

FBCCI chief off to Germany with PM

Yussuf Abdullah Harun, President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) left here for Germany as a member of the entourage of the Prime Minister Sheikh Hasina, reports BSS.

During the visit, Harun will meet the leaders of different chambers of commerce and industry there and exchange views with executives of Germany's top conglomerates regarding investment opportunities in Bangladesh, a press release said yesterday.

Alhaj Kazi Md Shaful Islam, Vice President of FBCCI will act as president of the FBCCI during Harun's absence.

ROK traders invited to invest

The Federation of Korean Industries (FKI) has been invited to invest in Bangladesh, says a press release.

The invitation was made by the President of Bangladesh Chamber of Industries (BCI), Sharif M Afzal Hussain, during his six-day visit to South Korea from July 6 to 11.

He urged the FKI to attend the two-day investment forum to be held in Dhaka on November 5-6 under the joint collaboration of ERD, WB and BCI.

Sharif also explained to the members of the Federation of Korean Industries the investment policy of Bangladesh government and said that a favourable and attractive investment climate is prevailing in the country.

Labour Minister off to Saipan

State Minister for Labour and Manpower MA Mannan left here yesterday for Saipan, a Pacific island, on a five-day official visit, reports BSS.

The minister will review the possibilities of expanding manpower market in Saipan and hold talks with the officials to solve the problems of Bangladeshi workers in the island.

The minister is leading a three-member delegation comprising Rafiqul Anwar MP and Joint Secretary of the Labour Ministry Abdur Rauf.

DHL strengthens service in Malaysia

1997-DHL Worldwide Express has strengthened its service in Malaysia with a new dedicated aircraft linking Penang direct to its Manila regional hub, says a press release.

The new flights provide customers in Malaysia's northern states with later pickup and earlier delivery times for DHL.

Asia Overnight service to and from Singapore, Taiwan, Hong Kong, the Philippines, Vietnam, Korea and Japan, as well as other international destinations.

DHL already operates another dedicated aircraft from Kuala Lumpur to the Manila hub, where shipments from throughout the region are processed for the Asia Overnight service. Further investment in DHL Malaysia includes construction of a 40,000 sq ft air-side gateway facility at Penang airport, expected to be completed in August.

The new service enhancement is part of a 25 million US dollars investment programme for DHL Malaysia's operations over the next few years. DHL is also a member of the International Advisory Panel for Malaysia's Multimedia Super Corridor (MSC), and was recently selected as one of the first 29 companies to be offered a pioneer status to participate in the MSC project.

DHL Malaysia has five international gateway and an extensive network of 40 service centres nationwide.

More BA flights cancelled in strike aftermath

LONDON, July 13: British Airways cancelled dozens of flights on Sunday as it worked to rescue its schedule, which was hit hard in a flight attendants strike, reports AP.

Although the walkout ended Saturday, it remained unclear when the dispute might be resolved. No new talks have been set between airline executives and the union, which called its members off the job in a pay dispute.

Many of the union members had phoned in sick and were not yet back at work. British Airways also faced the complicated task of getting all its airplanes in place to operate normally.

British Airways could not say when its full schedule will be restored.

"I would hope by about the middle of the week," spokesman David Budgen said Sunday. "It will take a few days for us to get the programme into full swing."

Operations were hit hardest at London's Heathrow Airport, the company's home base.

CAB statistics on essentials High rent, edn costs shadow drop in food inflation

Food inflation dropped below three per cent last fiscal but consumers still struggled to make ends meet because of high rent and education costs.

According to statistics compiled by the Consumers' Association of Bangladesh (CAB), the cost of food increased an average of 2.31 per cent in fiscal 1996-97 down from 3.74 per cent the previous year. CAB said the rate dropped because there were fewer natural disasters and less inflation.

Of all the consumer goods,

fish prices increased significantly, rising almost 15 per cent over the previous year. It was followed by wheat, pulse and meat. Consumers paid on average Tk five more for a large chicken and Tk ten per kg more for beef. There was no change in the average price of mutton.

The cost of some staples decreased. Rice fell almost 10 per cent while spices fell about 6.5 per cent. Soap dropped a little more than two per cent and the price of eggs was static.

But while CAB welcomed a

drop in the inflation rate, it also said high unemployment and more expensive housing, health and education decreased the consumers buying power. It also said some people were making informal credit arrangements with local shops to meet the increasing cost of living.

CAB called on the government to protect local industries from cheaper imports flooding the market, increase employment, and implement cost controls on rent and education.



Ambassador Michael Drury, Head of Delegation of the European Commission, and executive directors of CARE Bangladesh, BRAC, PROSHIKA and RDRS at a signing ceremony for EC-assisted food security projects.

5000 mt of unsold newsprint piled up in KNM godown

From Our Correspondent

KHULNA, July 13: Some 5,000 metric tonnes of newsprint worth over Tk 10 crore were lying unsold in the godown of Khulna Newsprint Mill (KNM) till June 15. As a result, the KNM is seriously suffering from fund crisis.

According to a highly placed source, the acute financial crisis is gradually taking the mills to the verge of closure since local consumers are showing no interest in buying KNM products.

The open import of superior quality of newsprint from foreign countries has largely contributed to the present economic crisis of the mill which was once of profitable unit of international standard, the source observed.

At present the mill is producing 35 to 37 metric tonnes of newsprint instead of 150 metric tonnes a day.

All but one machine are ob-

solete to produce better quality of newsprint. Besides, Indian newsprint has flooded the local markets. It is available at the rate cheaper than that of KNM product.

Last month KNM sold only 7.19 metric tonnes. It is failing to compete with the Indian newsprint. Till June 16, the total quantity of newsprint stocked in the godown was 4,711 metric tonnes.

Our Jessore Correspondent adds: At present the outstanding loan of the mill to various development financial institutions (DFIs) including banks and other loan-giving agencies, is 133 crore, the source said.

It is reported that all newspapers of the country are now being published on imported paper. This began last year. Previously all newspapers used to be published on newsprint produced in the Khulna Newsprint Mill.

The total picture of publica-

tion in the country has, in fact, been completely changed.

Not only newspapers but also books and other readable materials are being published on imported paper.

According to statistical report, during hey-day of the mill, its average production was 140/145 metric tons per day. Now the production is reduced to only 35/36 metric tons per day.

Total liability of the mill including royalty of Forest Department, customs taxes, cost of pulp and furnace oil, electricity bill, bank overdraft and loans advanced by BCIC, exceeds Taka 133 crore 50 lakh.

A source of the mill said Taka one crore is needed to cover salary of officers and staff per month. The total number of officers and staff is 2500.

The source also fears that the mill has every chance of being closed if this situation continues.

China to open part of defence sector to overseas investors

BEIJING, July 13: Part of China's defence sector is to open to overseas investors in a bid to upgrade its use of electronic technology, according to today's business week, commercial weekly of China Daily, reports Xinhua.

The Commission of Science, Technology and Industry for National Defence and the Equipment Department of the General Staff of the People's Liberation Army are to open parts of the defence electronic sector to overseas investors next year, official sources said.

They are also planning to encourage some overseas counterparts to display their technology in China, Commission Official Su Hiting said.

The opening of defence-related electronics firms is believed crucial to ensure rapid technical renovation of the PLA, local analysts noted.

The Commission, the Equipment Department and the Ministry of Electronics Industry (MEI) will jointly sponsor an exhibition in Beijing next year.

The four-day show, China international defence electronic exhibition, will be due on May 12, 1998, in Beijing's China International Exhibition Center.

Technology and equipment to be displayed in the show will include radar systems, command-control-communication-intelligence integrated systems, navigation systems, military computers, simulators, test equipment, microwave components, and other products.

"We will invite foreign suppliers or companies interested in electronics to participate in the exhibition," said one exhibition organizer, who considered the show a good opportunity for suppliers to enter China's defence market because they can meet many potential end users from various military services.

Official estimates show China's demand for electronic technology and equipment is growing rapidly, and annual sales are expected to soar to about 1,000 billion yuan (120.5 billion US dollars) by the turn of the century.

Ashuganj-Bakhrabad Pipeline project Controversy over payment of dues to local contractor

Star Report

A local sub-contractor of the newly completed Ashuganj-Bakhrabad Pipeline project alleged that the main contractor of the scheme had declined to pay its outstanding dues of over Tk 2.5 crore, official sources said.

It is now seeking the Petrobangla's intervention to pay its claimed outstanding dues from the main contractor's invoice.

Project Transport and Logistic Consultants (PTLC) which had worked for an Australian company in the 52 km-long AB project alleged in its complaint to the government that the foreign company cancelled the sub-contract with it at a stage when the foreign company owed it 683,204 US dollars (or over Tk 2.5 crore).

However, according to the main contractor, it owes nothing to PTLC as all contracts were cancelled as per agreement. Citing some specific clauses of the agreement between the contractor and the sub-contractor, the foreign company said that it had paid PTLC its proper dues.

PTLC signed three separate agreements with the main contractor in 1995-96 to clear, permit and transport pipes for the AB pipeline project.

In its allegation to the government, PTLC categorically said beside the regular works for the AB pipeline scheme, it had undertaken extra works on the basis of an 'understanding'

with the foreign contractor.

The work for the AB pipeline project, implemented by Gas Transmission Co Ltd (GTCL) - an unit of Petrobangla, was scheduled to begin in January '96 and finish by the same year. But the work suffered heavily due to the non-cooperation movement which also resulted in escalation in the cost of supplies by PTLC.

The works of AB pipeline ended early May this year and its Australian contractor took back all equipment soon afterwards.

According to him, during the non-cooperation movement in early '96, PTLC wanted to give up the sub-contract as it was incurring a daily demurrage of 7,500 US dollars.

"But then the Australian company told us to go ahead with the job and advised us to submit our extra cost invoices as claims to be settled by GTCL as these arose due to political situation of the country," Mashur Rahman added.

"PTLC sought intervention from the government regarding the non-payment of its dues," said an official of Petrobangla. "But it is not possible for the government to block the dues of the main contractor and deduct the payment of the sub-contractor because it is a dispute between the contractor and the sub-contractor."

The official added, "This dispute can only be resolved by the court."

Shipping Intelligence

Chittagong Port
Berth position and performance of vessels as on 13/7/97

Berth No.	Name of vessels	Cargo	L. port call	Local agent	Date of arrival	Leaving
J/1	Kuanyin	GI	Wall	Litmond	1/7	25/7
J/2	Al Swamuz	GI	Sing	Asil	6/7	18/7
J/5	Sokol	M. Seed	Haid	Seacom	7/7	16/7
J/6	Ocean-1	Tranship Cargo	Cal	Cross	29/6	14/7
J/7	Guang Ming	GI	Dali	Prog	25/6	17/7
J/8	Chosun Hope	GI	Sing	Owl	28/6	21/7
J/9	Kota Pusaka	Cont	Lang	Pil (BD)	30/6	14/7
J/10	Wen Fu	C. Clink	Col	Total	2/7	17/7
J/12	Lena	GIF (Mat)	Jarb	Total	8/7	14/7
J/13	Kota Berjaya	Cont	Sing	Pil (BD)	7/6	14/7
CCT/1	Vanessa	Cont	Sing	Rai	01/7	15/7
CCT/2	Banglar Robi	Cont	Sing	Bec	30/6	13/7
CCT/3	Da Fu	Cont	Sing	Api (B)	30/6	13/7
M/14	Firas-1	Cement	Sing	Yajee	25/6	11/7
CCJ	Nashakti	C. Clink	Kang	Uste	4/7	20/7
GSJ	Banglar Shobha/Khanak	Repair	Kara	Bec	26/5	13/7
TSP	Ya Mujeer	Sulp	Sarja	Uste	3/7	14/7
RM/4	Ventura	Cdo	Darb	Seacom	4/7	13/7
RM/5	Bangdwar	C. Clink	Dali	Litmond	5/7	13/7
DD/1	Banglar Jyoti	C. Oil	Bec	R/A	13/7	13/7
DD/2	Banglar Jamuna-V	Idle	Para	Nal	8/6/95	13/7
RM/8	Banglar Kiron	Repair	Chand	R/A	R/A	15/7
RM/9	Zara	Repair	Col	Nathan	R/A	14/7
SM-10	Tug Greenville-16	P. Mat	Puke	Total	8/7	18/7
CULP	Blue North	Cement	Qing	Paal	3/6	30/7
Kafco (U)	Azean Glory	Urea	Sing	Ancl	29/6	13/7

Vessels due at outer anchorage

Name of vessels	Date of arrival	Last port call	Local agent	Cargo	Loading port
Maritime Faith	13/7	Yang	Rainbow	M. Seed	-
Feng Qing	14/7	Cho	Bdship	Cl/GI	Sing
Da Fu 9/7	13/7	Sing	Api(B)	Cont	Sing
Euro Liberty	14/7	Anna	Litmond	Cont	Sing
Frank H Brown	13/7	Pusa	Rainbow	Scraping	-
Dennis-P	13/7	Zela	Rainbow	Seed	-
Ashika Taruniga (4829/6 16/7)	Yang	Everest	Cl	-	-
Tug Greenville-168	16/7	Sing	Kama	-	-
Sea Harvest	16/7	Sing	Oil	Cl	-
Lian Sha	15/7	Sing	Bdship	Cont	Cl

British Eak 13/7/97 Tanka Ecal (W/Ld F.Oil) (Rm/5)

Vessels at Kutubdia

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Aspiros	Oil	Rust	Bel	8/7
Banglar Shourabh	Oil	Bec	Bec	R/A
Ismaya	-	-	B. Bay	9/1
Orizant	-	Sing	B. Bay	25/2
Ena Supply-1	-	-	B. Bay	R/A
Mighty Tide	-	-	B. Bay	R/A
Smit Loyd-28	-	-	B. Bay	R/A

Vessels at outer anchorage

Ready on:

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Fong Shin	Cont	Sing	Bdship	1/7
Freesia	Cont	Sing	Rai	2/7
Padma	Cont	Sing	Rai	2/7
Violetta	Cement	Dali	Paal	29/6
Steamer Future	Cont	Col	Bdship	8/7
Kota Bintang	Cont	Sing	Pil (BD)	8/7
Diligence Container	Cont	Sing	Qcal	11/7
Dragon Sentosa	Cont	Col	Baridhi	10/7
M. Regina	Cont	Sing	Prog	10/7
Sky Moon	GI	Ban	Prog	9/7
QC Teal	Cont	Sing	Qcal	9/7
Sea Elegance	Cont	Sing	Pil (BD)	11/7
Lst (24)	Explo	P. Kel	Ami	12/7
Dragon Summit	Cpo	P. Kel	Rainbow	12/7
Banglar Moni	Cont	Sing	Bec	12/7
Fenghuo	Urea	Sing	Cross	R/A

Movement of vessels for 14/7/97

Outgoing	Incoming	Shifting
J/5 Sokol	J/6 Lnt	J/6 Ocean-1
J/9 Kota Pusaka	DOJ B. Yyoti	J/10 Won Fu
J/12 Lena	J/13 Freesia	
J/13 Kota Berjaya	J/9 Padma	
RM/14 Firas-1	Nb. St. Future	
GSJ B. Shobha	RM/5 Britise Eak	
TSP Ya Mujeer	J/5 Violeta	
RM/4 D. Summt	Nb. Sky Moon	
DOJ B. Shourabh	RM/14 Al Salma	
RM/8 B. Kiron	J/9 Ocean Falcon	
DD/2 Tug Ena Supply	RM/6 Standwal	

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

National Life declares 25pc dividend

National Life Insurance Co Ltd has declared a 25 per cent dividend for its share holders, says a press release.

The dividend was declared at the 12th annual general meeting (AGM) of the company held at a city community centre yesterday.

M Haider Chowdhury, chairman of the company, presided over the meeting.

Directors and Managing Director of the company were also present along with a large number of shareholders.

Reception given to new GM of Sonargaon Hotel

A grand reception party was arranged for the new General Manager, Eldridge J Mac Ewan of Sonargaon Hotel on Friday on the occasion of his taking over the position, says a press release.

In his speech, the new General Manager sought cooperation of all in the smooth running of the hotel.

The reception was attended by ambassadors and high commissionaires, high civil and military officials, diplomats, Board of Directors of the owning company of the hotel, local elites, foreign community and corporate clients.

Thai share prices drop on weakness in baht

BANGKOK, July 13: Thai share prices were set to fall further as investors took profits on weakness in the baht currency following the Philippines move Friday to allow the peso to depreciate, analysts said, reports AFP.

The effect of confusion in regional money markets was very important for the market on Friday and next week," said Anuwat Thamjai of Wall Street finance and securities.

The baht fell to an all time record low of 30.30-65 to the dollar, Friday, compared with 29.01-20 the day before and 25.79 before its July 2 float, while the peso opened at 26.40 to the dollar and fell to 29.45.

"The peso and the

(Indonesian) rupiah will tend to depreciate, so the benefits from the baht depreciation are less clear," he said.

The composite stock exchange of Thailand (SET) index fell 3.2 per cent, or 20.78 points on Friday to close at 629.55 points, putting the week's losses at 4.3 per cent, or 28.54 points.

Further losses were expected as foreign investors, who flooded into the bourse following the easing of devaluation fears with the baht float, take profits on realising that the currency has not hit bottom.

"Next week is also the last week for second quarter company reports," in which financial institutions must disclose non-performing loan levels, Anuwat said.

নাশনাল লাইফ ইনস্যুরেন্স কোম্পানী লিমিটেড
দ্বাদশ বার্ষিক সাধারণ সভা ১৩ই জুলাই ১৯৯৭

NATIONAL LIFE INSURANCE COMPANY LTD
TWELFTH ANNUAL GENERAL MEETING

Chairman of National Life Insurance Company Ltd M Haider Chowdhury addressing the 12th AGM of the company in the city yesterday.

— Star photo

Commodity market: Tea calm, gold dull, sugar soft

LONDON July 13: The oil market was unsettled this week by Germany's plan to sell part of its strategic oil reserves to plug a hole in its public finances so it can meet the tough entry criteria for the single European currency, reports AFP.

The news, "equivalent to the discovery of a new oil-producing region," in the words of one London analyst, provoked a GOLD slide in oil prices.

But the full impact of the selloff would not be felt until dealers discovered exactly how much oil Germany plans to sell and when the crude would flood on to the market.

Elsewhere on commodities markets, gold prices continued to melt, falling to a low point since late 1989 at 315 dollars per ounce, opening the prospect of a wave of mine closures.

Induced last week by the announcement by the Australian central bank that it had sold two-thirds of its gold reserves, the precious metals market was licking its wounds this week.

SILVER: Tarnished. Silver was tarnished by gold's troubles, and prices fell by 20 cents to 4.35 dollars per ounce.

PLATINUM AND PALLADIUM: The plunge in gold prices combined with the resumption of Russian exports of platinum and palladium to Japan conspired to undermine the price of these two precious metals.

COPPER: Meltedown. Copper prices slumped in the face of a continued build-up of reserves on the London Metal Exchange (LME) and rumours of hefty deliveries of metal into Singapore warehouses from China.

Prices fell by 120 dollars to 2,280 dollars per tonne, which was a three-month low point on the LME.

LEAD: Increased. Demand lifted lead prices by 10 dollars to 660 dollars per tonne.

A metals analyst at the Rudolf Wolff trading house, Martin Squires said that market reserves of the metal, which is most commonly used in batteries, would satisfy demand for just five weeks.

Booming economic growth in the United States and elsewhere would further increase demand in 1998 and cause prices to rise, he said.

ZINC: Stable. Zinc prices settled at 1,480 dollars per tonnes after the recent speculative surge.

ALUMINIUM: Soft. Aluminium avoided the full blow of copper's dramatic plunge thanks to falling stocks, which point to good demand. Prices fell slightly by 30 dollars to 1,570 dollars per tonne.

Global aluminum stocks fell 2,000 tonnes in May from the previous month to 3,045 million tonnes, according to figures released by the International Primary Aluminium Institute (IPAI).

According to one trader, this fall, added to the daily decline in market stocks, supported prices.

NICKEL: Fall. Nickel prices lost 50 dollars to 6,870 dollars per tonnes, despite the prospect of strike action at Canadian producer Falconbridge's Sundbury site over a pay dispute. Workers are threatening to strike from August 1, unless a deal is reached with management.

TIN: Stable. Tin prices remained stable at 5,530 dollars per tonne.

SLIP: Slip. The world's oil market, already cracking under the strains of excess supply, suffered further this week from an announcement that the German government plans to sell off

part of its strategic oil stocks.

Under the plan, Bonn will sell 400 million marks (227 million dollars) worth of crude during 1997.

RUBBER: Soft. Rubber prices continued to melt away this week, in the face of widespread exports, notably from the world's leading producer country, Thailand, prices fell by 67.5 pounds to 590 pounds per tonne.

One trader at the Lewis and Peat brokerage house said that "Thai shippers are heavy sellers" at present.

TEA: Calm. The London tea auction houses awaited fresh shipments of high grade leaves from Ceylon and Assam, expected to arrive in September, and had to make do with Kenyan and Malawi brews.

Prices rose by three pence to 123 pence per kg.

SUGAR: Soft. Sugar prices softened slightly, losing one dollar to 315 dollars per tonne on a calm London market.

Traders, however, are keeping a close eye on the prospect of falling production in India and Brazil, the world's two major producers.

At the same time, Thailand, one of the biggest exporters, is

expected to harvest 10 per cent less sugar than last year, because of drought conditions.

VEGETABLE OILS: Bubbling. Rumours of imports of US soy beans into Europe and China pushed prices higher on the Chicago Board of Trade (CBOT).

While the market awaits a plentiful crop this autumn in the United States, stocks are currently at rock-bottom levels. Price rose nervously by 57 per cent of 7.79 dollars per bushel (27.2 kg for delivery in July).

In the future, though, prices are expected to plunge once the crop is harvested between September and November and the warehouses fill up.

On the Rotterdam market, palm oil fell by 10 dollars to 502.5 dollars per tonne, sunflower oil lost 10 dollars to 540 dollars per tonne.

Reprocessed oil, prices dropped, 3.5 guilders to 102.5 guilders per 100 kg.

GRAINS: Dormant. The prospect of large-scale wheat imports into Iran and Egypt buoyed wheat prices on the Chicago market, but prices were held back by a plentiful harvest which is under way in the United States.

Wheat prices held around 3.20 dollars per bushel (94.27. 2 kg for delivery in July).

Maize (corn) prices were subject to similar influences and rose by two cents to 2.47 dollars per bushel (of 25.4 kg).

Predictions that the US harvest might be a little smaller than had been expected strengthened prices.

In Europe, dealers feared that heavy rainfall in the Czech republic and southern Poland might hit this year's crop, while French authorities forecast a fall in the size of the imminent harvest.

COTTON: Shrink. Cotton prices on the New York futures market fell under the influence of speculative selling this week.

However, the US agriculture Department predicted that the US crop would be smaller than had been forecast at 18 million bales (of 217.7 kg).

On the cash market covered by the cotton outlook index, prices held firm at about 81 cents per pound.

WOOL: Slumber. The Australian auction houses were closed this week.

Analysts predicted that prices would remain strong as stocks there continue to fall.

Exchange Rates

The following are the Janata Bank's dealing rate (BD Tk for one unit of Foreign Currency) to public as on 13/7/97:

Buying	TT Clean		OD Sight	OD Transfer
	Export	Import		
US Dlr	43.5200	43.3522	43.2386	
G Pound	73.1506	72.8515	72.6604	
D Mark	24.2701	24.1709	24.1075	
F Franc	7.2256	7.1960	7.1771	
JP Yen	0.3791	0.3776	0.3766	
C.Dlr	31.6039	31.4747	31.3921	
S Franc	29.5228	29.4021	29.3250	

Selling	T.T. & O.D.		B.C.
	US Dollar	Other	
US Dollar	43.8120	43.8650	
GB Pound	74.2248	74.3093	
D Mark	24.6818	24.7098	
F Franc	7.3477	7.3560	
JP Yen	0.3880	0.3884	
C Dollar	32.1337	32.1702	
Franc	30.0273	30.0614	

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

Selling	Buying	
	US Dlr	GBP
US Dlr	44.1000	43.6000
GBP	73.2200	71.2200
S Riyal	11.7000	11.3500
UAE Dh	11.8500	11.3500
KUW DI	143.5000	138.0000