

Britain will  
continue to train  
Bangladeshis

## Star Business Report

Britain will continue to support Bangladeshis in improving their efficiency and skill, the British Council said.

Some 300-350 government officials, NGO activists, agriculturalists, educationists and health economists benefit each year from programmes funded by the UK government's Department for International Development.

Acting British Council Director in Dhaka Dr. Simon Kay yesterday gave words of appreciation to some 50 participants who successfully completed their training in the UK under the 1997-98 programmes.

At a simple ceremony at the British Council auditorium, he put emphasis on such training to increase professional efficiency and skill. The Council has been organising the programmes since 1953, British Council officials said.

ACI to market  
J&J products

## Star Business Report

ACI Limited will market Johnson and Johnson products in Bangladesh.

An agreement to this effect has been signed between the two companies in the city recently, says a press release.

ACI will market and distribute Johnson's health-care and personal hygiene products in the country.

J&J has the franchise for the Bangladesh market for all its products which are sourced from anywhere in the world.

Through the distribution arrangement, ACI will now be able to make available to the consumers in Bangladesh internationally renowned Johnson & Johnson brands like Band Aid, Reach, Stayfree, Johnson Plaster, Johnson's Cotton and Buds.

Johnson & Johnson products are well-known and are popular in Bangladesh.

ACI will ensure regular availability of the products and a wider distribution in the country.

Senior officials of Johnson & Johnson India, recently visited Bangladesh to finalise the launching programme. J&J products will be handled by the Consumer Brands Division of ACI.

Washington meet  
may not allow  
China's WTO entry

## YAKOTA AIR BASE, Japan,

Sept 27: US Treasury Secretary Robert Rubin said on Friday there was little hope of an agreement at a Sino-US summit in Washington next month to allow China to join the World Trade Organisation (WTO), reports Reuters.

Giving a frank assessment of his talks during a three-day trip to China, Rubin said a deal would certainly not be struck at the meeting between Chinese President Jiang Zemin and US President Bill Clinton in Washington.

"I don't think anybody expects an agreement during the summit," he told reporters on board a US air force jetliner returning to Washington from a week-long Asian trip.

Washington has stalled China's bid to join the WTO because it says Beijing is not doing enough to bring down its trade barriers.

During Rubin's visit, the United States told China once more it had a long way to go before it could join the 130-member club of free trading nations.

Global coffee  
output may jump  
by 17.4 pc

LONDON, Sept 27: World coffee output should jump by 17.4 per cent in the 1996-97 crop year (October to September) from the 1995/96 level to 100.7 million sacks, the International Coffee Organization said yesterday, reports AFP.

The 1995/96 figure of 85.8 million sacks had been affected by a small harvest in Brazil according to a report by the organization.

For the current calendar year, the world harvest should exceed consumption, the agency says, with consumption totaling 99.3 million sacks against 99 million last year and 96.3 million in 1995.

Chilean exports  
to APEC states  
increase

SANTIAGO, Sept 27: Chile's exports to the Asia-Pacific Economic Cooperation (APEC) forum members between 1991 and 1996 increased by 82.9 per cent, reports Xinhua.

Chilean sales to APEC amounted to 7.914 billion US dollars last year as compared to the 4.327 billion dollars in 1991, according to the Chilean foreign affairs ministry's exports promotion direction here yesterday.

The main destinations of the exports are Japan, with 34 per cent of the total sales to APEC, and the United States with 33 per cent, followed by South Korea and China.

News on UK's joining EMU sends  
stocks soaring, pound plunging

LONDON, Sept 27: A report that Britain might try quickly to join the European single currency jolted London financial markets Friday, pushing the pound lower while stock prices soared, reports AP.

Although the Treasury branded the Financial Times report "pure speculation," the response from traders was swift and spectacular.

London's benchmark blue-chip stock barometer, the Financial Times-Stock Exchange 100-share index, soared through 5,100 points for the first time, then passed the 5,200-point mark.

The "footsie" hit an interday high of 5,244.3, up 178.8 points or 3.4 per cent, before drifting slightly lower in the mid-afternoon.

Stock traders were speculating Britain might have to lower interest rates to push the pound to a reasonable level for joining up with other major European currencies in a single money, called the euro, scheduled to be launched on January 1, 1999.

Currency traders turned starkly bearish on the pound, which fell to 2.8321 German marks, a 1.6 per cent drop from 2.8785 late Thursday. The pound fell to 1.6060 dollars, down 1.2 per cent from 1.6255 dollars late Thursday.

The Financial Times reported that senior members of the Cabinet were "openly canvassing" for participation in the new currency — quite soon

after its scheduled launch. The newspaper suggested the government might drop the pound in favor of participation in the euro before Britain's next national elections, due by 2002.

The government of Prime Minister Tony Blair had previously been expected to take more of a wait-and-see attitude.

A new stance by the government would be announced in a statement to be issued after lawmakers return for work at the end of October, the newspaper said, identifying its source only as a government minister who was not named.

"Because of the constitutional significance, you have to wait for MPs (Members of Parliament) to return," the minister said.

Under a deal negotiated by the previous Conservative government, Britain has until January 1, 1998, to decide whether to participate from the outset.

Both the Labour government and previous Conservative government said Britain will not ditch the pound without a referendum — a thorny proposition, in a nation where many people are deeply suspicious about closer political and economic ties with their continental European neighbours.

"It is no longer ridiculous to suggest we could win a referendum," the paper quoted a minister as saying. "The climate has changed."

The Financial Times said the government's shifting view was due to a "growing convergence of views" between Foreign Secretary Robin Cook and Treasury chief Gordon Brown.

Brown has long believed that Britain should join the single currency. Cook has worried that the single currency is not a good idea at present, but he has now come to believe that if the euro is launched successfully that Britain could be damaged by staying out.

"It is now clear that we must indicate our willingness to be in there," the unidentified minister told the Financial Times.

Britain takes over the rotating EU presidency in the first half of 1998 when many decisions about a single currency will be made.

"We have to be in the thick of that debate," the minister was quoted as saying. "But that will be impossible if they (other governments) think that we have no plans to join."

AFP report adds: Major European stock markets put on sharply contrasting performances on Friday.

The Paris bourse finished the week off with a substantial loss on Friday as the CAC 40 index finished at 2,985.63 points, down 0.66 per cent from the Thursday close. The indicator had been off by a sharp 0.83 per cent at the Friday opening.

Trading was active with volume of 7.9 billion francs on the monthly settlement market.

The Matif (financial futures market) also fell.

Traders said the bourse had been hurt by the dollar's weakness, as the currency's level is important to many French exporters. The bourse is also worried about heavier taxes on savings, announced Friday morning.

Frankfurt stocks plummeted, the Dax index giving up 1.63 per cent on the day to end at 4,080.78 points against 4,148.58 at the Thursday close.

Traders said the plunge was due to the dollar's weakness and losses on Wall Street on Thursday. (The Frankfurt market closed Friday before New York opened).

The Frankfurt bond market also declined, and the average yield on government issues jumped by 0.04 of a point to 5.07 per cent.

The Madrid stock market posted a strong gain in active trading as the Ibex-35 index finished at 7,205.91 points, up 80.47 points or 1.13 per cent from the Thursday close.

Amsterdam shares suffered through a dull session, the AEX indicator gaining a modest 1.34 points or 0.15 per cent on the day to end at 905.85.

In Zurich, the Swiss performance index finished at 3,651.72 points, up 27.72 points or 0.77 per cent by comparison with the Thursday close.

Raw material crisis  
KHM may slash  
production

From Quazi Amanullah

KHULNA, Sept 27: The present acute crisis of raw material may force the Khulna Hardboard Mill (KHM) to slash production.

If the crisis continues the production cost may rise and as a result the mill will neither incur any loss nor earn any profit.

As a profitable concern under BCIC, the mill requires top-dying sundari wood as basic raw material for maintaining quality production. It needs seven lakh cubic feet of top-dying Sundari wood annually.

An agreement to this effect has been signed with the Forest Department but the department has cut the supply without showing any reason whatsoever.

For keeping the production running, the mill is buying raw material (other than top-dying sundari wood) at a higher price. As a result, the production cost has gone up said mill official.

Established in 1966, the mill is yet to go for BMRE. The working capacity of the old machines has been lost due to careless handling.

At present the mill is capa-

ble of producing only two crore cubic feet hardboard annually. KHM sources said during the last fiscal year, the mill produced a total of one crore eight thousand square feet of hardboard fetching a profit of Taka 35 lakh.

But it earned a profit of over Taka one crore by achieving the production target of one crore seventy lakh square feet during the 1993-94 fiscal year on the ground that the supply of raw material was steady.

Frequent loadshedding and mechanical troubles seriously obstruct the normal production of the mill.

Buying of raw material at prices higher than before, maintenance cost, and high expenditures, are eating up the expected profit, said source of KHM.

In the last fiscal year (1996-97) the mill received three lakh ninety thousand cubic feet of top-dying sundari wood but the forest department was supposed to supply seven lakh cubic feet as per agreement.

The mill is yet to be assured of continuous supply of top-dying sundari wood.

Privatisation  
brings big  
dividends for  
Pak power plant

KARACHI, Sept 27: Kot Addu Power Company (KAPCO), which runs a newly privatised power plant in Pakistan Friday declared a dividend of two billion rupees (50 million dollars) in its first year after the change of hands, reports AFP.

Thomas Scott Morey, chief executive of KAPCO presenting the first annual accounts since the plant was privatised in June 1996, said the company's total income was estimated at 15.86 billion rupees (396 million dollars).

He told a news briefing net profit stood at 3.73 billion rupees (93 million dollars) for the fiscal year to June 1997.

KAPCO has acquired 36 per cent shares of the unit located in the Punjab provincial town of Kot Addu while the state-owned Water and Power Development Authority (WAPDA), retained 64 per cent of the shares.

WAPDA is incurring losses in almost all its power units with installed capacity of around 11,246 megawatts.

Morey said 33 million dollars of the total dividend will go to WAPDA.

"We offered the highest bid, at least 20 per cent above the next highest bidder. It was an open auction and everybody had a chance to participate in the bidding," Morey added.

KAPCO paid 291 million dollars for the share in the plant and also owned the liability of 756 million dollars which was transferred to the company from WAPDA at the time of the deal, he said.

Morey denied having received any correspondence from Pakistan government of WAPDA regarding the high tariff rates or any irregularities in the privatisation process.

"We are enjoying very good relationship" with the government and WAPDA, he said adding that KAPCO was in a good financial position having 25-year long power purchase agreement.

The plant has 15 gas and oil-fired power generating units with a total installed capacity of 1,488 megawatts of energy.

Oil refinery  
workers go on  
strike in Kuwait

KUWAIT, Sept 27: About 100 workers at a key oil refinery in Kuwait went on strike Saturday to press their demands for benefits and a better chance for promotion, reports AP.

Hamad al-Swayyan, the head of the oil workers union, warned that the strike might expand to other refineries if the state-owned Kuwait National Petroleum Co. does not meet the demands.

About 450,000 barrels of oil a day are refined at Mina al-Ahmad refinery, which is south of Kuwait City, al-Swayyan said. The refinery could bring in other workers to deal with the strike, he said.

A company official told the Kuwait News Agency that the strike would not affect production.

Oil Minister Issa al-Mazidi urged an end to the strike. In an interview with Kuwait's Al-Rai Al-Amm daily, he asked the workers "to put the interest of their country before their own."

The company has said that the workers do not want to take tests to be promoted. The tests were made mandatory in 1994, but the union contends that they ignore workers' seniority.

The company also stopped paying bonuses to workers who retire. A paid open leave for accompanying a sick family member for treatment abroad was limited to three months, al-Swayyan said.

Workers staged a six-day strike in March 1995. It was resolved after the company promised easier promotions and pay raises.

Mina al-Ahmad is one of Kuwait's three refineries, which together process more than 900,000 barrels of oil a day.

Indonesian rupiah  
hits record low

SINGAPORE, Sept 27: The Indonesian rupiah plunged to an all-time low of 3,125 to the US dollar here on fears that the country's credit rating outlook might be downgraded after Malaysia and the Philippines, reports AFP.

The rupiah struggled back to the 3,090 level after hitting its lows but a lack of support drove it back down to finish at 3,125, down 3.0 per cent from its Thursday close at 3,034, an analyst said.

Other Southeast Asian currencies were also pounded Friday after a brief respite earlier in the week.

Concerns over the Indonesian banking sector also contributed to market jitters over the rupiah.

The analyst, however, said that the possible ratings downgrade for Indonesia was "an excuse to sell the rupiah."

Hard rock thieves stalk  
forest hills

From Ratan Chowdhury

SHERPUR, Sept 27: The forest hills in three greater Mymensingh districts have been under threat of destruction as illegal extraction of hard rock is rampant that has an adverse effect on environment also.

The illegal extractors collect boulders, white soil and sand stones from the hill areas in Sherpur, Mymensingh and Jamalpur districts.

Currently, the unscrupulous extractors are operating more than 125 quarries in the region, a local forest official says.

Violating the restrictions on blasting, the illegal extractors are collecting on an average, ten tons of boulders per day with the advent of winter season. The season is suitable for extraction of the stones.

At least 10 to 12 lakh cubic feet of boulders are illegally extracted every year from this area, local experts estimate.

Such extractions are poised a threat to the ecological bal-

ance of the region, local environmentalists and social workers allege.

Boulders, white soil and sand stones are available in abundance at Garo and Gazni hills under Jhenaihati, Nalitabari and Srebordhi thanas of Sherpur district. The boulders and sand stones are also available in some parts of Haluaghat and Bakshiganj of Mymensingh and Jamalpur districts respectively. Collection of hard rock through blasting is strictly prohibited in the hill areas with a view to maintaining ecological balance.

The boulders are supplied elsewhere in the country at the rate of Tk 7000 to Tk 7500 per truck (200 CFT).

The traders smuggle out eight to ten tons of boulders from the hill areas against a permit of one to two thousand cubic feet, sources allege.

An official says the quality

of white sand stones of Jhenaihati and Nalitabari is best in the country.

Local politicians call for protecting the forest hills and utilising the natural resources, ensuring scientific and environment-friendly extraction process.

"Instead of importing stones from the neighbouring countries for construction of the Jamuna Multipurpose Bridge and other construction work, boulders should be collected from this area," Advocate Abdus Samad, President of the district unit of Awami League says.

Advocate Saiful Islam Kalam, President, Sherpur Bar Association and General Secretary of the district unit of BNP, showing a laboratory test report which was conducted by an Italian company says hard rocks found in the areas are suitable for any heavy construction work.

BD Dyeing  
declares 15 pc  
dividend, 5:1  
bonus share

## Star Business Report

Bangladesh Dyeing and Finishing Industries Ltd declared a 15 per cent cash dividend and one bonus share for every five shares for 1996 at the fourth annual general meeting of the company held at a city hotel yesterday.

The directors apprised the shareholders of performance of the company. The net profit rose to Tk 5.94 crore from the previous year's of Tk 5.00 crore, says a press release.

The service charges increased by 9.5 per cent, while the RMG sub-contract revenue increased by 48 times and the combined net profit was up by 18.7 per cent. As a result the earnings per share increased from Tk 50.07 to Tk 59.46.

The shareholders okayed the audited accounts along with the directors and auditors reports, and also dividend and bonus shares as recommended by the board of directors.

Oman's oil output  
up by 2pc in  
6 months

MUSCAT, Sept 27: Oman announced yesterday production of 188.5 million barrels of oil from January to July 1997, an increase of 1.8 per cent over the same period the previous year, reports AFP.

The Planning Ministry of the sultanate, which is not a member of the Organization of Petroleum Exporting Countries (OPEC), said in its monthly report that Oman exported 175.3 million barrels of oil from January to July this year, 3.3 per cent more than the amount sold during the same period in 1996.

The report said the average price of a barrel of Omani crude increased by 6.5 per cent to 19.4 dollars from 1996 to 1997.



Bangladesh Dyeing & Finishing Industries Ltd holds the fourth annual general meeting at a city hotel.

Sugarcane production may  
fall short of target

From Our Correspondent

JHENIDAH, Sept 27: Severe pest attack is likely to dwindle the sugarcane production this season under Mobarakganj Sugar Mills in the district.

The sugarcane production target set by the mills may not be achieved this year.

According to growers, the pest has attacked sugarcane fields in Chougachha, Jessore, Harinakundu, Kachandpur, Jhenidah, Khalispur, Saikupa and millgate subzone areas.

Growers say mazra attack has been severe on the sugarcane for the past two months.

Finding no other alternative the farmers are compelled to cut off the tops of the affected crops and this may result in the decrease of sugarcane production.

Employees and supervisors of the mill zone areas are not visiting the fields to protect the valuable crops, growers alleged.

When contacted, mill authorities said they have been trying to protect the crop from pest attack.

Another source said production of sugarcane in mill zone

dealers said.

The composite index closed down 8.74 points at 638.26.

Turnover was 28.8 million shares worth 390.2 billion won (426.4 million dollars). Falls outnumbered rises 610 to 172 with 118 shares unchanged.

SHANGHAI: Shanghai's shares, nominally reserved for foreign investors, rose 0.07 per cent as trading continued to focus on the new listing, analyst said.

The Shanghai stock exchange's B share index rose 0.05 points to close at 76.53 points. The A share index of locally traded shares rose 0.05 points, or 0.7 per cent, to close at 1,577.72 points.

The composite index of B shares dropped 7.38 points, or 0.7 per cent, to close at 1,109.63 points while the selected SSE-30 index sank 7.55 points, or 0.2 per cent, to stand at 3,408.71.

TAIPEI: The Taiwan stock market dropped 0.8 per cent amid bearish sentiment dampened by heavy selling of the mainstream electrical shares, brokers said.

The Taiwan stock exchange weighted price index slid 72.81 points to 8,719.00.

WELLINGTON: New Zealand's share market closed down 0.3 per cent on moderate turnover of 54 million NZ dollars (43.3 million US dollars).

The NZSE-40 capital index closed down 8.93 points at 2556.65.

Asia-Pacific stocks end lower in  
profit taking on quiet trade

HONG KONG, Sept 27: Stock markets across the Asia-Pacific region generally dropped Friday in profit taking on quiet trade, reports AFP.

Kuala Lumpur recovered well, ending up 1.3 per cent, as investors shrugged of a downgrade on the country's long-term foreign rating outlook.

The concerns cited for Standard and Poor's revision were not new to investors, although the change in the rating outlook has slightly dampen sentiments, said an institutional dealer at a local brokerage.

Credit rating agency Standard and Poor's Thursday downgraded from stable to negative the outlook of Malaysia's long-term foreign currency rating and the long-term ratings of national oil company Petronas, Telekom Malaysia and power giant Tenaga Nasional.

But in Indonesia, the rupiah hit record low against the dollar, as fears mounted Jakarta too could be downgraded, share prices fell 1.6 per cent.

Tokyo closed down 1.9 per cent as investors looked in profits.

Considering this trend, share prices may fall further after the recent profit taking for end September book closing finishes," one broker said.

TOKYO: Japanese share prices closed 1.9 per cent lower as corporate investors continued taking profits on selected blue chips before the closing of their half-year accounts at the end of September.

"Although the downside was supported by buying in the bank sector, selling in broader sectors, mainly by institutional investors, boosted declines towards the close," one broker said.

The Nikkei Stock Average of 225 leading fell 347.25 points to finish at 17,994.71, following a 0.4 per cent decline in the previous session.

HONG KONG: Share prices rose 0.5 per cent on late selective buying following a sharp gains in the previous day's trading, brokers said.

The market is boosted by strong futures trading, said Steve Cheng, sales director at Lippo Securities.

The stock exchange of Hong Kong's key Hang Seng index gained 74.28 points to finish at 14,710.87.

The value of turnover amounted to 16,786 billion Hong Kong dollars (2,168 billion US), up from the previous day's 16 billion dollars.

The Straits Times Industrials Index of leading shares on the stock exchange of Singapore closed 1.76 points, or 0.1 per cent higher, at 1,922.85. The broader All-Singapore Index closed 5.91 points higher at 476.79.

Turnover fell to 122.22 million shares valued at 315.80 million Singapore dollars (209.14 million US) from 169.22 million shares worth 393.82 million dollars the day before.

SYDNEY: Australian share prices eased 0.1 per cent, with industrial stocks losing ground as investors switched to major resource companies.

"It was like a roller coaster," said broker Peter Struck of Reynolds Co. "I think today there has been a lot of bargain buying and a bit of profit-taking in the afternoon."

The Australian stock exchange's main indicator, the All Ordinaries index, fell 3.6 points to 2,775.6.

National turnover totalled 387.7 million shares worth

1.628 billion Australian dollars (1,172 billion US), with rising stocks outnumbering decliners by 582 to 537.

KUALA LUMPUR: Malaysia's key stock index ended 3 per cent higher as local investors shrugged off a downgrade on the country's long-term foreign rating outlook.

The Kuala Lumpur Stock Exchange's 100-share weighted composite index rose 10.48 points to 79