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The Daily Star BUSINESS

DHAKA MONDAY, AUGUST 11, 1997



HYUNDAI
CARS THAT MAKE SENSE

Banking is a matter of trust, says Yunus

NEW DELHI, Aug 10: Grameen Bank's Muhammad Yunus once again brought his famous theory — poor, especially women, are creditworthy and powerful enough to help overcome poverty — into focus here saying his model could help Third World countries, reports BSS.

Speaking at a press conference at the press club here he said the poor could not be helped by conventional banking methods which basically depended on collateral security.

Prof Yunus, who delivered the DT Lakdawala memorial lecture at the Nehru Memorial Museum here told newsmen that the Grameen Bank, differed from conventional banks because its officials did not sit behind imposing counters rather go out to the people.

Acting High Commissioner of Bangladesh Atimul Haque was present at the press conference organised by the Indian Institute of Social Sciences which sponsored the visit of Prof Yunus.

"Banking should be a matter of trust rather than mistrust,"



Yunus: The poor are powerful

He said explaining the reasons for the huge success of the Grameen Bank which served 2.1 million borrowers and had cumulative loans of worth two billion dollars.

Replaying to a question Prof Yunus said his ideas had received a positive response from Indian leaders starting with Finance Minister P Chidambaram.

Earlier, he called on President K R Narayanan and a host of ministers.

He said apart from income generating loans the Grameen Bank also providing housing loans at eight per cent interest because "building a roof over your head is productive activity."

Prof Yunus said income generating loans were disbursed at 20 per cent which was higher than market rate of 15 per cent but he added that the bank enjoyed a high repayment rate of 98 per cent.

He said Grameen Bank differed from other banks in another fundamental way as 94 per cent of its clients were women.

He said women were by nature more self-sufficient and more concerned with the future than men who were more interested in having "a good day today."

Prof Yunus expressed optimism about South Asia but said the progress continued to be hampered by a stiff bureaucracy and unchanging laws and procedures.

Rooppur drains money when money is main problem

NATORE, Aug 10: Lack of funds stands in the way of implementation of the proposed Rooppur Nuclear Power Plant (RNPP) project, now a 36-year-old plan.

Energy Minister Noor Uddin Khan says there is no reason to shelve such a project if there is money. "But, unfortunately, no one showed any interest yet to finance the project."

The minister told The Daily Star that there was no plan to invite any tender for building the plant at the moment. Abdus Samad, Principal Secretary to the Prime Minister, is now heading a committee on the project. Samad admits that there has not been any development in having "a good day today."

The project is still a dream

of a few enthusiastic scientists working in Bangladesh Atomic Energy Commission (BAEC). BAEC Chairman M A Quayyum said the project had been on agenda since 1971, but not moved much in the past 26 years. In fact, the plan is much older.

Conceived in the early 60s, the power plant was to be set up on a 292-acre of land at Rooppur near Hardinge bridge in Pabna.

The project came into focus again in view of the current power crisis which has remained a big barrier to the growth of industries in the northern region of the country.

During the last 36 years, five feasibility studies were done, all of which spoke in favour of

establishing a nuclear power plant at Rooppur.

In 1970, the then Pakistan government signed an agreement with Belgium government for implementation of the project. But the agreement did not take effect after independence.

As much as Tk 35 lakh is spent every year for maintenance of the project establishment at Rooppur.

Administrative buildings and residential quarters for officers and employees were put in place in the early 70s. Much of the infrastructure has now lost its lustre. A portion of the project site has turned into a grazing field, while farmers from neighbouring villages use the land for cultivation.

The chairman said that sev-

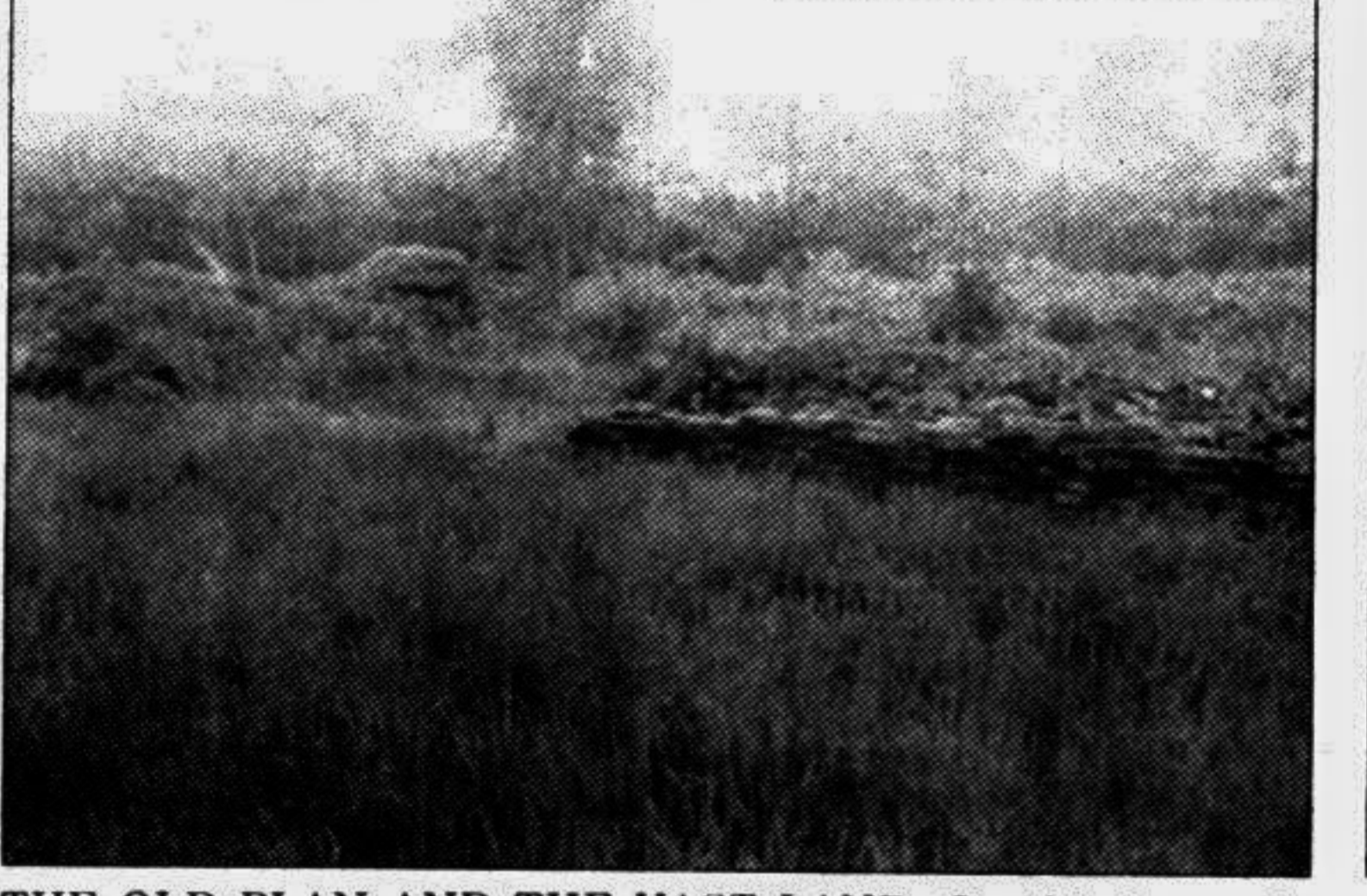
eral proposals from different international companies came in the last year. He did not give the names and number of the companies.

The project was redesigned last year with a plan for a 600-megawatt nuclear power plant. A BAEC official says the project will cost 900 million US dollars for implementation.

Another BAEC official involved with the project speaks of the 'sensitivity' of the issue. Money is not the main problem. "There is some other issues pulling it backward," the official said, but refused to elaborate. Officials estimate that it will take about nine years to be implemented.

A BAEC scientist believes that there is a lack of political will. "Our political leaders do not wish to start the project as it would take at least nine years to finish." He explains: "A government is elected for a five-year term and the politicians probably believe that it is not worth-initiating the project in case they are not elected for a second term." Rooppur, he says, could be a major political issue for northern Bangladesh.

Quayyum said the generation cost of nuclear power will just have the average price of electricity, now produced mostly with fast-depleting natural gas. A lot depends on Rooppur, according to Quayyum and his colleagues. If the issue of giving the energy-starved northern Bangladesh a chance to take off has any relevance.



THE OLD PLAN AND THE VAST LAND: On this huge piece of land, 292 acres to be precise, was to be built a nuclear power plant. The cow grazes and crop grows as the poor, power-hungry nation cannot pay for it.



The cow grazes and crop grows as the poor, power-hungry nation cannot pay for it. — Star photo by M A Ali

Crude sale under UN oil-for-food deal

Iraq to exclude cos from 3 countries

BAGHDAD, Aug 10: Iraq's oil ministry said Saturday it will exclude a group of companies from Britain, Japan and the Netherlands when it sells crude under a UN oil-for-food deal, reports AP.

Saddam Zibr al-Hassan, head of the Iraq oil marketing company, did not identify the companies or give any reason for their exclusion.

The United Nations offered the concession to help Iraq get around crippling UN economic sanctions imposed since President Saddam Hussein's forces invaded Kuwait in 1990.

Iraq signed 51 contracts in the first deal that allowed it to sell two billion dollars worth of oil to buy food and humanitarian goods.

The deal was extended for another six months in June, but sales were delayed after wrangling between Iraq and the United Nations. The final

problems were sorted out Friday, when the United Nations approved a formula to set prices for the oil.

"The contracts are ready, and they will be sent to the United Nations to be approved to enable Iraq to resume the oil exports," al-Hassan said.

Iraq exported more than 120 million barrels of oil during the first phase of the deal. A similar amount is expected to be exported in the second phase.

Baghdad expects to use about 1.2 billion dollars of its \$4 billion dollars in earnings to buy food, medicines and other humanitarian goods, a UN source in Baghdad said on condition of anonymity.

Providing a breakdown about the distribution plan for the first time, the source said 906 million dollars will go toward buying food imports, 210 million dollars for medicines

and 149 million dollars for agriculture, electricity and sewage equipment.

Iraq can use only a little more than half of its earnings for its needs. The rest must be used to pay UN arms monitors in Iraq and to Kuwait to compensate for war damage.

The United Nations also monitors the distribution of aid to ensure Saddam Hussein does not divert the supplies to his military and strongest supporters.

"The United Nations has refused to lift the economic sanctions entirely until it is convinced the Iraqis have destroyed all their weapons of mass destruction and long-range missiles.

Following the UN approval of pricing formula, the Iraqi dinar, which had fallen to 1,700 to a dollar, rose to 1,660 on Saturday.

SCB, BAFEDA workshop on 'Foreign Exchange & Funds Management'

Standard Chartered Bank (SCB) in collaboration with Bangladesh Foreign Exchange Dealers Association (BAFEDA) organised a one-day training workshop on Foreign Exchange and Funds Management Saturday.

Yusuf Khan, Chairman, BAFEDA and Managing Director, United Commercial Bank Ltd, while inaugurating the workshop focused on remarkable growth of interbank foreign exchange market since Taka was declared convertible for current account transactions and requested all participants to upgrade their dealing skills in line with market development and future challenges, says a press release.

AMX workshop

American Express Bank Ltd also organised a similar workshop on foreign exchange dealing. A total of 23 participants from 10 banks took part in the workshop.

The workshop covered standard and practices of foreign exchange dealing and forecasting currency rate movement.

Shipping Intelligence

Chittagong Port

Berth position and performance of vessels as on 10.8.97

Berth No	Name of Vessels	Cargo	L Port	Local Agent	Date of Leaving
J/1	Ping Shun	C Clink	Dali	USTC	23/7 18/8
J/2	Caraka Jaya Niaga-III Sing	Sing	Sing	Becline	27/7 13/8
J/5	Danyal Express Sugar (G)	Sing	Porta	Seacom	31/7 18/8
J/6	Dracab Sintosa	Sing	Porta	Baridhi	5/8 12/8
J/7	Song Lan	Sing	Sing	Prog	20/7 12/8
J/8	Almi/Khanak	Wheat (G)	Sing	Ancient	15/7 10/8
J/9	Eastern Mars	GI	Sing	Pog	27/7 13/8
J/11	Mok Ran	Rice (P)	Sing	AASS	1/8 14/8
J/12	Sea Elegance	Cont	Sing	PI (BD)	3/8 12/8
J/13	Danis-P	R Seed	Zela	Rainbow	14/7 12/8
CCT/1	QC Teal	Cont	Sing	QCSL	2/8 11/8
CCT/2	QC Pintail (Flag)	Cont	Sing	QCSL	8/8 12/8
CCT/3	Steamer Future	Cont	Mong	BDSHP	4/8 12/8
RM/4	Chosun Hope	Idle	Lian	OWSL	28/6 12/8
CJ1	Mashakti	C Clink	Kara	USTC	R/A 10/8
TSP	Euro Liberty	R Phos	Anna	Litmond	16/7 15/8
RM/3	Sonia	CDSO	Mad	Rainbow	4/8 12/8
RM/4	Chabad Neptune-CPO/RBD/PS	Sing	Sing	TSI	8/8 10/8
DDJ	Yue Yang	HSD	Kawa	MSTPL	22/7 11/8
DD	Ocean-1	Cement	Long	OLM	25/7 12/8
DDJ/1	Tanary Star	Repair	Cal	Cross	29/6 16/6
RM/8	Banglar Urmi	Repair	Viza	BSC	25/7 13/8
RM/9	Zara	Repair	Col	Nishan	2/7 -
CUFLJ	Blue North	Cement	Qing	PSAL	- 20/8
Kateco(U)	Al Muztuba	Urea	Cal	CLA	4/8 -

Tanker Due

British Esk	10/8	Sing	ECSL	-
Normar Spirit	12/8	-	Seacom	CDSO
Aspilos	15/8	-	BSL	Crude Oil

Vessels at Kutubdia

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Ismaya	-	Call	B Bay	9/1
Orizont	-	Sing	B Bay	25/2
Oil Valour	-	Sing	B Bay	R/A(31/7)

Vessels at other Anchorage

Name of Vessels	Cargo	Local Agent	Date of Arrival
Asha Global	Cement	Ind	Seagory 27/7
Grand Orient	C Clink	Sing	Seacom 31/7
Kuanyin	Urea	Sing	Everett R/A(3/8)
Clieper Fedelity	Sugar (G)	Coat	Litmond 3/8
Da Fu	Sugar (G)	Darb	Litmond 4/8
Navigator	R Phos/GI	Sing	Prog 8/8
Weser Star	Cont	Sing	BDSHP 8/8
Yong Jiang	GI	Mad	RSA 8/8
M Regina	Cont	Sing	PI (BD) 9/8
Jiang Cheng	GI	Mong	BDSHP 9/8
Da Fa	Cont	Sing	RSL 9/8
Jozalmi	Wheat (G)	Van	Ancient 3/8
Banglar Kiron	Wheat (G)	-	BSC R/A(4/8)

Vessels not ready

Name of Vessels	Cargo	Local Agent	Date of Arrival
Illakmon	Cement	Sing	PSAL 28/7
Hill Harmony	Wheat (G)	Sing	AASS 1/8
Aurora	Cement	Lans	USTC 2/8
Sangate	HSD	Mina	MSTPL 2/8
Pistis	Cement	Sing	PSAL 2/8
Western Progress	Cement	Lizh	HAI 5/8
An Da	Cement	Peng	USTC 7/8
Peleas-K	GSSP Fert	Lans	Rainbow 9/8

Vessels Awaiting Instruction

Name of Vessels	Cargo	Local Agent	Date of Arrival
Sokol	-	Hald	Seacom R/A(18/7)
Banglar Jyoti	-	-	BSC R/A(28/7)
Banglar Shourabbh	-	-	BSC R/A(8/8)

Vessels not Entering

Name of Vessels	Cargo	Local Agent	Date of Arrival
Galina-1	MOP	Niko	Litmond 28/8
Hydroussa	Ballast	Bellu	OTL 21/12
King Fisher	Ballast	Mad	ARL 26/7
Pacific Ocean-II	Scraping	Sing	OTL 20/7
North Sea	Scraping	Inch	ARL 22/7
President Preti	Scraping	Aqaba	UMTL 29/7
Award-1	Scraping	Sing	Simni 2/8
Lotina	Scraping	Sing	OTL 2/8
Pacific Arrow	Scraping	Sing	JF 6/8

Movement of Vessels for 11/8/97

Outgoing	Incoming	Shifting			
J/7	Song Lin	RM/9	B Jyoti	J/6	D Santosa to CCT/1
CCT/1	QC Teal	J/6	B Mamata	RM/9	Zara to DDJ/2
CJ1	Mashakti	J/7	San Yang	J/13	Danis P to J/7
RM/5	Bahrah	J/13	Da Fu	-	-
RM/9	Zara	-	-	-	-

Jointly organised by THE DHAKA CHAMBER OF COMMERCE & INDUSTRY and INTERNATIONAL TRADE CENTRE (ITC)/UNCTAD/WTO, GENEVA.

ICC-Bangladesh seminar on 'Uniform customs' today

A seminar on 'Uniform customs and practices (UCP)' in Banking including Electronic Commerce (EC) will be held today under the auspices of International Chamber of Commerce — Bangladesh, says a press release.

The seminar will be inaugurated by the Finance Minister, Sh. M. S. Kibria, as chief guest and the Governor of Bangladesh Bank, Lutfar Rahman Sarkar, will be the special guest.

Syed Alamgir Farrouq Chowdhury, Commerce Secretary, is being delivering speech as Chairman at the recommendation session of the 2-day long business guide seminar on the implications of the Uruguay Round Agreements jointly organised by the Dhaka Chamber of Commerce & Industry (DCCI) and International Trade Centre (ITC)/UNCTAD/WTO, Geneva, held at a city hotel yesterday. DCCI President ASM Quasem, ITC senior Regional Adviser Rudolf Macas and WTO Expert Dr Klaus Kautzor-Schroder are also seen in the picture.

Prices of tea go up while rubber, sugar, cotton down over the week

LONDON, Aug 10: Zinc prices recovered some ground, after the previous week's dramatic plunge. Three-month zinc prices rose by 88 dollars to 1,543 dollars per tonne, reports AFP.

The metal's value has recovered by over six per cent since plunging to a low of 1,455 dollars per tonne the previous week.

Analysts said that a web of mystery still surrounded the fate of the Chinese smelters who earlier this year sold 250,000 tonnes of zinc short — metal they did not own in the expectation that prices would fall so that they could meet their needs at a cheaper price.

Faced with heavy losses because LME prices in fact had risen, the Chinese seemed to have struck a deal, either with their own government or a Swiss trading house, to get their hands on enough metal to meet their contracts.

But Robin Bar, analyst at Brandeis Brokerage House, said it was unclear how much metal the Chinese could deliver now, or if they could extend the contracts to give China enough time to produce more zinc.

LME chief executive David

King issued a strongly worded statement on Thursday warning dominant market players against deliberately "squeezing" supplies.

The shortage of zinc for sale at the end of last month drove prices up to a seven-year high, providing the prospect of big profits at the expense of the Chinese. And the market remains very tight.

ALUMINIUM: Higher. Aluminium prices continued to strengthen, as the squeeze in market supplies persisted.

These have fallen by around 350,000 tonnes, or 36 per cent, over the past six months, to 621,975 tonnes.

Three-month aluminium prices, which remain at a high since October 1995, gained 30 dollars during the week to 1,742 dollars per tonne.

The chief executive David King's warning to prominent market players against artificially "squeezing" supplies is thought to apply to the aluminium, as well as to the copper and zinc markets.

Buyers at present must pay a premium for immediate delivery over delivery in three months, which is a sign of tight supplies.

However, the aluminium stock levels remain at a comfortable level, and analysts believe there could be as much as 500,000 tonnes of hidden reserves, which could be released onto the market.

NICKEL: Weaker. Nickel prices weakened in Canada which produces 45,000 tonnes of nickel per year, as the market braced itself for a surge in supplies in the coming months.

Three-month nickel prices lost 250 dollars to 7,180 dollars per tonne.

Dealers said that there was a huge volume of scrap metal available on the market and that Russia was expected to markedly increase output in the months ahead.

Fall. The price of tin, widely used in soldering and the manufacture of cans, fell slightly by 22 dollars to 5,623 per tonne.

OIL: Stable. Oil prices shrugged off the imminent return of Iraqi crude oil to the international market, ending the week broadly stable, despite a brief wobble.

Iraqi Oil Minister Amer Rashid announced that his country would resume oil exports around August 15 to 20,

after a break of more than two months, under the "oil-for-food" deal agreed with the United Nations.

Baghdad aimed to export two billion dollars worth of oil by December 6, under the arrangement, the minister said.

At the end of the week, the price of North Sea crude oil was just over 19 dollars per barrel.

RUBBER: Down. Prices fell on fears of a surplus in rubber supplies. In August, many tyre-producers in the western hemisphere are closed for their summer break, and do not buy any rubber.

The price of the commodity on the London rubber market fell seven pence to 620 pence per tonne.

COCOA: Down. Despite a fall in the value of sterling, which made the pound-denominated cocoa contracts cheaper, the tropical commodity's value weakened because of favourable weather conditions for crops.

Usually, a drop in the pound's value encourages buyers and dissuades producers from selling their crops.

GNI trading house said in jest that the most powerful person on the cocoa market was Eddie George, Governor of the

Bank of England. Hopes that the British central bank might leave interest rates on hold after the latest rate rise drove sterling lower.

But welcome rainfall in Malaysia and Indonesia eased fears that crops in these two countries might be damaged. And in Ivory Coast, by far the world's largest producer, the level of rain seemed to guarantee a healthy harvest.

Cocoa prices fell by one pound to 1,024 pounds per tonne.

COFFEE: Higher. Coffee prices advanced this week, but market players said that trading volumes were extremely light, which exaggerated any movement in prices.

The price of robusta beans on the London market rose by 32 dollars to 1,642 dollars per tonne.

TEA: Higher. Prices for all qualities of tea increased. Traders feared that thirsty consumers might exhaust global supplies of the brew. Demand is growing while exports are static compared to last year's levels.

"It might not be enough to meet the needs of the market comfortably, one London trader

said.

VEGETABLE OILS: Down. The market eased after cool weather arrived in Canada and thirst-quenching rains in the American mid-west averted the threat of a drought ravaging the region's vast soy fields.

Rain also fell in producing regions of China.

Soy prices on the Chicago Board of Trade (CBOT) closed the week down 25 cents 7.45 dollars per bushel (of 27.2 kg - for delivery in August).

On the Rotterdam market, palm oil prices gained 10 dollars to 490 dollars per tonne. Sunflower oil prices rose 60 dollars to 540 dollars per tonne.

Repseed oil prices rose by two guilders to 108 guilders per 100 kg and groundnut oil prices gained five dollars to 1,100 dollars per tonne.

SUGAR: Down. Sugar prices fell slightly, amid the traditional August quiet at the height of summer in the northern hemisphere. But prices remained high, thanks to heavy buying from investment funds.

Fears of poor harvests continued to underpin the commodity's value.

That output is predicted to fall to 5.02 million tonnes over

the 1997-98 season (November to May) from 5.82 million in 1996-97, according to the latest forecasts.

But this was offset by modest demand, particularly from Russia.

White sugar prices fell nearly three dollars over the week to 320.20 dollars per tonne.

GRAINS: Higher. Global weather patterns led the dance in cereal trades this week, rainfall came to quench Chinese maize fields but a splattering of rain on the American great plains was not seen as sufficient to drive away the clouds of concern surrounding the US wheat crop.

Heavy downpours in Britain and France raised fears that this year's European cereal crop might be affected.

On the Chicago Board of Trade (CBOT), wheat prices rose by one cent to 3.63 dollars per bushel (of 27.2 kg - for delivery in September).

After several weeks of dry weather, dealers said that more rainfall was needed in the United States to guarantee a plentiful harvest there.

However, analysts at sparks commodities estimated that the

US wheat crop would reach 8.87 million tonnes in 1997, compared with US agriculture department estimates of 66.15 million tonnes.

Rainfall in China lifted fears that the country's maize crop might fail. A healthy crop, last year allowed the country to supply maize on the export market for the first time since 1994.

Maize prices in Chicago fell by 15 cents to 2.50 dollars per bushel (of 25.4 kg - for delivery in September).

COTTON: Down. Cotton prices fell sharply this week, under the influence of technical trades and speculative selling as the market waited with baited breath for the latest estimated from the US agriculture department on the size of the global harvest.

Prices covered by the cotton outlook index fell by 30 cents to 81.65 cents.

China's cotton crop remains under threat from dry weather, but the threat of reduced yields there did not influence prices.

WOOL: Down. Prices fell on the Australian market, but dealers predicted that low stocks will help maintain prices stable.