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BUSINESS

DHAKA MONDAY, JUNE 30, 1997



HYUNDAI

CARS THAT MAKE SENSE

## Bank holiday

The Bangladesh Bank and all scheduled banks will remain closed for transaction tomorrow (Tuesday), on account of bank holiday, a Bangladesh Bank press release said here yesterday, reports BSS.

## US envoy calls on agri minister

The US Charge d'Affaires Nancy Powell called on Agriculture and Food Minister Begum Matia Chowdhury at the secretariat here yesterday, reports UNB.

They discussed matters of mutual interest specially the new agricultural development strategies in Bangladesh, said a PID handout.

## Chinese central bank chief vows to support HK dollar

BEIJING, June 29: People's Bank of China Governor Dai Xianglong declared yesterday that the Chinese central bank was ready to help stabilise the Hong Kong dollar if asked, the official Xinhua news agency reported, says AFP.

In an interview three days before the British colony returns to Chinese rule, Xinhua said Dai iterated that the People's Bank would "not interfere" in Hong Kong financial markets after the July 1 handover.

But the report also said that the Chinese central bank was "ready to provide support to stabilise Hong Kong's currency in time of need and in response to the Hong Kong monetary authority's request."

In Hong Kong last Thursday, Hong Kong monetary authority chief executive Joseph Yam made similar remarks.

Under one of seven principles laid down on monetary relations between Hong Kong and the mainland, he noted that the People's Bank stands ready to assist and use reserves when requested by the Hong Kong authority.

The monetary authority announced the same day that Hong Kong's foreign reserves came to 66.6 billion dollars in May up three billion dollars from April. The latest available data for China shows foreign reserves of 115 billion dollars, the highest figure for any country except Japan.

The basic law for Hong Kong agreed to by China and Britain provides for the Hong Kong dollar to remain freely convertible, with free flow of capital and no exchange controls.

## 'S Asia next growth zone'

HONG KONG, June 29: Former Indian Finance Minister Manmohan Singh, who is widely credited with having initiated the country's ongoing reform process, said here that South Asia would be the area to watch, says AFP.

Discounting what he said was a "general tendency to write off South Asia," Singh said, I think India is making determined efforts to catch up.

He said he told the Pacific Rim forum which brought together businessmen and politicians including Singapore's elder statesman Lee Kuan Yew and Australia's former Prime Minister Bob Hawke here that South Asia's rise would boost intra-Asian trade.

While East Asia would maintain its growth rates, South Asian countries need greater attention, he said.

Singh, who unshackled more than 40 years of economic fetters in 1991 when he was a minister in the Congress (I) Party government in India, said the current Janata Dal government in India was pursuing "the same direction."

India's current Finance Minister Palaniappan Chidambaram had worked with Singh in the previous Congress (I) government.

Initially Singh had criticised Chidambaram's initiatives and said that the widely acclaimed federal budget for the fiscal year to March 1998 may not add up.

However, the Congress Party, which is backing the Janata Dal government of Prime Minister Inder Kumar Gujral from outside, later endorsed the budget, which included a 10 per cent across-the-board cut in income tax.

Chidambaram's budget also slashed corporate rates by five per cent to 35 per cent and introduced excise and duty cuts totalling 31 million dollars, despite protests that the measures benefited only the wealthy.

## Regional GM of StanChart due in city today

John Filmeridis, General Manager of Standard Chartered Bank for the Middle East and South Asia region, arrives in the city today a three day visit, says a press release.

Filmeridis has been a frequent visitor to Bangladesh over the past few years.

During his stay, he will meet the management of several corporate clients of SCB.

## Workshop on gas pipeline system

## Tofael for long-term plan to utilise natural resources

Industries and Commerce Minister Tofael Ahmed yesterday called for formulating a long-term comprehensive plan to utilise the country's natural resources efficiently and effectively, reports BSS.

Speaking as the chief guest at a workshop on "Regulatory Framework for the Development of Gas Pipeline Systems in Bangladesh," Ahmed said that the government wanted to set up more petro-chemical industries and gas-based plants. "We have plan to set up more urea plants in the joint ventures for exporting urea fertilizers," he added.

Jointly organised by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and Enron Corporation of Houston, Texas, the inaugural session of the workshop was also addressed by Energy and Mineral Resources Minister Lt Gen (ret'd) M Nooruddin Khan, FBCCI President Yusuf Abdullah Harun, Energy Secretary Dr Towfiq-e-Elahi Chowdhury, and Principal of Enron International Robert H Baldwin.

In his speech the Energy Minister emphasised the urgent need for establishing a comprehensive gas transmission system to reach the benefits of gas discovery in different parts of the country.

Gen Nooruddin said that the gas pipeline network would be expanded for distribution of the fuel in the northern and south-western districts.

He pointed out that a total of 260 million cft gas would be supplied to the national grid from two gas fields per day. Of the two gas fields, Sangu gas field will provide 160 million cft gas while the Maulvi Bazar gas field will supply 100 million cft gas to the national grid.



Abdul Kabir Dewan, General Manager, Sonali Bank, and David Chew, Head of Institutional Banking, Standard Chartered Bank, Singapore, are seen exchanging an agreement signed recently in Singapore for opening a Singapore dollar account for Sonali Bank.

## Share prices fall in Karachi

KARACHI, June 29: Pakistan's main Karachi Stock Exchange index fell over the week because of violence in the city and defaults by two KSE members, dealers said Saturday, reports AFP.

The KSE 100-index fell by 27.84 points or 1.74 per cent of close at 1571.27 during the week ending June 27.

Osama Bin Shoaib, an analyst said, that the market was depressed last week as violence continued and two KSE members defaulted resulting in cancellation of their membership by the KSE management.

He said two consecutive defaults by members created panic in the market and traders were very cautious in dealings.

Shoaib said buying in the shares of hub power company (HUBCO) and Pakistan Telecommunication Corporation (PTC) supported the market to some extent.

"Heavy selling pressure continued during the entire week pushing down prices of many scrips," he said.

"I do not see many positive change in the market during the next week as the selling pressure will continue to push down prices of scrips," the analyst said.

Industrial growth had plummeted to 6.7 per cent in the fiscal year to March 1997, from 11.6 per cent the previous year, dogged by a cash shortage, high interest rates and falling demand.

Kumar expected share prices and the BSE Sensex to spurt early next week and stabilise in the later part of the week.

"At the end of the week, we expect the BSE Sensex to be up about 100 points as investors

become bullish on Indian shares," he said.

Kumar said the down-trend in lending rates coupled with a good monsoon were sure signs of an industrial recovery in the fiscal year to March 1998.

Average daily business volumes were down to 256 million dollars from 305 million dollars the previous week.

## Former Dai-Ichi Kangyo Bank chairman commits suicide

TOKYO, June 29: A former chairman of Dai-Ichi Kangyo Bank, reportedly facing further questioning about the bank's alleged payoffs to racketeers, hanged himself Sunday in his bedroom, a bank spokesman said, reports AP.

Kuniji Miyazaki, 67, died at a hospital nine hours after family members found him unconscious, said spokesman Shinichi Aikawa.

Aikawa declined to comment on news reports that Miyazaki left suicide notes to his bank and family members.

Prosecutors questioned Miyazaki Friday and Saturday, and had planned to question him further Sunday, Kyodo News reported. Prosecutors were not available for comment.

Dai-Ichi Kangyo Bank, one of Japan's largest banks, has been embroiled in a scandal involving illegal loans to "soka-ya, racketeers who threaten to disrupt company shareholders meetings if they are not paid off."

## Profits of Arab shipping firm decrease

KUWAIT CITY, June 29: The Kuwait-based United Arab Shipping Company (UASC) announced yesterday profits of almost 70 million dollars in 1996, some 20 per cent lower than a year earlier, reports AP.

## Rahimafrooz gets ISO 9002 certification

Rahimafrooz has become the first engineering product company in the country to achieve ISO 9002 international accreditation for manufacture of secondary Lead Acid Cells/Batteries for Automotive, Motorcycle and Industrial (Standby, Motive and Solar) applications, says a press release.

ISO 9002 accreditation is awarded to companies meeting stringent criteria for quality and efficiency and only after thorough assessment by recognised international certification organisation like the Orion Registrar Inc. USA.

Feroz Rahim, the Managing Director, has said: "Rahimafrooz is delighted to receive this accreditation. I congratulate all the staff who have worked hard to meet such exacting standards and to bring our battery quality to an international level in the industry."

The process of achieving the accreditation involved a thorough briefing for all personnel on ISO and total quality management system. All existing processes were then reviewed, brought into line with ISO standards, and all procedures, materials and use of materials were then documented in details.

## Mymensingh, Jhenidah announce Pourashava budget

MYMENSINGH, June 29: Mymensingh Pourashava has announced Tk 11,17,90,279.69 annual budget including the opening balance of Tk 1,97,78,297.69 for the financial year 1997-98, reports BSS.

The source of income of the budget have been shown in three heads: government grant for development Tk 82,00,000.00, government grant for project implementation Tk 3,77,73,800.00 and Pourashava's own revenue income Tk 4,60,38,182.00.

The main expenditure in the proposed budget has been shown at Tk 3,27,33,640.69 for revenue head Tk 2,27,50,000.00 for development head and Tk 4,23,11,300.00 for project implementation purposes.

While announcing the budget the Chairman of Mymensingh Pourashava, Delwar Hussain Khan, said the extended areas of Mymensingh Pourashava will be given priority for improving the civic amenities in the next financial year. Besides construction of Municipal Super Market and improvement of local town hall will also be given priority.

He disclosed that no new tax has been imposed in the proposed budget.

UNB from Jhenidah says: Jhenidah Pourashava announced Tk 10 crore budget for 1997-98 fiscal year Sunday with a surplus of Tk 5 lakh.

Pourashava Chairman Anisur Rahman Khoka announced the budget in a press conference at the Pourashava auditorium.

"The proposed budget is 12 per cent more than the last fiscal year and no additional tax has been imposed in it," said the chairman.

In the coming fiscal year he said, the revenue income will be Tk 3.16 crore and the government grant Tk 6.79 crore.

The expenditure has been

shown Tk 9.96 crore for purchasing and maintenance purposes. Secondary Town Project and other development work, he added.

These include construction of roads, drains, bridges, culverts and bus terminal and ensuring power and water supply.

## Japanese household income drops first time since '61

TOKYO, June 29: The government announced Saturday that the average annual income per household dropped in 1995, the first decline since such surveys began in 1961, a news report said, reports AP.

Average household income in 1995 was 6.6 million yen (45,830 dollar), down 46,000 yen (320 dollar) or 0.7 per cent from the previous year, the Health and Welfare Ministry said, according to Kyodo News Agency.

The ministry could not be reached late Saturday for confirmation.

The ministry attributed the decline in the average income to the fifth consecutive year-to-year decrease in wage hikes in 1995 and a record-high unemployment rate of 3.2 per cent the same year.

The report reflects the long-term economic slowdown Japan suffered through most of the early 1990s. In the past year, however, the economy has shown strong signs of recovery.

The ministry said the survey found income at 60 per cent of the households in 1995 was lower than the average, Kyodo said.

The survey showed 46.5 per cent said they have "fallen on hard times," up 4.5 percentage points from the previous year and the largest percentage since 1987.

## Thai Parliament okays 1st austerity budget in decade

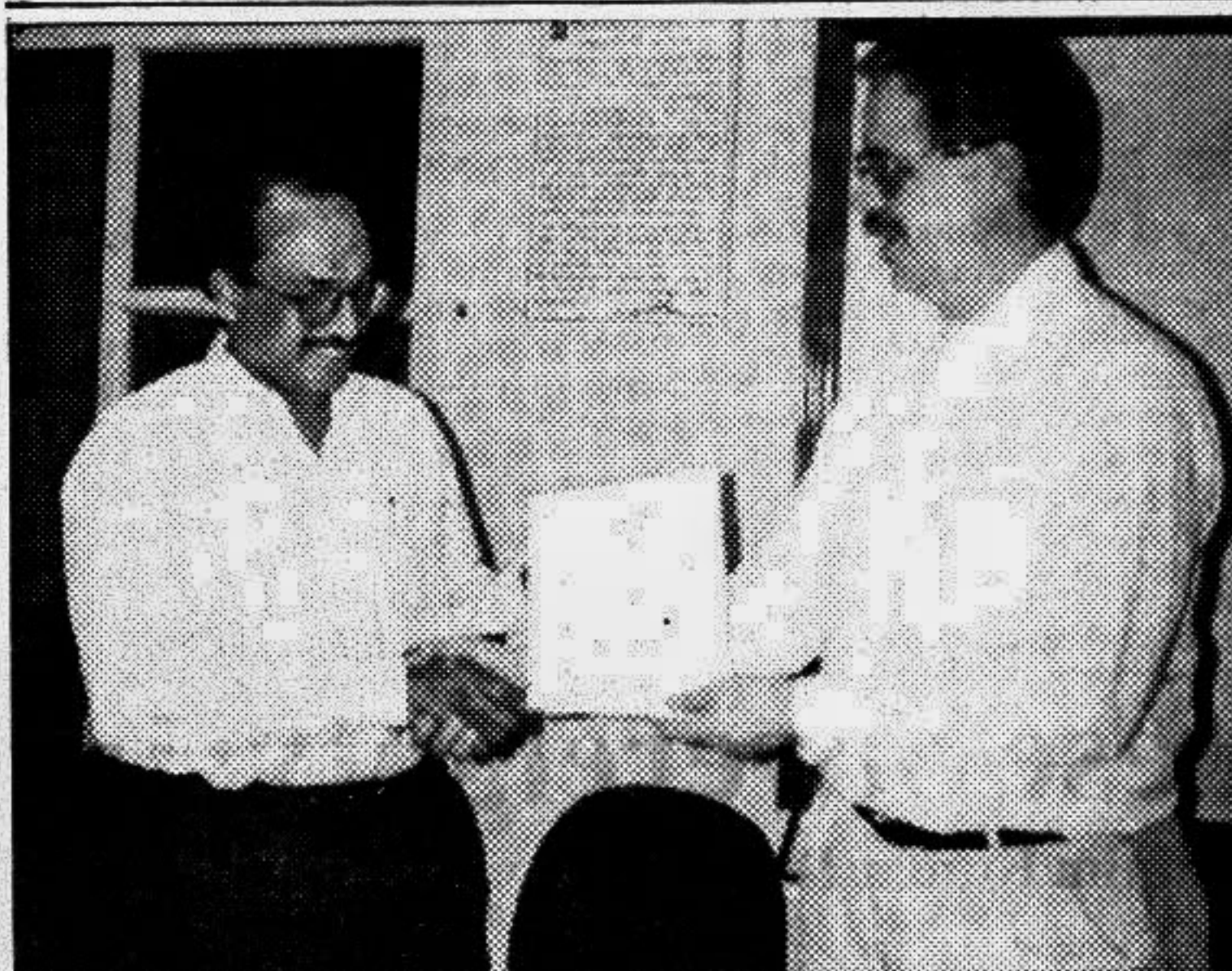
BANGKOK, June 29: Grappling with Thailand's economic crisis, Parliament has approved the first austerity budget in a decade and the new finance minister has promised new restructuring of the ailing financial sector on Monday, reports AP.

Parliament voted on party lines, 217-144, to approve the 982 billion baht (39 billion dollars) budget for 1998 near midnight Friday after three days of debate over whether the government can raise the revenue to meet it.

But the debate was overshadowed by drastic measures taken Friday by regulators to stem a crisis in the financial sector by ordering 16 troubled finance companies to shut down and institute mergers with stronger partners in 30 days.

Finance Minister Thanong Bidaya told Parliament in the final hours of the budget debate that more steps would be announced Monday to restructure the financial sector. He did not elaborate.

Prime Minister Chavalit Yongchaiyudh's government had been under pressure for months to come to grips with a crisis in which finance companies were housing space was built during the country's astonishing economic growth between 1985 and 1995. But the boom sputtered last year and government attempts to stimulate buying by credit-strapped businesses and individuals have failed.



Feroz Rahim (Left), Managing Director, Rahimafrooz Bangladesh Limited, receiving ISO 9002 certificate from Paul M Burk, President, Orion Registrar Inc.

## Commodity market : Gold, sugar, tea decline over week

LONDON, June 29: The oil market responded this week with a shrug to promises made by OPEC producers at their Vienna meeting to cut back on massive over-production to lift crude prices, reports AFP.

The 11 members of this powerful cartel agreed, apparently under pressure from Saudi Arabia and Iran, to curb excess crude oil output by respecting more strictly their individual quotas.

The countries in the Organisation of Petroleum Exporting Countries (OPEC), which together accounts for two-fifths of the world's oil output, are exceeding their self-imposed production limit by eight per cent.

Among oil traders, though a lingering question remains: how can the OPEC secretariat convince countries such as Venezuela and Nigeria, which massively overstep their quotas, to toe the line?

Elsewhere on the commodities markets, both copper and rubber prices plunged dramatically on the prospect of over-supply.

GOLD: Demoralised. Investor gloom continued to weigh on gold prices, which fell

two dollars to less than 337 dollars per ounce, a low point since April 1993, on the London bullion market.

SILVER: Lethargy. Silver prices remained sleepily at around 4.75 dollars per ounce.

PLATINUM AND PALLADIUM: Tight. Platinum and palladium prices were dragged lower this week by gold's losses, but remained at peak levels because Russian exports to Japan have apparently still not restarted, GNI trading house said.

Platinum prices lost five dollars to 412 dollars per ounce, and palladium seven dollars to 195 dollars per ounce.

COPPER: Crumpled. Copper prices dived by 160 dollars to 2,430 dollars per tonne on the London Metal Exchange (LME), after a wave of speculative selling unleashed by the prospect of booming world output and mounting copper stockpiles in the last six months of the year.

LME stocks, which reflect the state of supply and demand, rose 3,350 tonnes to 124,900 over the week.

LEAD: Stable. The price of lead held steady at 625 dollars per tonne.

ZINC: Peak. Prices climbed to a 1990 high gaining 20 dollars to 1,415 dollars per tonne on speculative and technical buying encouraged by a gradual erosion of LME stockpiles.

Reserves of zinc, a metal used in anti-corrosive treatments have been gently falling over the past few months, but remain at a substantial total of 422,000 tonnes.

ALUMINIUM: Solid. The solid decline in LME stocks gave some support to aluminium prices, which managed to hold stable despite the plunge in the value of copper, at around 1,580 dollars per tonne.

Market reserves held in LME warehouses around the world continued to decline at a weekly rate of 15,000 tonnes, to 674,400 tonnes, a low point since early 1996.

NICKEL: Weaker. The price of this metal, used in steel alloys lost around 130 dollars to 7,070 per tonne, after a damaging strike at a Canadian plant appeared to be nearing its end.

TIN: Losses. Tin prices lost some ground, falling around 35 dollars to 5,565 dollars per tonne.

OIL: Scepticism. The oil market this week greeted with scepticism pledges by OPEC leaders meeting in Vienna, seeking to reverse a slide in crude oil prices, to cut back on excess crude oil production.

Brent North Sea crude prices rose just 20 cents over the week to 18 dollars per barrel. This was despite the promise of OPEC countries under pressure from Saudi Arabia and Iran, to keep their current overall production limit, and respect their individual output quotas more strictly.

RUBBER: Squashed. Rubber prices dived seven per cent on the London market, losing 52.5 pounds to 652.5 pounds per tonne, squashed by a lack of buying and the recent financial turmoil in Thailand, the world's top producer.

The price of the tropical commodity now stands at the lowest point since February 1994, after a 50 per cent drop in rubber prices since mid 1995.

COCOA: Powdery. Prices shot up 15 pounds to a year-long high of 1,135 pounds per tonne as traders worried that the Ivory Coast, by far the world's biggest producer, could harvest

a much smaller crop this year than the last.

COFFEE: Bitter. Coffee prices plunged 120 dollars to 1,770 per tonne. With still no sign in Brazil of the crop-ravaging frosts that many had feared this winter, Weatherman have forecast a warming of temperatures in the South American country.

TEA: Decline. Prices fell on the London tea auctions, with the price of medium-quality brews declining eight pence to 125 pence per kg.

SUGAR: Meltdown. White sugar prices fell by two dollars to 375 dollars per tonne.

Dealers have been grappling with contrasting influences in different countries around the world.

VEGETABLE OILS: Slip. Favourable weather conditions on the American great plains caused soy prices to slip by 38 cents to 8 dollars per bushel (27.2 kg, for delivery in July) on the Chicago futures market.

In Rotterdam, palm oil prices fell by 2.5 dollars to 527.5 dollars per tonne.

Sunflower oil prices rose by 50 dollars to 600 dollars per

## Shipping Intelligence

CHITTAGONG PORT  
Berth Position and Performance of Vessels as On 29.6.97

Berth No	Name of Vessels	Cargo	L Port	Local agent	Date of arrival	Date of Leaving
J/1	Joint Chris	Q	Sing	Prog	26/6	30/6
J/2	Chun Kuan(48)	Q	Yang	Everett	28/6	30/6
J/5	Thetis-K	Cement	Q	PSAL	23/6	01/7
J/6	Vientaine	Q	Cal	Fairmax	R/A	01/7
J/7	Guan Ming	Q	Dali	Prog	25/6	30/6
J/8	Pioneer Elegant	Q	Sing	Radiant	22/6	30/6
J/9	Melinau Satu	Q	Busa	Prog	24/6	02/7
J/12	Kota Selamat	Cont	Sing	Pil(BD)	R/A	01/7
J/13	Elbe Star	Cont	Col	BDShip	24/6	30/6
CCT/1	Ultima	Cont	Mong	Baridhi	26/6	01/7
CCT/2	Diligence	Container	Cont	Sing	QCSL	24/6
CCT/3	QC Pintail	Cont	Sing	QCSL	23/6	01/7
CCJ	Banglar	Repair	Kara	BSC	26/5	01/7
GSJ	Belios-II	Wheat/GIP	Said	Ancient	23/6	01/7
TSP	Ya Mujee	Sulp	Sarja	USTC	3/6	02/7
RM/5	Sitara	Ms/Jet-1	Sing	ESCL	23/6	02/7
RM/6	Piras-1	Cement	Sing	Jaycee	25/6	03/7
DOJ	Banglar Jyoti	Repair	-	BSC	R/A	30/6
DD	Barge	Jamuna-V	Repair	Chand	Karna	R/A
DDJ/1	Tanary Star	IDLE	Para	PSAL	8/6	02/7
RM/8	Banglar	Kiron	Repair	-	BSC	R/A
RM/9	Penguin	Repair	Mum	Cross	31/5	04/7
Cufj	Blue North	Cement	Qing	PSAL	3/6	30/6
Kafco(U)	Raffia	Urea	Mong	MTCB	25/6	01/7

Vessels Due at Outer Anchorage

Name of Vessels	Date of Last arrival	Last Port	Local agent	Cargo	Loading port
Fong Shin 2/6	1/7	Sing	BDShip	Cont	Sing
Da Fu 18/6	30/6	Sing	APL(B)	Cont	Sing
Yu Hang	1/7	Sing	USTC	Cement	-
Violetta	29/6	-	PSAL	Cement	-
Kuanyin	1/7	Wall	Litmond	D Peas/R Seed	-
Ascan Glory	29/6	Jaka	ANCL	Urea	-
Banglar Robi	19/6	30/6	Sing	BSC	Cont
Fong Yun 23/6	3/7	Sing	BDShip	Cont	Sing
Lian Sha 15/6	3/7	Sing	BDShip	Cont	Cal
Fong Lee 24/6	2/7	Col	BDShip	Cont	Col
Arktis Neridian	1/7	Sing	Karna	P Cargo	-
Kota Pusaka	25/6	30/6	Sing	Pil(BD)	Cont
Mashakti	30/6	Sing	USTC	C Clink	Sing
Won Fu	1/7	Col	Delmure	C. Clink(M Jetty)	-
Meng Yang 24/5	3/7	Sing	AML	Cont	Sing
Vanessa 22/6	1/7	Sing	RSL	Cont	Sing
Hong gu Cheng	1/7	-	Rainbow	Cement	-
Sokol	2/7	Hald	Seacom	M Seed	-
Steamer	2/7	-	BDShip	Cont	Col
Future 24/6	2/7	-	BDShip	Cont	Sing
Meng Kiat 26/6	6/7	Sing	AML	GL/Gl	Chin
Feng Qing	2/7	-	BDShip	GL/Gl	Chin
Figer Sun	3/7	-	Prog	Q	-
Freesia 23/6	3/7	Sing	RSL	Cont	Sing
Orionis	4/7	Jedd	Cross	Caracasses	-
Sea Harvest	7/7	-	Oil	Q	-
Banglar Moni	26/6	8/7	Sing	BSC	Cont
Sea Elegance	25/6	10/7	Sing	Pil(BD)	Cont

Tanker Due

Name of Vessels	Cargo	Last Port
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