

**Dhaka-Tehran
Intelpost service
from today**

Intelpost (BureauFax) service between Bangladesh and Islamic Republic of Iran will be introduced today, says UNB.

Intelpost items for despatch to Iran will be accepted at Intelpost centre (gateway) at Dhaka GPO between 9 am and 9 pm.

The items which include letters, business documents, messages L/C, shipping documents, custom documents etc will be transmitted to Iran through Facsimile over ISD. Telephone links at the Tehran Gateway in Iran.

Intelpost items received from Iran by Intelpost centre at Dhaka GPO will be delivered to the addressed through GEP delivery system in Dhaka, Chittagong, Khulna, Rajshahi and other district towns.

All relevant informations, that is mode of despatch, forms and rate of charges etc will be available at Intelpost centre, Dhaka GPO.

Mentionable that despatch of Intelpost items destined for Iran will be made from Intelpost centre, Dhaka GPO only, said an official handout.

**Workshop on
micro-credit
begins today**

A two-day national workshop on Sustainable Approach to Rural Development and Micro-Credit will be held in the city today, says UNB.

GRD and Cooperatives Minister Zillur Rahman will inaugurate the workshop at BIAB auditorium in Eskaton at 10:15 am.

State Minister for Foreign Affairs Abul Hasan Chowdhury will attend the function as special guest, says a press release.

Rural Development and Cooperative Division secretary Syed Marghub Moshed will preside over the inaugural function.

BRDB Institutional Support Project, Dhaka, will organise the workshop to prepare ground for ensuring Working Group Meeting of the D-8 Countries.

**South African
team praises
BRAC projects**

Star Business Report

Leader of the visiting South African parliamentary delegation, B M Ntuli, MP, has praised the BRAC programmes, which include micro-credit for income generation and basic education and health care, especially for women and children, alleviating poverty in rural Bangladesh.

He addressed a meeting between the delegation and the Executive Director of BRAC, Fazl Hasan Abed at BRAC Centre in the city on Monday, says a press release yesterday.

She said the skill development and capacity building of the rural poor through "reconstructing their mind" undertaken by BRAC was an essential element of poverty alleviation. "The experience gathered in Bangladesh would be a great help to us in alleviating poverty," she said.

Abed said the agriculture programme of BRAC will create employment opportunities for two and a half lakh women in rural Bangladesh by the turn of the century.

**US probing
Iranian
gas deal**

WASHINGTON, Sept 30: The Clinton administration is investigating whether a two billion dollar Iranian contract could lead to sanctions under US law, says AP.

"We will fully administer the law," White House press secretary Mike McCurry said Monday.

Iran signed a contract Sunday with a consortium of French, Russian and Malaysian oil companies to expand a gas field estimated to hold 300 trillion cubic feet of gas. The field is in the Gulf adjacent to Qatar.

**HK top favourite
investment place
in Asia: Survey**

HONG KONG, Sept 30: Hong Kong was voted the top investment market for investors with the best quality of shareholder communications in Asia, US consultancy firm said yesterday.

The survey, conducted last month by consultants Gavin Anderson and Co, also put China as the world's fastest growing economy, followed by Hong Kong, Singapore and Taiwan.

It said consumer-related industries appeared to be the most promising sector, followed by electronics and infrastructure.

However, the survey highlighted the fact that most Asian companies still had a long way to go before they reached the standard set for investor relations by the United States and Europe.

**Jute market
Private mills need money**

By Rafiq Hasan

Three-fourths of private jute mills are in deep financial trouble and are not being able to take advantage of attractive prices and a huge supply of raw jute.

Seeking government support, the mill owners say acute fund shortage was the main reason for them to be "inactive in raw jute procurement," while the government wants them to be "active" to prop up the jute market.

According to sources, only eight out of 32 private mills have received financial assistance from banks and are buying some jute. The Bangladesh Jute Mills Association (BJMA) says the private mills bought only 1.75 lakh bales so far against an annual requirement of more than 8.50 lakh bales.

State minister for jute and textiles A K Faezul Huq said he would discuss the issue with mill owners soon and take necessary steps.

The banks have so far provided Tk 50 crore to eight private mills as working capital, said Sirajul Islam Khan, secretary of the BJMA.

There is no money for purchasing raw jute, neither from

the government nor from any bank for the current season," he said.

Even the mills did not get the money committed by the government earlier under the World Bank-funded Jute Sector Adjustment Credit (JSAC), now stalled.

More than Tk 60 crore, to finance losses incurred by private mills, was lying with the government when the programme stopped in 1995, BJMA officials say. The mills were given only Tk 26 crore in March this year, while the rest remained unpaid as yet.

"If the money is paid to the private jute mills, they will come up in the market, and prices of raw jute may go up to a reasonable level," Siraj said.

BJMA chairman A M Zahidur Khan has written to the prime minister's political advisor Dr S A Malek, who is coordinating the government's efforts to come out of the crisis in the jute market, calling for releasing the money, which he said could be used to procure of raw jute during the current season.

Khan said the private jute

mills need support as they were suffering huge losses every year due to cost of production being higher than the return from exports.

"If the mills are unable to buy raw jute from the market during the harvesting season, they would have to get it from the suppliers at higher prices, which would increase the cost of production further," he argued in his letter.

Jute experts say the main problem always lies in the low quality and low price of the raw jute. About 50 per cent of total raw jute production in the country fall in the category of lower grade.

The main consumers of these fibres are the jute mills, both BJMC-managed state-owned and private. They make sacking and hessian out of the low grade. Only three to four lakh bales of jute of this quality are exported every year.

According to BJMA officials, about 25 lakh bales of low quality jute will be produced in the country this year, out of which the mills cannot consume more than 15 lakh bales. The problem is availability

of this extra 10 lakh bales, which has created the imbalance in the demand-supply situation in the market, bringing down the average prices of the raw jute," an expert said.

The state minister has spoken of further government intervention to save the market. "If necessary, the government will buy more jute and make a buffer stock," he said. "The main objective was to give the growers a fair price."

Meanwhile, arrival of high quality jute in the market is giving a better average for prices. The price of Tossa is still above Tk 450 per maund, while that of low-graded jute is still low.

Some 40 spinning mills, all in the private sector, which produce jute yarn and twine use high quality Tossa jute and bought about 2.50 lakh bales of raw jute during the current season against a requirement of about 8 lakh bales.

The main reason of slow space in raw jute procurement was due to less supply of the high quality fibres in the market," said Nazmul Huq, chairman of Bangladesh Jute Spinners Association.

Fundamentals of Indian economy sound

NEW DELHI, Sept 30: Indian Finance Minister Palaniappan Chidambaram yesterday said the fundamentals of the domestic economy were sound but warned there were some areas of concern, reports AFP.

He, however, argued that a decision by the World Bank to step up its lending to India in the current year was in response to the country's "good track record."

The fundamentals of the Indian economy are still sound although there are areas of concern, Chidambaram, an advocate of India's economic reforms launched in 1991, told the Press Trust of India.

His cash-starved government in July offered pay hikes worth three billion dollars annually to millions of state workers, but two months later ordered emergency measures to raise revenue to meet the huge cost.

Chidambaram, however, said low exports and industrial slowdown were the actual cause of worry but added a bumper harvest, timely repayment of debt and growing foreign currency reserves were the positive aspects of the economy.

There has been sound management of current account deficit and inflation, good agriculture production, growth of services sector, improved foreign exchange reserves and sound debt management.

"What is not right is sluggish

export growth and industrial recovery. If industry will simply muster courage to augment investment and expand production things will improve," Chidambaram said in his interview.

Speaking on the World Bank, the finance minister said the stepped-up loan to India will make it the global lending agency's single largest commitment.

ITDC records 6 pc rise in sales

Another report says: The state-run India Tourism Development Corp. (ITDC) yesterday said sales for the fiscal year to March rose six per cent to 3.1 billion rupees (86 million dollars).

ITDC Chairman Anil Bhandari said net profit had also increased by 16.9 per cent to 558 million rupees in fiscal 1996-97 to March over the previous year.

Bhandari said the corporation, which runs a string of luxury and budget hotels across India aimed to "upgrade, reconstruct and renovate existing properties" and also build new ones.

The ITDC, India's largest state-run hotel chain, has been criticised for poor standards and has lost heavily to foreign rivals operating in the country including the Hilton, Sheraton and Kempinski groups.

Exchange Rates

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 30/9/97.

Buying

Name of Currency	TT Clean	OD Sight	OD Transfer Bills
US Dlr	44,4200	44,2493	44,1334
GB Pound	72,1602	72,2407	70,6586
D Mark	24,9675	24,8659	24,8007
F Franc	7,4361	7,4058	7,3864
JP Yen	0,3657	0,3642	0,3632
C Dlr	31,9667	31,8366	31,7531
S Franc	30,3536	30,2300	30,1508

Selling

Name of Currency	T.T. & O.D.	B.C.
US Dollar	44,7115	44,7510
GB Pound	72,1602	72,2407
D Mark	25,3757	25,4039
F Franc	7,5568	7,5632
JP Yen	0,3742	0,3746
C Dlr	32,4919	32,5280
S Franc	30,8622	30,8966

EU court official backs ban on British beef

LUXEMBOURG, Sept 30: An opinion from an official of the European Union's highest court said Tuesday the EU ban on British beef exports was justified because it countered a "real risk" of "mad cow" disease, reported AP.

The opinion by the European Court of Justice's advocate general, Giuseppe Tesauro, came after the ban was challenged by Britain's National Farmers Union, with the government's backing.

The full court is expected to rule on the issue by the end of the year, but the advocate general's opinion often is a good indication which way the ruling will go.

Pharmaco to market Merind-Tata Pharma products

Star Business Report

Pharmaco International Ltd will market, distribute and manufacture products of Merind Limited and Tata Pharma of India in Bangladesh.

An arrangement to this effect has been made between the two sides recently, says a press release.

Under the arrangement, Pharmaco will market a bulk of drug products.

The rich get richer, the poor get poorer in US

WASHINGTON, Sept 30: The rich got richer, the poor got poorer and the giant middle class did a bit better than treading water last year according to the Census Bureau, reports AP.

In a blizzard of figures Monday, the bureau also said:

The percentage of people below the poverty line declined slightly from 1995 to 1996, and for black Americans the figure dipped to the lowest level since records were first kept in 1959.

The earnings gap between men and women was the smallest ever, with women's incomes rising and men's declining after adjustment for inflation.

Overall from 1995 to 1996, Americans' median household income climbed 1.2 per cent above the rate of inflation, to 35,492 dollars, according to the bureau's annual report on income and poverty.

It was the second consecutive year of increase for households and the third in a row for families, which rose 1.2 per cent to 42,300 dollars. The family figures are for people related by birth, marriage or adoption; households can include unrelated people.

President Clinton proclaimed the report as "more evidence that our economic strategy is succeeding."

The results varied, though, depending on income level.

For families, the biggest gains were recorded by the richest 20 per cent, who had a 2.2

per cent increase. Income for the poorest 20 per cent fell by 1.8 per cent.

Middle class increases ranged from 0.5 per cent to 1.5 per cent above inflation.

Women working full-time all year, typically brought home 23,710 dollars last year, 74 per cent of what comparable men earned. That's their highest percentage ever for the women, up from 71 per cent a year earlier.

The figure reflected both an increase in income for women and a decline for men, whose median income slipped from 32,426 dollars to 32,144 dollars after adjustment for inflation.

"Despite the low unemployment levels we have been enjoying, male wages continued to erode," observed Jared Bernstein of the union-backed Economic Policy Institute. Males have been losing ground in wages for 20 years, he said.

There was an increase in the number of the very poor — those with incomes of less than half the poverty threshold — from 13.9 million people in 1995 to 14.4 million last year.

America's poverty rate slipped to 13.7 per cent with 36.5 million people living in poverty. That's down from a rate of 13.8 per cent with 36.4 million in poverty a year earlier, changes the Census Bureau said were not statistically significant.

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