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BUSINESS

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HYUNDAI

CARS THAT MAKE SENSE

At last she goes
to court for
pay rise

NEW DELHI, Sept 5: A cleaner at a government-run school in eastern India, who earned a dollar a year for 25 years, has appealed to a court for a pay rise, the Press Trust of India said yesterday, reports AFP.

Rajani Nahakani was paid 36 rupees (one dollar) for each year of work for 25 years after being hired by a girls' school in the eastern state of Orissa in 1970. Her salary was increased to 33 dollars a year in 1995, which she said was a little for her family.

She sought legal action after the school authorities recently refused to further increase her wages, the report said.

China to issue
ten-year
treasury
bonds

BEIJING, Sept 5: China will issue 13 billion yuan (1.6 billion dollars) in ten-year treasury bonds later this week, the Ministry of Finance announced Wednesday, says AFP.

The bonds, the last batch of registered notes this year, carry a coupon rate of 9.78 per cent and can be traded immediately after the issue closes on September 24.

The bonds go on sale Friday. The ministry said the interest rate was decided Tuesday through price bidding among more than 70 state treasury bond underwriters.

The Investment Bank of China was the lead underwriter, with the Everbright Bank of China and the Shanghai Urban Cooperative Bank acting as deputy underwriters.

The ministry issued 40 billion yuan (4.8 billion dollars) in three-year treasury bonds on Monday, despite worries about dwindling consumer interest.

China had already offered 123 billion yuan worth of three-year bonds before Monday's issue, and state-owned commercial banks have been reporting difficulties in selling their quotas.

High returns from the stock market have sucked money away from bond investments, while a recent ban on the participation of banks in the secondary market has further damaged sentiment.

China also issued 20 billion yuan in two-year government bonds between January and February this year.

The total bond issue for 1997 is expected to exceed 250 billion yuan, compared to 195 billion yuan last year.

Some analysts have suggested that if bond sales fail to pick up, the government might resort to forced sales among work units — a practice that sparked intense resentment in the early 1990s.

The bond issues are vital to the government, which since 1994 has been unable to offset its budget deficit by borrowing from the central bank.

Japan calls for
removal of US
ban on shipping

TOKYO, Sept 5: Japan's Transport Minister on Friday called for the immediate removal of US sanctions against Japanese shippers, but said retaliatory measures were unlikely, says AP.

A system of US fines affecting Japan's three largest shipping companies went into effect Thursday to punish alleged restrictive practices in Japanese ports.

Transport Minister Makoto Koga told reporters Friday that the sanctions violate the bilateral friendship, Commerce and Navigation Treaty between Japan and the United States.

The one-sided imposition of sanctions violates the treaty. So we have asked (the United States) to withdraw them," Koga was quoted as saying by Kyodo News Agency.

He said, however, that the issue will be resolved through patient negotiations, and that "it would be difficult to take retaliatory measures."

Chief Cabinet Secretary Seiroku Kajiyama also condemned the sanctions, calling them "regrettable," but vowed that the government will continue efforts to resolve the dispute.

The first three ships facing fines were expected to reach US harbors Friday. Kawasaki Kisen Kaisha Ltd, Mitsui O.S.K. Lines Ltd, and Nippon Yusen KK had full container ships headed for Tacoma and Seattle, both in Washington state, and Houston, Texas.

The sanctions were proposed in February by the independent US Federal Maritime Commission, which complained about what it regards as two restrictions on competition.

One is a practice known as "prior consultation," in which any changes in shipping practices must first be discussed with the Japan Harbor Transportation Association.

Fertilizer market dull

37 surrender dealership

JAMALPUR, Sept 5: As the fertilizer market going dull, a good number of dealers of Jamuna Fertilizer Factory surrendered their dealership, leaving the factory in a serious crisis in marketing urea, reports UNB.

Officials said 37 dealers of seven districts in the command area of the factory surrendered their dealership till August 31 while 11 more applied to surrender without drawing the allotment of the current month.

The districts where urea is supplied from the Jamuna Fertilizer Factory are Jamalpur, Tangail, Sherpur, Mymensingh, Sirajganj, Gaibandha, Bogra, Naogaon, Rangpur, Kurigram, Natore, Pabna and Joipurhat.

Bangladesh Chemical Industries Corporation (BCIC), which runs the Jamuna Fertilizer Factory, had nominated 1,300 dealers in the districts for distribution of fertilizer in their respective areas.

On the basis of the estimated requirement of the Agriculture Extension Department, 96,534 metric tons of urea — 61,311 mt from the factory and 35,225 mt from the buffer stock — were allotted for the month of August in the districts.

But only 51,523 tons of urea were drawn by the dealers from the factory. No fertilizer was lifted from its buffer stock.

During the period, 37 dealers — 16 in Jamalpur, 10 in

Mymensingh, six in Sherpur, two in Gaibandha and one each in Tangail, Kurigram and Bogra — surrendered their dealership.

The 11 dealers who applied to surrender dealership include seven from Mymensingh, two from Jamalpur and one each from Rangpur and Gaibandha.

A total of 83,795 metric tons of urea fertilizer were allotted for the month of September. According to the officials, the fertilizer market presently remains steady and the price has been kept in control due to some reformative steps taken by the government, which include available supply and prevention of smuggling.

The government has fixed the price of per 50-kg bag of urea

from the factory side at Tk 240 while the buffer stock rate Tk at 265.

Except the irri-boro season, the internal demand for urea is very low and the market price of per 50-kg bag of urea usually sold at Tk 260.

The dealers said if they sell a bag of urea at the rate of Tk 260 they will incur loss because they have to spend additional Tk. 20-27 against each bag for transportation from the factory to their godowns.

As per the contract, a dealer is supposed to lose his dealership as well as his security money Tk 2 lakh if he fails to lift the allotted fertilizer for two consecutive months or three times a year.

LDCs urged at dialogue on globalisation

Get ready to face
economic aggression

Star Business Report

The least developed countries should improve their human resources and communication systems to save themselves from economic aggression by some emerging regional powers.

This was observed by speakers at a dialogue on globalisation trend held at a city hotel yesterday.

Expressing concern over the recent empowerment of some regional groups which, in future, may destroy the global liberal economic system, the

global integration; opportunities and threats", was participated by economists, journalists, politicians, labour leaders and officials of International Labour Organisation (ILO).

Participating in the dialogue Dr Wahidur Rahman of ILO said South Asian countries are not receiving FDI in large scale because of unskilled manpower and bad communication system.

He said, "As globalisation is unavoidable, so the LDCs should open their markets after ensuring equal share."

The fate of common man living in these countries did not change over the years though a large amount of foreign aid was infused, he said, adding that for improving human resources, the countries should develop an institutional mechanism.

Politician Hasanul Haq Inu said, "The government still has some points for bargaining to ensure our rights before participating in October summit of World Trade Organisation (WTO)."

He underscored the need for bringing about a change of attitude in trade union movement in the context of world economic atmosphere.

In his key-note speech, Noel Rebello of Labour Education and Service Centre, Bombay said the emerging regional powers would also bring a great harm to world economic welfare.

Focusing on the situation in South Asian countries he said formation of joint ventures between firms of SAARC countries is constrained by a number of factors such as inadequate skilled manpower, industrial indiscipline, poor infrastructure, lack of information about demand and supply, and small size of markets.

Though the service sector has a strategic role in the development process, negligible cooperation has been extended in this area, he noted.

Rebello said in spite of the relatively consistent rate of growth registered generally in all the countries of the sub-region, such growth has failed to improve the condition of the poor.

Durgadas Bhattacharjee of Dhaka University conducted the dialogue.



Political leader Hasanul Haq Inu making a point at a dialogue on globalisation trend.

— Star photo

Pakistan may
achieve cotton
output target
this year

KARACHI, Sept 5: Pakistan is expected to achieve its target of 10 million bales of cotton, each weighing 375 pounds (170 kilograms), this year despite recent floods and torrential rains, officials said Thursday, reports AFP.

The area under cultivation has increased by three per cent and the weather, overall, has been suitable for the crop, experts said.

Zahoor Ahmed Baluch, Principal Scientific Officer at Pakistan Central Cotton Committee said cotton sowing in central Punjab and southern Sindh provinces had exceeded the target of 2.90 million hectares.

Pakistan is one of the largest cotton producers in the world. Exports of cotton and its products contributed more than 60 per cent of the country's total exports of around \$7 billion during the fiscal year from July 1995 to June 1996.

It produced 8.78 million cotton bales last year against the target of 10 million. The shortfall was blamed on pest attack, lack of rain and the use of sub-standard seeds by some key cultivators.

Baluch said cotton was grown over more than 2.30 million hectares in Punjab and more than 0.60 million hectares in Sindh this year.

Punjab is expected to produce 8.4 million while Sindh is likely to harvest about 1.6 million bales.

Baluch said flooding in Punjab had "minutely affected" the cotton crop while the rains so far had a better impact on the crop and Pakistan was likely to achieve the production target.

The new crop should begin reaching the market around October.

Attacks of boll worm, white fly and cotton leaf curl virus were under control this year and the rain prevented the spread of any virus.

Pakistan has developed various virus resistant varieties which have been supplied to farmers to increase production.

New GM of
Janata Bank

Md. Nurul Islam Mollah has joined Janata Bank head office in Dhaka as General Manager on promotion Wednesday, says a press release.

Prior to his present assignment, he was the deputy general manager of the bank.

Mollah started his banking career in 1969 as an officer in the then United Bank Ltd.

Japan to cut
loan rate for
anti-pollution
projects

BEIJING, Sept 5: Japan will lower the interest rate charged on official yen loans for anti-pollution projects in China and other developing countries, government officials said yesterday, reports AFP.

Japanese Prime Minister Ryutaro Hashimoto unveiled the plan to Chinese premier Li Peng in a meeting at the Great Hall of the People here, the officials said.

Hashimoto arrived here Thursday for a four-day China visit to mark the 25th anniversary of normalised diplomatic ties between the two Asian giants.

The rate charged on yen loans for environment-friendly projects will be cut from 2.1 per cent to 0.75 per cent annually.

Such loans will also have a long maturity of 40 years including a 10-year grace period, compared with a maturity of 30 years at present, they said.

As for China, the new terms will be applied from the year starting in April 1998.

Japan has treated environment-friendly industrial projects favourably when extending yen loans since 1995, reducing the interest rate by 0.2 percentage points from the rates on conventional projects.

UNDP chief blasts
donors for aid cut

NEW DELHI, Sept 5: Unless donors pay for development in poor countries now, future generations will have to pay dearly later, the head of the United Nations Development Programme said Friday, reports AFP.

"A wave of short-sightedness is spreading across the industrial world. The donor countries will pay dearly in peacekeeping costs, terrorism, drug trafficking, environmental damage and migration pressures," James Gustave Speth told reporters in New Delhi.

Speth is visiting India as part of a six-nation Asian tour to hold policy discussions with government officials and start new UNDP programmes in the region.

UN development assistance funds have dropped by a fourth since 1992 and promised contributions by donor countries have fallen to 0.25 per cent of their gross domestic products from the one per cent agreed to in the 1970s.

Wealthy nations are cutting aid budgets in part because they argue the United Nations mis-spends its funds. In response, the world body recently pledged to streamline its bureaucracy and cut budgets.

Speth was harsh in his criticism. Most donor countries — who Speth said "don't deserve the la-

bel" — see the United Nations more as a forum for addressing their security interests rather than an agency for development work, he said.

"The UN is going to lose its leadership if its developmental work declines," Speth said.

Speth urged developing countries to pressure donors at every opportunity.

But no country should rely on aid to solve their economic problems, Speth said.

Development assistance should be seen as complementary and supportive to private investment and other structural adjustments countries have to make," Speth said.

Speth visited Iran, Afghanistan and Pakistan before he came to India and will leave shortly for Thailand and Indonesia.

While in India, Speth will sign agreements with the government for five new programmes including food security, technology management and environmental protection.

India was likely to receive more than 200 million dollars in outright grant assistance, making it the UNDP's largest country programme.

While India receives a lot of assistance from the UNDP, it is also one of its largest contributors from the southern hemisphere.

KL warns of action against
foreign speculators

KUALA LUMPUR, Sept 5: Malaysian Deputy Prime Minister Anwar Ibrahim said that Southeast Asian nations would launch a joint effort against an "economic war" launched by foreign speculators on their currencies, reports AFP.

The government was not devoid of resources to battle Western international syndicates who have launched a war against the region's share market and currencies, he was quoted as saying.

The Malaysian ringgit plunged to the sensitive 3,000 level against the US dollar Thursday amid Kuala Lumpur's financial market turmoil, dealers said.

"The uncertainties surrounding the outlook of the

economy and ad hoc policies that are implemented to defend the economy is driving out foreign investors," a dealer said.

Anwar, who is also the finance minister, added Malaysia was neither fearful of the Western syndicates but was confident that measures taken would turn the attackers into "worms wriggling in the scorching sun."

"We are convinced that this group will face immense losses if they continue to sell our stocks... for the measures we have taken will stifle their efforts to buy back the shares at even lower prices," he said.

"Because of the greed, we are certain they will come in haste to buy our shares when the market reverts to stability," Anwar added.

Anwar said that Western syndicates were able to launch lightning raids on the economies of Association of Southeast Asian Nations (ASEAN) members because ASEAN as a unit was weak in defending its economies.

He said, although ASEAN was seen as "united" economically, the economic interests of each member nation still superseded the interests of the region as a whole.

"It is therefore, clear that the attackers are aware of this weakness and their strategy now was to launch sudden attacks against us one by one," he said.

Anwar said the financial tumble in ASEAN member Thailand had affected all the group's members as well as Hong Kong, ASEAN groups Brunei, Myanmar, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

Anwar, however, said the current gloom in the economy was only a passing phase and those throwing their shares into the market were greedy and out to make extraordinary gains from an extraordinary situation.

The Deputy Prime Minister also said the government was aware and understood the plight of the people particularly entrepreneurs who are passing through difficult times.

"We cannot react in a haphazard manner. We must study all the strategies with care and wisely so that our measures would have a positive effects," he said.



The Managing Director of Agrani Bank, Mosharrar Hossain, attended a conference of managers of the bank of Gopalganj zone as chief guest recently.

Asian markets: Malaysia's currency, shares soar

HONG KONG, Sept 5: Malaysia's currency and stock markets soared Friday after the government lifted some trading restrictions, reports AP.

Shares also surged in Indonesia after the authorities scrapped a 1989 rule that foreigners cannot own more than 49 per cent of a listed company.

The Kuala Lumpur Stock Exchange's Composite Index rose 90.47 points, or 12.3 per cent, closing at 821.59.

Traders attributed the rise to the lifting of the ruling designating the 100 stocks of the benchmark Composite Index.

On August 27, the KLSE had declared that the 100 blue chip stocks would be "designated" and would be restricted to delivery before sale.

Another announcement that

some major engineering projects in the country would be delayed also boosted markets.

Malaysian Prime Minister Mahathir Mohamad also announced Thursday that efforts would be made to cut costs by scaling down imports.

The Malaysian ringgit rose to 2.9475 to the dollar, up from 3.0225 ringgit late Thursday. The ringgit on Thursday fell 3.0410 to the dollar, a 24-year low since the ringgit was officially floated in 1973.

Malaysia has been a focus of the recent turmoil in currency markets that began in Thailand when that country began to experience severe economic problems.

In Indonesia, the Jakarta Stock Exchange's Composite Index rose 60.243 points, or

11.2 per cent, losing at 594.113. Under the new government rule, foreigners can now own up to 100 per cent of any company, except for those in banking and finance, which are covered by separate laws.

Share prices closed higher in Singapore in a rebound inspired by a recovery in the Malaysian stock market. The benchmark 30-share Straits Times Industrials index ended 3.1 per cent, or 57.45 points, to 1,884.06.

In the Philippines, the central bank sold dollars Friday to shore up a rise by the peso, while share prices edged higher on better-than-expected inflation data.

The peso traded at an average of 32.191 pesos per dollar, compared to 32.309 pesos on Thursday. After a strong start, it started weakening and ended trading at 32.365 pesos, its weakest level of the day.

The peso's strength helped rejuvenate the stock market, where the main index rose 31.54 points, or 1.5 per cent, to 2,109.22 after soaring 4.2 per cent on Thursday.

In Tokyo, share prices closed mixed in light trading. The benchmark 225-stock Nikkei Stock Average gained 35.11 points, or 0.19 per cent, closing the week at 18,650.17 points. On Thursday, the average lost 120.11 points, or 0.64 per cent.

The broader Tokyo Stock Price Index of all issues listed on the first section was down 1.98 points, or 0.14 per cent, to 1,444.65. The TOPIX closed down 3.22 points, or 0.22 per cent, Thursday.

Share prices rebounded in Hong Kong on bargain-hunting after Thursday's sharp declines. The Hang Seng index, the Hong Kong market's key indicator of blue chips, rose 364.38 points, or 2.6 per cent, closing at 14,563.55. On Thursday, the index had slumped 514.82 points.

Elsewhere: BANGKOK: Thai stock prices ended higher in thin trading. The Stock Exchange of Thailand index rose 18.19 points to 540.39.

TAIPEI: Share prices rebounded after Taiwan's Securities and Futures Commission on Thursday authorised 913 million US dollars of new

Hilsa prices down for
plenty of supply

CHANDPUR, Sept 5: With the catching spree of hilsa in the rivers Meghna and Padma for last few days, the prices of the most delicious fish have marked a considerable fall in the local markets, says UNB.

The glut has brought down the price of hilsa from Tk 3500 per maund to about Tk 1800 or at best Tk 2000, traders said at Chandpur Fish Ghat on Wednesday.

There are over 200 hilsa arots at the ghat, where hilsa are brought by fishermen and baparies from distant places of Meghna and Padma by cargoes and fishing boats.

While walking through the alleys of the area, the UNB correspondent found all the arots and their floors flooded with hilsa of various sizes.

"The hilsa is in plenty for last few days," said a beaming Mohammad Ali Ahmed, a fish trader. The price level of hilsa is now within the reach of the poor, he said.

Another trader Mohammad Shafuddin said: Everyday 8-10 thousand maunds of hilsa are coming to this ghat and it's being sold at Tk 42 to 45 per kg.

The size of the hilsa being caught these days is much bigger perhaps due to control in indiscriminate catching of "jharka", the hilsa fry, in Meghna and Padma rivers by the District Administration, said a fisheries official.

Due to cheaper price of hilsa, the poor and the commonmen were seen to make rush in hats and bazars to buy the delicious fish.

After meeting the local requirement, the hilsas are sent to different districts — Comilla, Feni, Chittagong, Sylhet, Nara-

yanganj, Panchagarh, Tangail, Kishoreganj, Rangpur and other parts of the country — by trains and trucks.

Railway officials said for last few days they were earning over Tk one lakh a day transporting hilsa boxes filled with ices to distant places of the country.

Several thousand day labourers were seen working round-the-clock in the ghat to pack hilsa and crush ices for its preservation.

US House votes
for cut in
foreign aid

WASHINGTON, Sept 5: The House of Representatives approved a 12 billion dollars foreign aid budget that would trim slightly the overall level of US assistance to foreign governments, reports AFP.

The bill adopted by a vote of 375-49 is 4.6 billion dollars less than requested by the White House, largely because lawmakers eliminated a request for 3.5 billion dollars for a new International Monetary Fund loan programme.

The House also approved 625 million dollars instead of 900 million dollars requested for former Soviet republics, largely due to discontent with sales of military equipment to Iran.

The measure would grant the largest items of three billion dollars to Israel and 2.1 billion dollars to Egypt for military and economic assistance.

A final version of the bill still must be worked out with the Senate before it is sent to the White House.

\$2m offered for
car in which
Diana killed

RIYADH, Sept 5: A Saudi company has offered to pay two million dollars for the car in which Princess Diana was killed, a newspaper reported Thursday, reports AP.

The Taleb Commercial Group said it would use the car in advertising painting products it produces in the kingdom and the United Arab Emirates, the Al-Eqtisadiyah daily said. It gave no further details.

Diana, her companion Dodi Fayed, and their driver were killed when their Mercedes-Benz crashed in Paris on Sunday.

Dollar rises
against yen

TOKYO, Sept 5: The dollar rose against the yen Friday as the market shrugged off remarks by Japan's finance minister that the government has never sought a weak yen, reports AP.

In later afternoon, the dollar cost 121.06 yen, up 0.95 yen from late in Tokyo on Thursday and also above its late New York level of 120.87 yen overnight.

Finance Minister Hiroshi Mitsuoka said Japan's economy is moderately recovering led by the private-sector demand, but said it was a narrow-minded view that the economy is supported by the weak yen.

To this date, we've never induced weak yen," Mitsuoka told reporters.

A weaker yen tends to make Japanese exports cheaper abroad and more competitive, giving export-dependent Japanese companies better earnings when higher dollars are converted into yen.

During Friday's trading, the dollar fell as low as 120.68 yen from an intraday high of 121.30 yen following the Mitsuoka's comments, but Japanese institutional investors scooped up the dollar on its dips.

Shinichi Yamashita, manager of the treasury department with Sanwa Bank, said the Mitsuoka's remarks were very short-lived and that the dollar remained rather "directionless."

The US currency got support overnight after influential US economist C. Fred Bergsten predicted it could rise above 127 yen without US government intervention.

Exchange Rates

The following are the Sonali Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 4th, 5th & 6th Sept '97.

Buying	TT Clean	
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