

SANYO

Microwave Oven

Sole Distributor in Bangladesh

Transfin Trading Limited100, Kazi Nazrul Islam Avenue, Dhaka-1216
Telephone: 815306-09, 819625-29, Fax: 813062

The Daily Star BUSINESS

DHAKA SATURDAY, AUGUST 9, 1997

**HYUNDAI**

CARS THAT MAKE SENSE

Nepal expects better harvest this year

KATHMANDU, Aug 8: Nepal could have a better harvest this year than last year, Nepal Ministry of Agriculture said here, reports Xinhua.

Seventy per cent of the rice field in eastern Nepal has been cultivated, while the harvest of the pre-monsoon corn and rice was fairly good across the country.

On the whole, this year's total harvest could be better than last year, local press reported today quoting the ministry.

Inadequate rainfall in some eastern districts in recent days may have left some places dry but none of the crops have been adversely affected the ministry said.

In central Nepal, rice plantation has been done as scheduled thanks to the normal monsoon, the ministry said, adding most farmers in the country planted rice in late June or early July as the monsoon reached its peak level.

In all the three regions of western Nepal, crops are also in good shape due to the normal monsoon, the ministry said.

About 90 per cent of Nepalese depend on agriculture for livelihood.

Welfare benefit fraud in NZ

WELLINGTON, New Zealand, Aug 8: Despite two Swiss bank accounts and a weekly income of up to 1,300 US dollar a week, a middle aged woman cried poor and claimed welfare benefits for a dozen years, says AP.

Esmeralda Fitzgerald, 52, claimed sickness and accommodation benefits, poverty-level income support and other benefits between 1982 and 1996 while holding more than 400,000 US dollars (NZ\$ 600,000) stashed in bank accounts including two in Bern, Switzerland.

Social Welfare Dept investigators said more than 780,000 US dollars (NZ\$ 1.2 million) passed through the accounts between 1983 and 1996, when Fitzgerald cancelled her benefits.

In the Wellington District Court Thursday, Fitzgerald pleaded guilty to four charges of omitting to advise the Department of funds she had invested and two charges relating to falsely claiming special benefits and falsely declaring she had no income, capital or cash.

Prosecutor Michael Brodie told the court that Fitzgerald had been receiving income support continuously since September 1983. Over 12 years, she had received 68,361 US dollars (NZ\$ 106,815) in benefits. She had since repaid the money from an investment account.

After a tip-off that Fitzgerald had not declared substantial cash assets, department investigators found a finance company account which contained 470,000 US dollars (NZ\$ 735,000) at August 1995. When frozen by investigators last year, the balance was 373,000 US dollars (NZ\$ 583,000).

In 1989, using her unmarried name of Easton, Fitzgerald deposited 74,000 US dollars (NZ\$ 115,000) with the Swiss Bank Corporation in Bern. Two weeks later she remitted 102,000 US dollars (NZ\$ 160,000) to the Union Bank of Switzerland in Bern.

While falsely claiming weekly poverty payments, she was also receiving weekly payments from investments of up to 1,345 US dollars (NZ\$ 2,100).

Judge Anne Gaskell released Fitzgerald on bail and said she would be sentenced next month.

BASC workshop on total quality management ends

A four-day workshop on total quality management organised by Business Advisory Services Centre (BASC) was concluded at BASC Training Hall, in the city on Wednesday, says a press release.

The workshop began on August 3. It covered team building, business transaction process, data gathering tools and techniques, decision-making and ISO 9000: system and registration.

Abdul Karim, Managing Director of MIDAS, distributed certificates among the participants.

Muhammad Ali, Executive Director of BASC, Harunur Rashid, Programme Manager, HRD and Training of BASC, M. Lutfar Rahman Khan, Managing Director of TRIN and Hasnain Rahman Choudhury, Senior Programme Officer, and Training Coordinator, BASC, were present on the occasion.

Participants from Key and Que Bangladesh Ltd, Sonear Analyst, Essential Drugs Company Limited, Glaxo Wellcome Bangladesh Ltd, Actionaid Bangladesh, Giant Garment Industries (Pvt) Ltd, Padma Oil Company Ltd and The Ibn Sina Pharmaceutical Industries Ltd attended the workshop.

Traders take chance to stockpile as ban betrays farmers' hopes

By Cameron Kennedy with Rafiq Hasan and Monaem Khan in Cox's Bazar

Processing plants are still buying shrimp despite the EU import ban, a sign, farmers say, that exporters are taking advantage of the cheap rates to stockpile.

The prices of all grades of shrimp have dropped by Tk 100 to 150 a kilogram in Cox's Bazar, a serious blow to the 50,000 shrimp farms operating in the country. The price of baby shrimp has also plummeted.

"We sell a hundred baby shrimp for 30 taka," says Abdur Rashid, one of 30,000 who

collect baby shrimp along Cox's Bazar sea beach. "A couple days ago we sold them for 50 taka."

But a plant owner, who requested anonymity, says they are buying shrimp because they pay traders, operating at the grass-roots level a lot of money in advance.

"It's a continuous process," he says. "We have to establish a network to collect shrimp, so we cannot just stop buying our supply suddenly."

S M Amjad Hossain agrees. The managing director of the

Lockpur Fish Processing Company says he has over Tk 200 crore of processed shrimp sitting in cold storage at his plants in Khulna and Chittagong, despite strong sales to the United States and Japan.

"I'll have a Tk four crore operating loss even if I go for another market," Hossain says.

The EU ban, which last until at least November, is just the latest in a string of disasters that have crippled Bangladesh second largest export. Some shrimp farmers and traders say they are thinking about getting

out of the business, unable to cope with the cyclones and tidal waves which damaged farms earlier in this year, followed by the latest dramatic price drop. Other farmers worry other developed nations will follow the EU's lead.

"It would push hundreds of shrimp projects into bankruptcy," says an owner in the Moheshkhali district. The 200 shrimp projects located in the area will have trouble recovering their investment this year, he adds.

But officials at the local fisheries department say the shrimp crisis is temporary and the industry will bounce back because Bangladeshi shrimp is popular on the international market.

"Our shrimp is raised 100 per cent naturally," says Manamatha Nath Sarkar, chief scientific officer at the Marine Fisheries Survey Management in Cox's Bazar. "The use of fertilizer, medicine and pesticides are almost zero, which is rare in other shrimp producing countries like Thailand, Taiwan and China."

Businessmen call off plan for agitation

Bangladesh Babosayee Samanaya Parishad has called off its programme for agitation tomorrow, says a press release.

This follows a fruitful discussion with the FBCCI President Yussuf Abdullah Harun on Thursday.

The traders were scheduled to bring out processions and hold rally in the Dhaka Stadium compound on August 10 and observe another half-day

strike someday later this month.

The Samanaya Parishad, composed of 31 trade organisations, has been agitating for withdrawal of VAT at wholesale and retail level.

It also demands a change in the definition of cottage industry and a reservation of 30 per cent duty gap between finished products and raw materials.

FBCCI President expressing his deep concern over the overall economic condition of the

country particularly the existing problems in banking and investment sectors lent full support for withdrawal of VAT at wholesale and retail level.

He also supported the expansion of Cottage Industries facility and reformation of the duty structure in consultation with relevant authorities of the government.

He said definite decision will be taken in the next EC meeting of FBCCI.

Asian stock markets end week mixed

HONG KONG, Aug 8: Asian stock markets ended the week generally mixed Friday, with share prices rebounding in Tokyo in a late rally, reports AP.

Tokyo's Nikkei Stock Average, which was down some 210 points earlier in the session, finished the day at 19,604.46 points, up 128.61 points, or 0.66 per cent. On Thursday, the average lost 228.22 points, or 1.15 per cent.

The Tokyo Stock Price Index of all issues listed on the first section was up 6.17 points, or 0.41 per cent, to 1,503.27. The TOPIX closed down 10.53 points, or 0.70 per cent Thursday.

The Nikkei was in negative territory for much of the day, but rebounding index futures prices improved sentiment toward the closing bell as investors snapped up bargains.

Stock prices had been down earlier amid pessimism about Japan's construction sector, which has been hit by several bankruptcies recently. Those companies are saddled with non-performing loans following the collapse of a speculative frenzy of asset appreciation in

the late 1980s. Meanwhile, the US dollar was quoted at 118.54 yen in late afternoon, down 0.07 yen from late Thursday in Tokyo but higher than its late New York rate of 118.45 yen.

In Hong Kong, share prices closed generally lower after two straight days of record rallies. The Hang Seng Index, the Hong Kong market's key indicator of blue chips, fell 25.73 points, or 0.15 per cent, closing at 16,647.54. On Thursday, the index surged 132.67 points.

Brokers said the market was hit by some profit-taking after the index rose to record highs in the past two days.

"People are trying to get out ahead of the weekend, but there's still buying there, so the outlook is good," said Herman Chu, dealing director of Anglo Chinese Securities Ltd.

TAIPEI: Share prices closed higher after three straight sessions of declines. The market's key Weighted Stock Price Index rose 82.96 points to 9,923.84.

WELLINGTON: New Zealand share prices closed lower, dragged down by weakness in a number of leading stocks. The NZSE-40 Capital Index fell 1.29

points to 2,538.45.

MANILA: Share prices closed lower for the second straight session on profit-taking. The Philippine Stock Exchange Index of 30 selected issues fell 22.19 points to 2,647.82.

SYDNEY: Australian share prices closed lower. The All Ordinaries Index fell 6.3 points to 2,711.4.

SEOUL: Share prices closed higher in thin trading. The Korea Composite Index rose 6.66 points to 752.01.

SINGAPORE: Share prices closed mixed. The benchmark Straits Times Industrials Index fell 9.32 points to 1,943.92.

KUALA LUMPUR: Share prices closed mixed, with some investors buying in response to what they took to be calls from the prime minister to support the market and others selling on continuing worries about the economy. The Composite Index rose 4.03 points to 932.36.

BANGKOK: Thai share prices closed lower in subdued trading. The Stock Exchange of Thailand Index fell 1.19 points to 636.85.

JAKARTA: The stock exchange's Composite Index fell 2.503 points, closing at 675.436.

Russia's Gazprom won't allow Kazakh access to world gas market

MOSCOW, Aug 8: Russia's Gazprom will not allow Kazakhstan access to world markets for its gas, the company's chief executive Rem Vyakhirev said yesterday, quoted by Interfax news agency, Reports AFP.

Gazprom, which has an extensive pipeline network and controls a quarter of the world's natural gas reserves, "under no circumstances agrees" to let Kazakhstan use its pipelines to export gas, Vyakhirev told a news conference here.

"Surrendering one's market when there is insufficient capacity is, I believe, tantamount to a crime against Russia," said Vyakhirev, whose company is 40-per cent state-owned and exports 123.5 billion cubic metres (4.3 trillion cubic feet) of gas to countries outside the ex-Soviet Union in 1996.

Explaining Gazprom's decision to pull out of the Karachaganak project in northern Kazakhstan, Vyakhirev said: "After lengthy consideration we parted with the Kazakh side over approaches on ideological, technical and economic grounds."

"One billion dollars has already been invested in the project, it will require that amount again," he added.

The Karachaganak field, discovered in 1979, lies on the border with Russia. It has reserves of about 1.33 trillion cubic metres of gas, a naturally occurring gasoline — and about 340 million tonnes of oil.

Jobless claims jump in US

WASHINGTON, Aug 8: Initial claims for unemployment benefit in the United States rose 25,000 to a seasonally adjusted 300,000 for the week that ended August 2 from a revised 275,000 the previous week, the labour department said, reports AFP.

It was the highest level of weekly claims since the week the consensus forecast had expected jobless claims to rise by around 12,000.

Jobless claims for the week that ended July 26 were revised to a drop of 24,000 to 275,000 after being originally reported as a drop of 22,000 to 277,000.

The four-week moving average for initial jobless claims fell 21,500 to 303,750, the lowest since the week to February 25, 1989, when it was 302,500.

Dollar lower in Tokyo

TOKYO, Aug 8: The dollar edged lower Friday as traders sold out dollar positions ahead of a weekend holiday season in Japan, says AP.

The dollar slipped 18.36 yen at mid-afternoon, down 0.25 yen from late Thursday in Tokyo.

The dollar has been losing ground in the last several days on concerns about a resurgence of Japan's trade surpluses, which can put upward pressure on the yen.

A report showing Japan's current account surplus surging 55.8 per cent in June had little effect on Friday's trading, however, and traders were closing out long dollar positions ahead of the Bon holiday season in Japan next week.

US challenges EU ban on animal fat

BRUSSELS, Aug 8: The United States has begun to challenge the EU Commission over the effects on US exports of new EU regulations banning animal tissue, EU officials said, says AFP.

The United States exports animal fats worth 100 million dollars to the EU each year. The fats are used by the pharmaceutical and cosmetic industries.

The US fats industry fears that these exports might be obstructed if the EU insists on applying across the board of the new rules affecting slaughtering.

EU Commission spokesman Thierry Daman stressed on Thursday that the new EU regulation was intended for the international community market and did not affect outside countries.

It had been adopted in a way which respected the EU's international and multilateral commitments.

The regulation, adopted by the commission on July 30, bans from January 1 1998 brains, eyes, tonsils and spinal marrow from cows and sheep of more than 12 months and the spleens of all sheep and goats.

It is expected to result in changes in the way slaughter houses function.

US blue chips hit new highs

NEW YORK, Aug 8: Wall Street hit new highs Thursday, boosted by a drop in long-term interest rates and a run on high-tech stocks, reports AFP.

The Dow Jones blue-chip index rose 23.92 points, or 0.29 per cent, to a record 8,283.23 half an hour after opening. On Wednesday it had closed at a record 8,259.31 after gaining 71.77 points.

On the bond market, the average yield on 30-year treasury bonds slipped to 6.46 per cent from 6.48 per cent Wednesday, following release of data showing that US claims for unemployment benefits rose by 25,000 last week.

The consensus forecast was for the claims to rise by around 12,000.

Malaysian central bank refutes rumours over its governor

KUALA LUMPUR, Aug 8: The Malaysian central bank yesterday dismissed rumours that its Governor, Ahmed Mohd Don had tendered his resignation, says AFP.

"There is no truth in the rumour," a Bank Negara spokesman said.

"I have received many calls on the resignation," he said. And Prime Minister Mahathir Mohamad snapped "no such rumour" when asked to comment on market-speculation that the governor had resigned.

A Singapore forex exchange dealer said he had heard the rumour from the London market.

The Malaysian ringgit has recently come under extensive attack from speculators and sunk to record lows.

The central bank's efforts to combat rogue speculators have yet to pay off and the country had lost billions of ringgit in reserves.

Curbs on ringgit swaps to continue

KUALA LUMPUR, Aug 8: Malaysian Prime Minister Mahathir Mohamad here said curbs on ringgit swaps would continue for as long as necessary, says AFP.

He told reporters after a function that the swap curbs "were merely a differential in interest rates."

"It has been done in this country over and over again," he said, referring to lower interest rates charged for low cost housing and small industries.

Asked if he was satisfied with the effects of the swap curbs and if new curbs would be introduced, he said the government would continue to monitor the foreign exchange market.

The Malaysian central bank Sunday announced a powerful restriction aimed at curbing swap transactions to beat currency speculators with effect from Monday.

Malaysian banks are required to limit non-commercial transactions to two million dollars on outstanding non-commercial-related ringgit offer side swap transactions with each foreign customer on a group basis, the central bank said.

A swap enables a company to exchange the currency they hold for the currency they need.

Asked to comment on the fall on the local bourse, Mahathir said it was not worrying, as fund managers were pulling out in fear of further declines.

However, he said local funds were expected to come in to buy cheap stocks.

Mahathir said the ringgit cannot afford to fall against the dollar "the Germans can afford it (the mark's fall against the dollar) we can't."

On the Ekran-Asa Brown Boveri dispute, he said the matter "will be resolved one way or the other... Bakun (dam) will be built."

Mahathir said he was yet to decide whether he would meet with financier George Soros, whom he blamed for last month's speculative attacks on the ringgit.

South China faces homeless problem

BEIJING, Aug 8: A relatively mild summer flood season in southern China has still wrought intense local devastation and left authorities facing a chronic homelessness problem, Red Cross officials said, reports AFP.

The death toll in five southern provinces, which some reports have put at more than 300, is way down on the 3,000 people who died in 1996 floods, said International Federation of Red Cross and Red Crescent Societies official Jon Valfells.

However, Valfells, who had just returned from a tour of affected regions in Jiangxi and Zhejiang provinces, described scenes of total devastation in isolated areas, where whole villages had been virtually washed away by flash floods.

And as the flood season moves further north, Valfells said authorities faced a daunting reconstruction task.

According to Chinese Red Cross figures, more than 500,000 "rooms" were destroyed by floods in the south of the country, leaving a homeless population that could well top one million.

"There were people living on dykes, and others staying with friends and relatives whose homes were less damaged," Valfells said.

"Obviously that places an enormous burden on the community."

However, he added that efficient food and medical relief work had done much to lessen the impact of the disasters. Valfells said the Chinese authorities had reported no outbreak of waterborne epidemics, while the Chinese Red Cross had confirmed it would not be asking the International Federation to launch a global aid appeal as it did last year.

Dollar hits high against pound in New York

NEW YORK, Aug 8: The dollar ended mostly lower Thursday for the first time in more than a week but surged to a 10-month high against the pound after Britain's central bank signaled that it has finished raising interest rates for a while, reports AP.

"The run of overvalued sterling is over," said Andrew Hodge, a currency strategist at Bank Brussels Lambert in New York.

The pound has been rising most of this year on the strength of Britain's economy, which has expanded while the rest of European has struggled, leading to a series of interest rate increases by the Bank of England. Many currency traders had expected the Bank

of England to raise rates again by at least half a percentage point Thursday.

But at its regular policymaking meeting, the central bank pushed up its base lending rate by only a quarter percentage point, to seven percent. It also said the increase was probably sufficient to contain inflationary pressure, which traders interpreted as a sign that no more interest rate increases are envisioned for now.

That pushed the pound to an intraday low of 1.5780 dollars — its lowest since mid-October — before settling in New York at 1.5893 dollars, down from 1.6021 dollars late Wednesday.

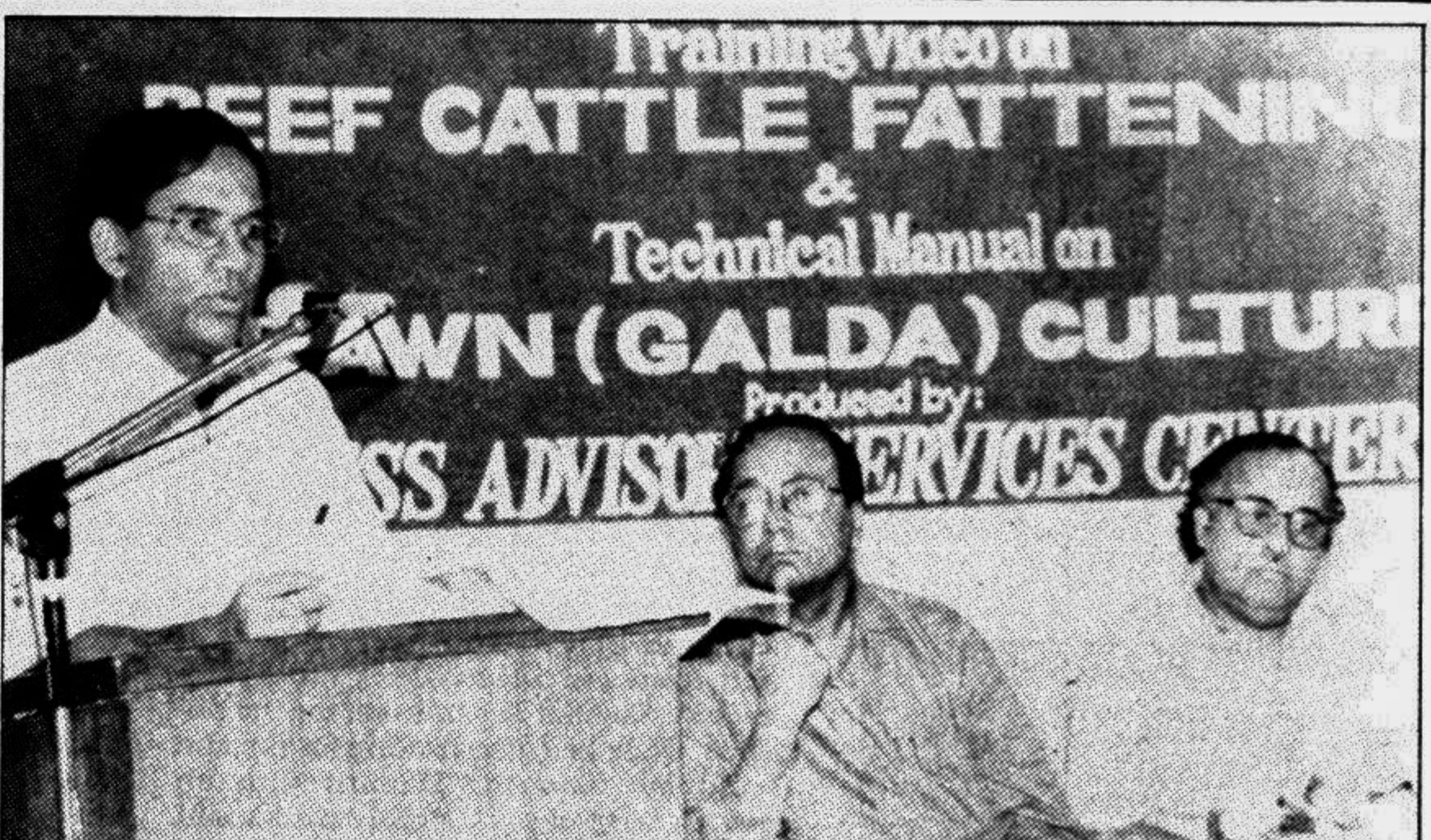
The pound's broad decline indirectly helped other currencies strengthen against the dol-

lar. The US currency slipped to 1.8683 marks in New York, down from 1.8815 last Wednesday, snapping a rally that included four consecutive eight-year highs.

The dollar also finished lower against the yen in New York at 118.45, down from 118.68 late Wednesday.

The mark's gain partly reflected some expectation that Germany's central bank may raise short-term interest rates next week, as well as profit-taking from the dollar's ascent. But many traders said the decline in the dollar wouldn't last long.

"I think this is short lived because fundamentally nothing really has changed," said Dieter Bluhm, vice president of foreign exchange at Wells Fargo Bank in San Francisco.



Business Advisory Services Center organised a technical training programme on 'Beef cattle fattening' in the city Thursday. Muhammad Ali, Executive Director of BASC, is seen speaking on the occasion.

— Star photo