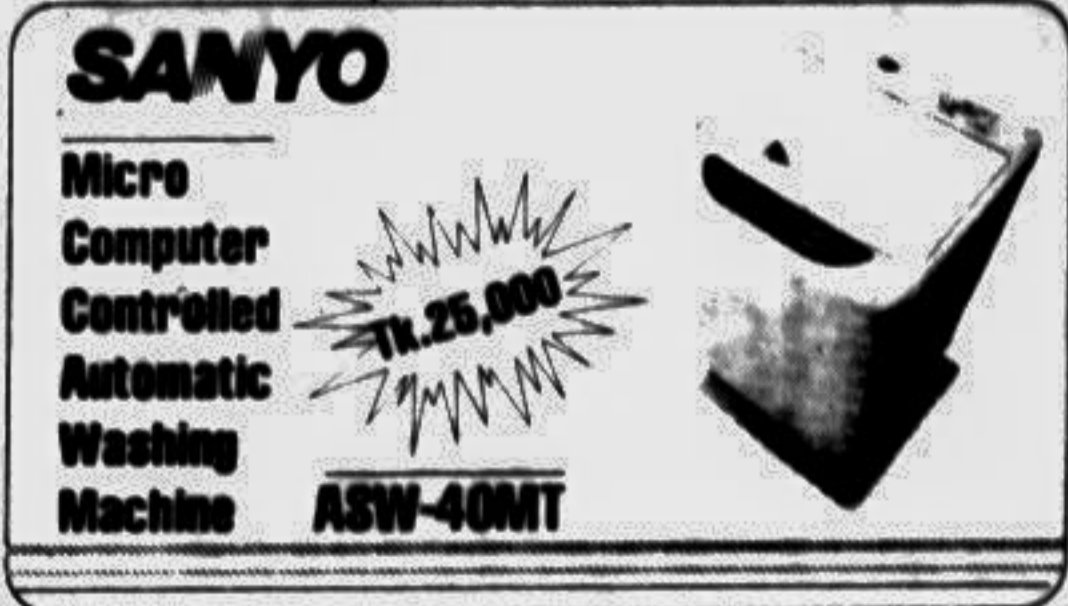
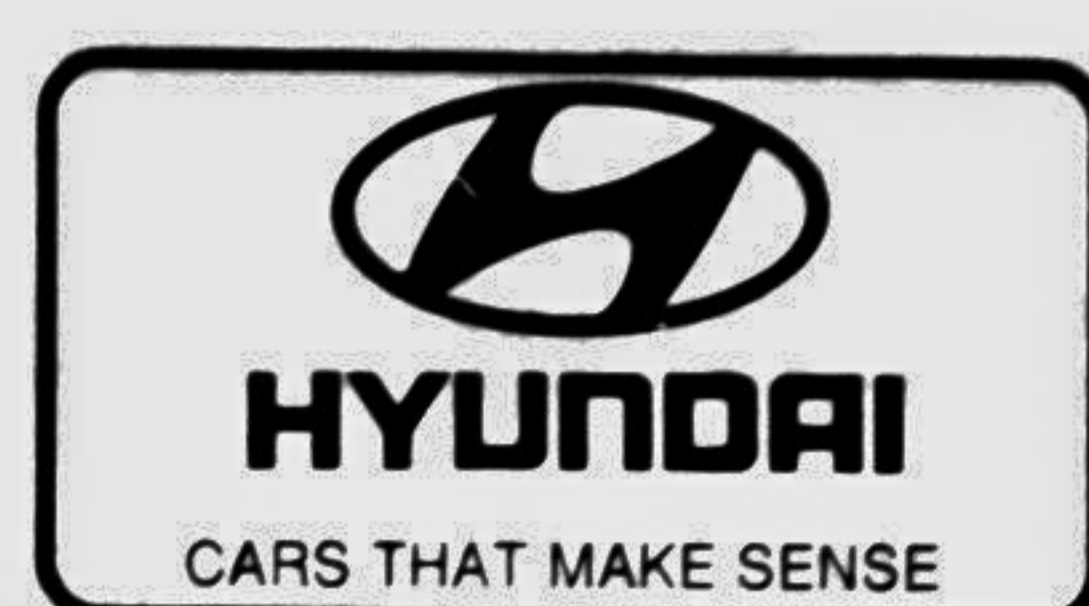


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DHAKA, FRIDAY, AUGUST 22, 1997

### Karnaphuli Ins declares 20 pc dividend

Karnaphuli Insurance Co declared 20 per cent dividend for the year '96 at its tenth annual general meeting held on Wednesday, says a press release. Chairman, Nizamuddin Ahmed pointed out in his speech "the contribution of insurance industries" should be more expanded and wide for the economic development of the nation.

### Separate Korean desk at BOI

A separate Korean desk has been set up in the Board of Investment (BOI), reports BSS. The desk will deal all matters relating to promotion of Korean investment in Bangladesh. Deputy Director of the Board of Investment Sufia Zaman will hold the charge of the newly set up desk. The contact telephone number is 9550606 and fax number 9562312, a BOI press release said here yesterday.

Another desk for the promotion of Japanese investment has been in operation for the last one year, the press release added.

### Tk 500cr projects to meet drinking water demand of Ctg city dwellers

The Water and Sewerage Authority has taken up three projects at a cost of Tk 500 crore to meet the increasing demand of drinking water of the city dwellers.

This was disclosed by WASA Chairman Sultan Mahmood in a meeting of City Development Committee held at the auditorium of Chittagong City Corporation on Tuesday. City Mayor ABM Mohiuddin Chowdhury presided.

The meeting also informed that the works of the projects have already been started in Mohra and Fatehabad. The projects are expected to be completed by the year 2002.

Admitting the city dwellers' water shortage problem, the WASA officials hoped that after the implementation of the projects the authority will be able to lift 10 crore gallons of water per day.

The meeting also reviewed the ongoing development projects taken earlier by different government organisations.

Addressing the meeting, the Mayor called upon all to work in a coordinated manner to build the modern port city aiming at attracting foreign investment.

Deputy Commissioner KM Habbibullah and other high officials of the government attended the meeting.

### Investment seminar on Bangladesh held in London

An international seminar on "Tourism development and investment opportunities in Bangladesh" was held in London last month, according to a message received here on Wednesday, reports BSS.

The seminar was organised to mark the publication ceremony of the "Hospitality Bangladesh", a tourist and investment guide edited by Dr. Belal Husain Joy.

Presided over by Barrister Anis Rahman, the seminar was also addressed, among others, by AH Mahmood Ali, High Commissioner of Bangladesh in the UK, Simon Hughes MP, Jennifer Forsyth, Deputy Mayor of the royal borough of Kensington and Chelsea, London.

The seminar concluded with a Bengali music show "down memory lane," participated by Jamil Ibrahim, Rubba Anwar Shahanz Islam Nina and others.

### DHL acquires more Airbus aircraft

DHL International announced recently that it has signed a letter of intent with the Pinnacle Aircraft Leasing for the long-term lease of three Airbus Industrie A-300B4-200 converted freighter aircraft, says a press release.

These will be the first wide-body aircraft to be utilised by DHL in Europe and are the first Airbus aircraft to enter the DHL international fleet.

The aircraft will be deployed on DHL's high volume intra-European routes, commencing operations in the fourth quarter of this year.

"DHL's international volumes have been growing at 30 per cent per year," said DHL International Operations Director, Neil Ferguson. "This lease arrangement is the first step in a long-term fleet investment programme."

The A300 comfortably meets the most rigorous standards of noise regulations and with its 43 tonne capacity it is a welcome addition to the DHL European Air Network.

## Figures speak different story, says finance minister

# Kibria decries 'crisis-mongers'

Finance Minister SAMS Kibria yesterday refuted press reports on "serious liquidity crisis" in banks, saying those were not based on facts, reports UNB.

"We have still Tk 2,258.99 crore excess liquidity against the requirement of Tk 1,400 crore," he said.

At a meeting with Krishi Bank officials, he also reacted to some businessmen's concern that the economy has become stagnant. "If it is true, then how we could achieve 5.7 per cent growth?" he asked, adding that over five per cent growth rate was achieved only once in last 15 years.

"Those, who are trying to highlight the crisis, are in fact

trying to create an atmosphere of crisis."

Turning to increase of fuel prices, the minister said the government has made a minimal rise in the prices of diesel and kerosene, which are essential for common people.

He said irrigation pumps, engine boats, trucks, and 90 per cent of buses use diesel. "We have to import fuel at international rate. The overall economy will face pressure if we sell fuel at unrealistic prices."

Kibria mentioned that for similar reason, the fertiliser price was increased recently. He said gas price was also much less than international price as it is internal resource. "We will have to realise these facts," he

added. Kibria said a slow but steady revolutionary change is taking place in the country's agriculture sector with the growing awareness of the farmers in using sophisticated method.

"They are now showing more interest in appropriate use of fertiliser, better quality seeds, irrigation water and pesticide, even in diversification of crops. More and more dairy, poultry and fish farms are being set up," he said.

The minister was addressing the 30th conference of divisional general managers, regional managers, and divisional and regional audit officers of Bangladesh Krishi Bank (BKB) at a local hotel in the

morning. He said Bangladesh Krishi Bank has been contributing a lot to the change in the agriculture sector. "You are the partner of the revolution. You can contribute more through expanding your activities," he told the BKB officials.

Kibria said agriculture sector plays a significant role in the economic development as about 65 per cent people depend on it. "The health of agriculture sector depends on the activities of Krishi Bank," he added.

The minister expressed satisfaction over the growth in loan disbursement and recovery rate of the BKB and called upon the officials to work hard

for continuing the trend aiming to make the bank a model for banking sector.

In fiscal 1996-97, the BKB achieved 85 per cent of its loan disbursement target and 89 per cent of recovery target.

The bank disbursed loans amounting to Tk 781.15 crore and realised Tk 800.93 crore during the year.

The bank fixed a target of disbursing loans of Tk 1,000 crore and of recovering Tk 1,350 crore in the current fiscal year (1997-98), Kibria said.

Member of the Board of Directors of BKB, AKM Bahauddin also spoke at the inaugural function of the conference, chaired by its Managing Director AJ Masudul Huq Ahmed.



### Netting settlement system DSE awaits SEC signal

Star Business Report  
The Dhaka Stock Exchange (DSE) has asked the Securities and Exchange Commission (SEC) to examine the netting settlement system and if law permits trading under this system, it will be immediately introduced in the bourse.

A DSE press release issued yesterday also said its council meeting on August 19 had informed the finance minister that although the Chittagong and Dhaka bourses function under the same rules and regulations, but two different types of settlement system work in the bourses.

This, they observed, work against bringing stability in the capital market.

The finance minister, after hearing from DSE, has asked the SEC to initiate a similar settlement system in both the bourses, the DSE said.

The officials of DSE and SEC held a follow-up meeting on the issue on August 20 in which DSE delegates said that the netting settlement system violates the SEC ordinance. The DSE also requested for proper examination of the systems and introduction of a single settlement system in both the bourses.

### Kenyan NGO team in Dhaka

Star Business Report

A 13-member delegation of top executives of Kenyan leading NGOs arrived in Dhaka yesterday for a two-week study tour in Bangladesh, according to the British Council here.

During their two-week stay in Bangladesh, the members will visit the programme areas of ASA, Grameen Bank, Proshika, BRAC and some other NGOs. They will also meet the NGO leaders here.

At the end of the tour they are scheduled to hold a workshop to discuss the outcome of their visit.

Members of the delegation include: K Mutai, Alexander K-Rep, B Nobati, G Okema of CARE-WED, Per Odenang, I Kahuli of FAULU, G Mugambi of Cooperative Bank, J Mwangi, R Macharia of KWT, C Masinde of DFID-BASE, Alex Kakuru, James JM Obama of PRIDE and Sammy Mwangi of SEDA.

### Lanka sells tea to Iraq, eyes oil deal

COLOMBO, Aug 21: The Sri Lankan government has quietly obtained UN permission to sell tea to Iraq, and is contemplating an oil deal with the nation that has been the subject of an international boycott since it invaded Kuwait seven years ago, reports AP.

Trade Minister Kingsley T. Wickramaratne said Thursday that permission was granted a month ago to sell tea to Iraq in batches through Jordan. He said Sri Lanka, the world's biggest exporter of black tea, has already shipped more than 3,000 metric tons (3,300 short tons) to Iraq.

After the 1991 Gulf War, the UN barred Baghdad from trading with foreign countries except on humanitarian grounds.

Under the Sri Lankan deal, United Nations approval will be necessary for each export order on a case by case basis. Wickramaratne said Sri Lanka hoped to sell Iraq as much as 20,000 metric tons (22,000 short tons) of tea by next March.

Wickramaratne would not say how much Sri Lanka expected to earn, noting that market prices could fluctuate. Tea was selling Thursday for 114 Sri Lankan rupees per kilogram (about 88 cents per pound). At that rate, the 3,000 metric tons already shipped were worth about 6 million dollars.

### Exchange Rates

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 21/8/97:

Name of Currency	Buying		
	TT Clean	OD Sight	OD Transfer
US Dlr	44.4200	44.2493	44.1334
GB Pound	70.3514	70.0649	69.8813
D Mark	23.7944	23.6975	23.6354
F Franc	7.0638	7.0350	7.0166
JP Yen	0.3753	0.3738	0.3728
C Dlr	31.7327	31.6033	31.5207
S Franc	28.9940	28.8759	28.8002
Selling			
Name of Currency	T.T. & O.D.	B.C.	
US Dlr	45.0000	44.5000	
GBP	70.3400	68.3400	
S Riyal	11.9000	11.5500	
US Dh	12.0500	11.5000	
KUW Dlr	146.5000	141.5000	

### Tk 51cr released, another Tk 76cr allocated

## Govt opens 80 centres to buy raw jute

A jute ministry official said here yesterday that the government has opened 80 jute purchasing centres across the country to ensure fair prices to the jute growers, reports BSS.

The official said the government has targeted purchasing 18 lakh bales of raw jute directly from the jute growers for over 30 jute mills under public sector during the present season of buying.

He said the government has

already purchased seven lakh bales out of the total target and disbursed Taka 51 crore to purchase jute through the centres.

The official said the authorities had to open more purchasing centres because of the bumper production of jute this year.

He said the jute ministry will disburse another Taka 76 crore for buying jute from the farmers.

The official, however, pointed out that the government should sanction the cash credit (CC) limit from the banks to enable the jute ministry to disburse the required fund for purchasing the jute directly from the farmers.

The jute ministry official said the price of jute at the selling centres ranges from Taka 210 to Taka 300. The jute buying season will continue for another three to four months.

### Banned British beef dumped in E Europe?

HAMBURG, Aug 21: German prosecutors are investigating the suspected import of more than 600 tons of banned beef from Britain, of which they believe 440 tons were further shipped to eastern European countries, authorities said Wednesday, reports AP.

The Hamburg prosecutors office said it had confiscated 60 tons of British beef, stored at the town of Kaltenkirchen, 25 kilometres (15 miles) north of Hamburg. The meat may be tainted by mad cow disease, or bovine spongiform encephalopathy (BSE).

BSE, a brain wasting ailment in cattle has been linked to the fatal human brain degeneration called Creutzfeldt-Jakob disease. Widespread reports of infection in British herds last year brought an EU ban on exports, with beef sales plummeting across Europe.

Word of the British beef in Germany brought immediate calls for a beef boycott by the environmental Greens party in Bonn, which said in a statement that consumers could no longer be certain of the meat without clear signs of its source.

Baerbel Hoehn, the Greens agriculture minister in North-Rhine Westphalia state, demanded immediate steps to sharpen controls of beef imports in Germany.

Hamburg prosecutors said documents it had examined indicate some 616 tons of beef manifested as coming from Ireland, which is not banned from exporting beef, are in fact believed to be from Northern Ireland and Britain, where the ban is in effect.

Investigators believe that 440 tons originally shipped to Germany were funneled to eastern European countries. As soon as the countries are positively identified officials there will be notified, the prosecutors office said.

Another 116 tons of British beef is believed to have been processed and sent to outlets in Saxony, Lower Saxony and Bavaria states in Germany between April and June, prosecutors said. Thus far none of it has been traced.

### IMF okays \$4b credit to Bangkok

WASHINGTON, Aug 21: The International Monetary Fund on Wednesday approved a standby credit to Thailand worth 3.9 billion dollars to support government economic reforms, an IMF statement said here.

## Agri product prices drop in Natore

NATORE, Aug 21: The prices of agricultural products have fallen sharply in the district and the farmers are forced to sell their commodities below cost of production, reports UNB.

Despite bumper production this year, the jute growers are facing financial hardships due to abnormal low price of jute in the market. Even they cannot buy a big-size hilsa fish with the price of one maund jute.

Paddy is being sold in the local market at Tk 150-170 per maund against the production cost of Tk 180-200 and jute is being sold between Tk 180-225 per maund against the production cost of Tk 300 and above per maund.

Government has adopted a policy to procure paddy and jute directly from the growers at

fair prices, but the growers can not sell their products to the purchase centres because of the middlemen.

It is alleged that the officials at the centres procure paddy and jute from the middlemen directly depriving the growers from fair prices.

### Price of poultry feed shot up

Another report says: The prices of poultry feeds have registered a sharp rise affecting at least 120 poultry farms in six thanas of the district.

At present, per kg wheat and per kg maize are being sold at Tk 12 and Tk 13 respectively as against Tk 8 and Tk 9. A bag of 50 kg husk of rice is being sold at Tk 400 against Tk 250 to Tk 300.

## Strong demand props up crude prices

LONDON, Aug 21: Robust demand for petroleum products from the industrialised powers of the West is keeping a flame under world oil prices despite the threat of a surplus of crude supplies on world oil markets, reports Reuters.

International benchmark North Sea Brent blend futures traded two cents lower in London at 19.05 dollars at 1645 GMT on Wednesday, maintaining the year's average so far above 19 dollars a barrel.

Analysts said the surprising strength of demand for petroleum products in established economies has helped prop up crude prices when supplies were expected to outstrip demand.

"Products look tight in the short and medium term," said Geoff Pyne at finance house UBS in London. "Even if crude goes into surplus actual product demand is so strong, particularly in the US that I don't think the market will come off in the short term," he added.

Summer holiday gasoline consumption in the world's biggest oil importer, the United States, has proved particularly vigorous.

Latest weekly data from the American Petroleum Institute (API) showed US gasoline stocks down 3.27 million barrels in the week to August 15 or nearly 11 million below year-ago levels.

The API said last week that demand for petroleum products in July jumped 4.3 per cent on the year to average 18.9 million barrels a day (BPD) with gasoline demand up 3.2 per cent to 8.42 million.

Disruptions to refinery operations in Venezuela, the main US supplier, have kept traders on the hop.



Shahin Monwara Haq, MP opens 27th sales and service centre of Rangs Electronics Ltd at Naogaon.

## Asia-Pacific stocks rally in line with Wall Street

HONG KONG, Aug 21: Major stock markets in the Asia-Pacific region rallied Wednesday in line with strength on Wall Street and as Asian currencies enjoyed a brief respite from speculative attacks, reports AFP.

Hong Kong share prices surged 2.4 per cent after a rally on Wall Street and with pressure on the Hong Kong dollar seeming to fade, dealers said.

"The market, which ignored the currency concerns as interest rates are down, with retail and institutional buyers going... bargain hunting," said David Luk, dealer at Amsteel Securities.

KUALA LUMPUR: Malaysia's key stock index soared 5.0 per cent in a rally led by bargain hunting by local funds and programme buying by foreign funds.

"What seemed like a technical rebound turned into a small rally with support from both foreign and local funds," said a dealer with a local brokerage, adding that the upturn is unlikely to be sustained.

TOKYO: Japanese share prices rallied on futures-led gains in late trading, although underlying investor sentiment remained cautious, brokers said.

Brokers said stock index futures turned sharply higher in closing trade, helping to offset modest declines which were seen mid-way through the afternoon session.

SYDNEY: Australian share prices rose 0.4 per cent, spurred by bargain hunting and a further recovery on Wall Street, brokers said.

The main index "drifted higher towards the end due to a little bit of bargain hunting but the focus remains on how the US will do," Reynolds Broker Peter Struck said.

SINGAPORE: Singapore blue-chip share prices ended 1.3 per cent higher as hopes of an economic recovery sparked by strong July export growth lifted the gloom cast by regional currency turmoil.

"There was a lot of knee-jerk buying but happily it was sustained," said a dealer with a European brokerage.

JAKARTA: Jakarta share prices rose 0.4 per cent as the rupiah rallied and amid selected buying of heavyweight stocks led by government-related issues, dealers said.

Amatara Securities dealer Hengky Sumali said the market "should have recovered much more strongly as the rupiah strengthened against the dollar."

MANILA: The Philippine Stock Exchange Index rose 1.7 per cent on a technical rebound following a plunge the previous trading day.

"The prices are improving but a lack of volume... is an indication that it's simply a technical rally after the steep drop we had on Monday," Joey Garcia of Rtg and Company Inc said.

BANGKOK: Thai share prices closed marginally lower as investors sold blue chips amid economic and political concerns, dealers said.

A Dynamic Eastern finance analyst said currency troubles kept investors away from the stock market, with some believ-

ing current political tensions will drive the baht lower.

SEOUL: Share prices closed 0.7 per cent higher on the Korea Stock Exchange, led up by blue-chips, dealers said.

"This is the first rise after six consecutive days of losses," a dealer at Hyundai Securities said.

TAIPEI: The Taipei bourse jumped 1.5 per cent as the mainstream electrical issues were lifted in tandem with major gains among US technology shares, brokers said.

The Taiwan Stock Exchange weighted price index rose 142.71 points to 9,855.16.

AUCKLAND: Share prices on the New Zealand Stock Exchange (NZSE) edged up just 0.4 per cent on thin turnover, brokers said.

Two thirds of the volume today was off-market transactions, so once again we are still seeing slightly lower liquidity through the market in general," said Nigel Scott at Bz New Zealand.

The key NZSE-40 closed 8.91 points firmer at 2,502.79.

### Coming AGMs

Company	Book Closure	AGM/EGM	Date	Venue & Time	Dividend Proposed
BSC	09/08/97-07/08/97	AGM	07/08/97	Esplanade Garden, 12 noon	24
BTC	16/08/97-23/08/97	AGM	23/08/97	Hotel Purban, 11.45 am	18.5
UCBL	13/08/97-27/08/97	AGM	27/08/97	Hotel Sonargang, 3.30pm	42.5
Eastern Ins	12/08/97-26/08/97	AGM	26/08/97	Hotel Sonargang, 11 am	20
BD Luggage (Deb)	04/08/97-04/08/97	Half yearly interest			
Best Fisheries	14/08/97-26/08/97	AGM	28/08/97	Hotel Sonargang, 3.30 pm	20
Bexamco Ltd	14/08/97-26/08/97	AGM	28/08/97	Hotel Sonargang, 10.30am	25
Lenox Ltd	21/08/97-10/09/97	AGM	10/09/97	Prianta Community Centre Diamond 11 am	18
Glass	11/08/97-17/08/97	AGM			
1st CIB MF	22/08/97-31/08/97	AGM			100
2nd CIB MF	Do	Do			20
3rd CIB MF	Do	Do			25
4th CIB MF	Do	Do			35
5th CIB MF	Do	Do			45
6th CIB MF	Do	Do			24
7th CIB MF	Do	Do			21
8th CIB MF	Do	Do			18
Best Milling	19/08/97-30/08/97	AGM	02/09/97	Hotel Sonargang 3.30 pm	15
Best Inflation	Do	Do	Do	10.30 am	25
Best Syn (Deb)	18/08/97-31/08/97	AGM		Half yearly interest	
Padma Tex	22/08/97-07/09/97	AGM	07/09/97	Hotel Sonargang, 10.30 am	25.185
Mutual Life	10/08/97-24/08/97	AGM	24/08/97	JK Bhawan Kalkal, 5 pm	20
B derms	27/08/97-30/08/97	AGM		Hotel Sonargang, 10.30 am	20
B Synthetic	Do	AGM	Do	Do 3.30 PM	35
B The Au	05/08/97-18/08/97	AGM	18/08/97	BOC Auditorium, 11.30 am	18
Best Tex	27/08/97-07/09/97	AGM	07/09/97	Hotel Sonargang, 3.30	20
Aper Footwear	27/08/97-18/09/97				