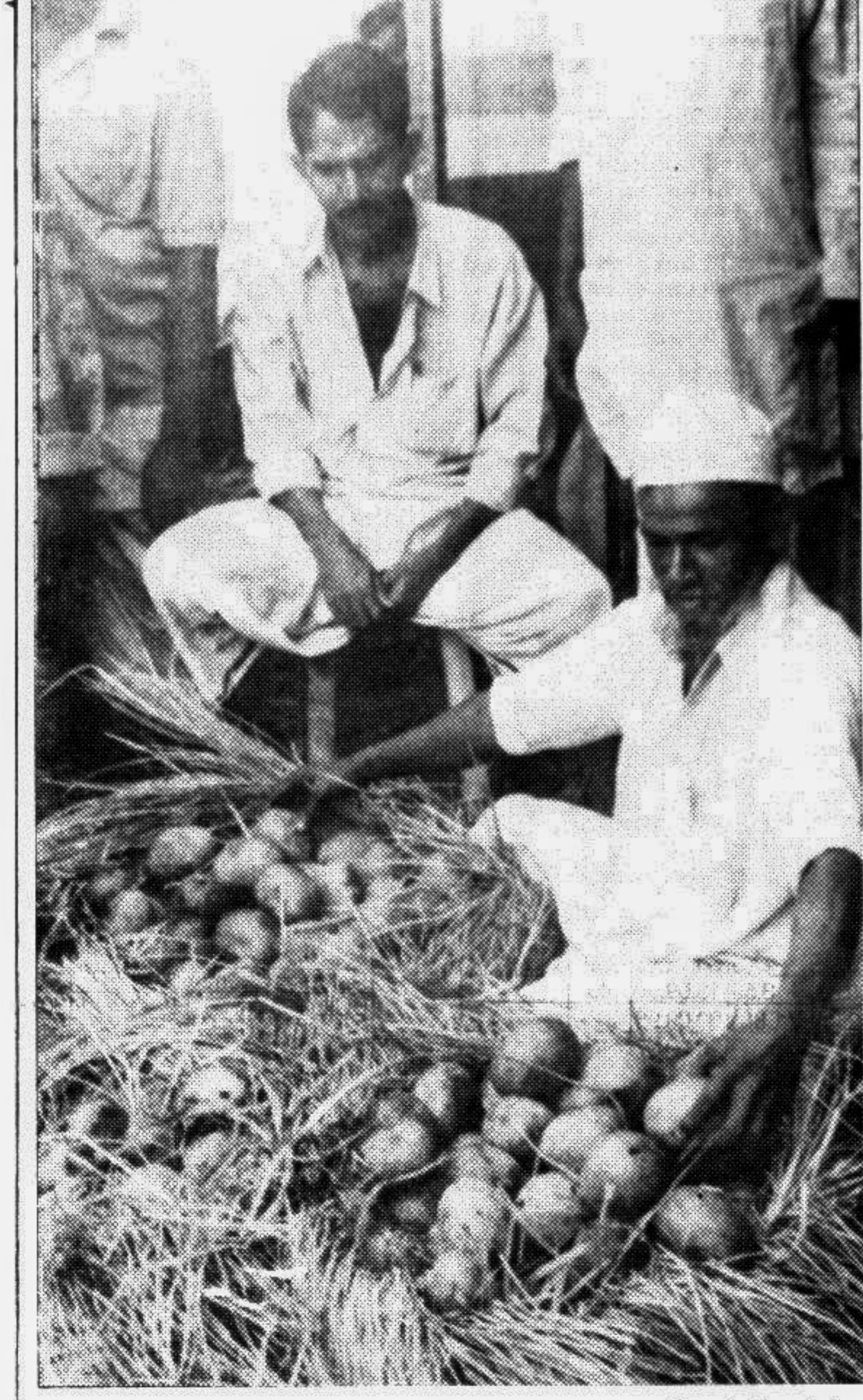
The loan is a co-financing project among several international assistance partners of the Philippines, with the Japan Eximbank as a major financier.

Several of the roads covered by the project are in Mindanao, a region earmarked by the government and the international donor community for special treatment.

Years of civil unrest have turned parts of Mindanao into an economic backwater.

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The Badamtoli fruit market has been flooded with mangoes this year. With good supply of the fruit, prices have also considerably come down, each kilo selling between Tk 15 and Tk 25 at the market. — Star photo by A K M Mohsin

Bulls, bears spar over Hong Kong's financial future

HONG KONG, June 25: Are the bulls or bears going to rule Hong Kong after the handover to China? Looking into their crystal balls, economic gurus see very different futures for Asia's preeminent financial centre, reports UNB.

Stock Exchange chairman Edgar Cheng predicts Hong Kong will become even more important on the world financial stage. But market analyst Marc Faber forecasts that Shanghai will eclipse Hong Kong by 2010 as Asia's business capital.

With seven days to go before the British flag is lowered after 156 years, there are many unknowns about Hong Kong's future as part of a communist colossus. But perhaps the biggest is what will happen to the economy rated the world's freest by the Heritage Founda-

tion, a conservative US think tank.

The British are leaving this enclave of six million people on China's southeastern coast with impressive economic credentials: It is the world's fourth-largest source of foreign investment, the fifth-largest foreign exchange market, and the seventh-largest global trading entity.

Hong Kong's growth has been intertwined with the dramatic economic strides in mainland China since the late 1970s when Beijing began introducing elements of a free market. Hong Kong and China have become economic partners.

The bulls, like the Stock Exchange's Cheng, are confident that China will maintain the free market, low taxation and

free flow of information that made Hong Kong the leading international financial centre in Asia.

"I think the next few years are going to be boom time," he told a two-day conference sponsored by the Far Eastern Economic Review which ended Tuesday.

The effect of reunification, Cheng said, will be to add "a large new dimension to our market without taking away any of its existing international and regional role."

Miron Mushkat, chief economist for the Asia-Pacific at Lehman Brothers Asia Ltd, was equally bullish, predicting that Hong Kong's role as a "broker" between the mainland and the rest of the world will increase as China develops into a global economic powerhouse.

Renewing MFN status for China US House supports Clinton's decision

WASHINGTON, June 25: The US House of Representatives voted on Tuesday to support President Bill Clinton's decision to renew China's most favored nation trade status for another year.

In a vote of 259 to 173 the house rejected a measure sponsored by Rep Gerald Solomon, Republican of New York, that would have overturned Clinton's decision to maintain normal trade relations with China.

During more than four hours of debate lawmakers expressed concern about human rights abuses in China proliferation of weapons of mass destruction the fate of Hong Kong after it reverts to China on July 1 and allegations that Beijing tried to influence US elections through illegal campaign contributions. Opponents also pointed to the 40 billion dollars trade deficit with China.

country in the world, to China for another year.

Critics of China's human rights record sought, as they have for years, to prevent renewal of MFN. But MFN supporters argued that denying normal trading rights to China would hurt US interests and deal a severe blow to often touchy relations with Beijing.

China lauds US

AP report says, China lauded the US decision to continue normal "most favoured nation" trade relations with Beijing as a wise move Wednesday, but urged that the annual review by Congress be ended.

"We believe it a wise move for the House of Representatives to veto the bill on revoking China's MFN status," the Foreign Ministry said in a statement.

"We hope that the US government and Congress will, proceeding from the overall interest of Sino-US relations, reverse the outdated practice of annual review of China's MFN status at an early date," it added.

The statement reiterated Beijing's desire that the United States put an end to the annual debate to help prevent disruptions in relations.

The House of Representatives, in a 259-173 vote Tuesday, defeated a measure to disapprove President Clinton's decision to extend MFN, the trading status given to almost every

Volkswagen reaches wage deal

FRANKFURT, June 25: German automaker Volkswagen AG will allow workers to scale back hours as they near retirement as part of an overall wage accord reached with the powerful IG Metall union late Tuesday, reports AP.

Under the agreement affecting 95,000 VW employees in western Germany, workers between 55 and 60 can reduce working hours by half at 85 per cent of their last net income.

VW agreed to pay 100 per cent of the affected workers' social security contributions under the plan retroactive to January 1.

The agreement, reached after six rounds of talks over three months, also calls for a wage increase of 1.5 per cent effective August 1, and an additional 2.5 per cent on August 1, 1998.

Workers will also get an immediate bonus of 500 marks (300 dollars) based on the automaker's strong performance.

VW and the IG Metall metal and electronics workers' union also agreed that Saturday will not be considered a regular work day, although the company and workers can arrange ahead of time for weekend production.

"Saturday can become, as needed, a production day, in so far as an employment goal can be reached in that way," VW said.

BIA demands permission to underwrite public, pvt insurance business

Bangladesh Insurance Association (BIA) on Tuesday reiterated its demand that the private insurance companies be allowed to compete freely with the state-owned Sadharan Bima Corporation to underwrite insurance business both from public and private sectors.

The demand was raised in a meeting between Commerce and Industry Minister Tofael Ahmed and the Association leaders Tuesday.

In the meeting, the Chairman of the Association M Moyeedul Islam, highlighted the progress of the insurance companies in the private sector comprising six in life and 24 in general. The premium income of life insurance companies increase from Tk 132.21 crore in 1995 to Tk 200.28 crore in 1996. Similarly general insurance companies earned premium income of Tk 276 crore in '96 as against Tk 254.19 crore 1995.

Islam said in case of a joint-venture project set up with foreign loan or aid, the local entrepreneur who pays the insurance premium should be free to place the insurance with the insurer of his choice.

He pointed out other problems like advance deduction of income tax from agents' commissions, appointment of life insurance agents and employers of agents, enlistment of insurance companies by banks and method of payment of VAT by export oriented industries.

The minister expressed satisfaction over the progress of the insurance companies in the

private sector and assured that he will hold further meeting with the representatives of the association to solve the problems.

Replying to questions raised in the meeting, he gave an assurance that all genuine problems of the insurers would be considered by the government so that their interests are fully protected whenever necessary. Regarding the existing provision relating to Directorship he said that personally he does not find any problem if a Director of a bank becomes a Director of any insurance company.

US consumer confidence increases

NEW YORK, June 25: US consumer confidence surged in June, moving to a reading of 129.6 from 127.9 in May according to an index released Tuesday by the conference board, reports AFP.

"Latest survey results show consumer confidence continuing to run at historically high levels," said Lynn Franco, Associate Director of Consumer Research at the conference board, a New York-based research group.

"Despite a slight change in consumers' short-term expectations, consumers are continuing to be bullish about the economy."

Shipping Intelligence

CHITTAGONG PORT						
Berth position and performance of vessels as on 25-6-97						
Berth No	Name of vessels	Cargo	L Port	Local agent	Date of arrival	Leaving
J/1	Joint Chris	GI	Sing	Prog	20/6	27/6
J/2	AL Salma	GI/CL	Sing	ASLL	21/6	27/6
J/5	Prosopatia	Cement	Sing	USL	18/6	25/6
J/6	Arktis Sky	GI	Sing	TSTL	20/6	26/6
J/7	Mizoram	GI	Mad	SSL	23/6	28/6
J/8	Pioneer	GI	Sing	Radiant	22/6	29/6
J/11	Banglar	Cont	Sing	BSC	23/6	26/6
J/12	Moni/Khanak	Cont	Sing	RSL	19/6	27/6
J/13	Kota Bhatang	Cont	Sing	PIL(BD)	22/6	27/6
CCT/1	M Regina	Cont	Sing	PIL(BD)	21/6	27/6
CCT/2	Dragon	Cont	Sing	Baridhi	18/6	25/6
CCT/3	QC/Teal	Cont	Sing	QCSL	18/6	26/6
CJ	Banglar	Cont	Sing	QCSL	18/6	26/6
TSP	Shobha	IDLE	Kara	BSC	26/5	26/6
RM/5	YA Mujeer	Sulp	Sarja	USTC	3/6	30/6
RM/6	Sitara	MS/JET-1	Sing	ESCL	23/6	28/6
DD	Kota Selamat	Cont/IDLE	Sing	PIL(BD)	23/6	26/6
DD	Banglar Jyoti	Repair	Sing	BSC	R/A	27/6
DD	Penguin	Repair	Mum	Cross	31/5	-
DD/1	Tanary Star	Idle	Para	PSAL	-	-
DD/2	Barge: Jamuna-V	Idle	Chand	Karna	R/A	26/6
RM/8	Banglar Kiron	Repair	-	BSC	R/A	28/6
RM/9	Banglar Kakoli	Repair	-	BSC	R/A	25/6
CULJ	Blue North	Cement	Qing	PSAL	3/6	30/6
Kafco(U)	Sea World	Urea	Mong/Litmond	13/6	25/6	
Vessels due at outer anchorage						
Name of vessels	Date of last port call	Local agent	Cargo	Loading port		
Firas-1	25/6	Yant	Jaycee	Cement	-	-
Banglar Mamata	25/6	Male	BSC	GI (Cont)	-	-
Fong Shin 2/6	27/6	Sing	Bdship	Cont	Sing	Col
Ultima 15/6	26/6	Mong	Baridhi	Cont	-	-
Wu Fu	27/6	Col	Delmore	C. Clark (M Jetty)	-	-
Kota Berjaya 10/6	27/6	Sing	PIL (BD)	Cont	Sing	Sing
DA FU 18/6	27/6	Sing	APL(B)	Cont	Sing	Sing
Ocean-148 16/6	27/6	Cal	Cross	GI	-	-
Asean Glory	29/6	-	ANCL	Urea	-	-
Lampuan	27/6	Sing	RSL	Cont	Sing	Sing
Nave 18/6	27/6	-	Everett	GI	-	-
Chuan Kuan	27/6	-	USTC	Cement	-	-
(48) 12/6	28/6	-	Bdship	Cont	Sing	Sing
Yu Hang	28/6	Sing	UWSL	GI (5 Ash)	-	-
Fong Yun 23/6	28/6	Sing	Lian	Cont	-	-
Chosun Hope	28/6	Wall	Litmond	D Pass	-	-
Kuanyin	28/6	-	R Seed	R Seed	-	-
Banglar Robi 19/6	29/6	Sing	BSC	Cont	Sing	Sing
Sokol	2/7	Hald	Seacom	M Seed	-	-
Meng Yang 24/5	1/7	Sing	AML	Cont	Sing	Cal
Lian Sha 15/6	30/6	Sing	Bdship	Cont	-	-
Arktis Meridian	30/6	Col	Bdship	Cont	Col	Col
Fong Lee 24/6	30/6	Col	USTC	Cont	Col	Col
Mashakti	30/6	Kara	USTC	C. Clark	-	-
Vanessa 22/6	1/7	Sing	RSL	Cont	Sing	Sing
Hong Gu Cheng	1/7	-	Rainbow	Cement	-	-
Steamer	2/7	-	Bdship	Cont	Col	Col
Future 24/6	2/7	-	Bdship	GI/GL	Chin	Chin
Feng Qing	2/7	-	Prog	GI	-	-
Tiger Sun	3/7	Jedd	Cross	Caracasses	-	-
Orionis	4/7	-	RSL	Cont	Sing	Sing
Freesia 23/6	3/7	-	RSL	Cont	Sing	Sing
Tanker due						
Hesiod	25/6	Coch	MBL	-	-	-
Aniva	26/6	-	TSL	CPO/RBD PS	-	-
Dignity	28/6	Juba	ECSL	HSD	-	-
Vessels at Kutubdia						
Name of vessels	Cargo	Last port call	Local agent	Date of arrival		
Ismaya	-	-	B Bay	19/1	-	-
Orizant	-	Sing	B Bay	25/2	-	-
Mighty Tiz	-	Sing	B Bay	R/A (01/5)	-	-
Ena Supply-1	-	Sing	B Bay	R/A (22/6)	-	-
Vessels at outer anchorage						
Ready on						
Diligence Container	Cont	Sing	QCSL	24/6	-	-
Vientiane	GI	Cal	Fairmax	23/6	-	-
Thetis	Cement	Yantai	PSAL	21/6	-	-
QC Pintail	Cont	Sing	QCSL	23/6	-	-
Elite Star	Cont	Col	Bdship	24/6	-	-
Mclinau Satu	GI	Busa	Prog	24/6	-	-
Rafflu	Urea	Mong	MTCL	27/6	-	-
Guang Ming	GI	Dali	Prog	25/6	-	-
Vessels not ready						
Helios-II	Wheat(G)	F Said	Ancient	23/6	-	-
Vessels Awaiting Instruction						
Pioneer Rossi	-	-	JF	R/A (25/6)	-	-
Techmat Pioneer	-	-	PSAL	R/A (16/6)	-	-
Banglar Shourabh	-	-	BSC	R/A (22/6)	-	-
Vessels not entering						
Banglar Asha	Wheat(G)	-	BSC	R/A (23/6)	-	-
Hydroussa	Ballast	Mong	OTL	21/12	-	-
IB Vladivostok	Scraping	Huan	Col	24/6	-	-
IB Ivan Moskvtin	Scraping	Sing	Ahz	14/6	-	-
Banglar Sampad	Scraping	-	BSC	R/A (17/1)	-	-
Movement of vessels for 26-6-97						
OUTGOING	INCOMING		SHIFTING			
J/6	Arktis Sky	B Mamata	RM/6	Kota Selamat	J/13	J/13
CCT/2	Monte	Elbe Star	DDJ/2	Huan	Q4	Jamuna to DD