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Tofael opens debate on trade & dev in NY tomorrow

Commerce and Industries Minister Tofael Ahmed will inaugurate a debate on 'Trade and Development' at the economic and financial committee of the ongoing 52nd UNGA session on Monday, reports UNB.

Tofael Ahmed is expected to reach New York today (Sunday) to participate in the debate, according to a message received here yesterday.

Chairman of the economic and financial committee of United Nations General Assembly session Oscar R De Rojas invited the Bangladeshi minister to participate and inaugurate the debate as the first ever ministerial level speaker on the agenda items.

Tofael Ahmed is expected to focus on some trade related problems of Bangladesh and the measures so far taken to cope by the developing countries like Bangladesh. In this regard he may seek support of global community.

**UK trade official due in city today**

The UK Department of Trade and Industry's newly appointed desk officer for Bangladesh, David Brown, arrives in the city on a eight day visit to Bangladesh today (Sunday), reports UNB.

On his first official visit to Bangladesh, Brown will spend his time in Dhaka and Chittagong. During his stay, he will hold meetings with government officials, leaders of chambers of commerce and industries and other officials concerned.

Brown will leave Bangladesh on November 16 for Kathmandu, said a press release.

**World oil prices rise slightly**

LONDON, Nov 8: World oil prices ticked a little higher on Friday as traders kept a wary eye on fresh developments in the standoff between Iraq and the United Nations over weapons inspections, reports Reuters.

Dealers said concerns that the row might escalate were countering ample world oil supplies and a Saudi proposal that OPEC raise its output ceiling.

London futures for benchmark North Sea Brent Blend Crude rose 16 cents to 19.63 dollars a barrel.

"The markets are fairly subdued while further news on Iraq is awaited," said oil brokerage GNI in a daily report.

Iraq on Friday said it would continue "constructive dialogue" with the United Nations, but did not budge on Baghdad's ban on Americans taking part in UN arms inspections in Iraq.

As a UN mission left Iraq after talks to try to resolve the issue, Iraqi Deputy Prime Minister Tareq Aziz made clear that Iraq would not yield on its ban on American participation in inspections carried out by the UN Special Commission (UNSCOM) under terms of the 1991 Gulf War ceasefire.

**Japan's current account surplus surges**

TOKYO, Nov 8: Japan's surplus in the broadcast measure of trade rose in August by 78 per cent from the same month last year, the government said, reports AP.

The current account surplus, which measures trade in merchandise, services, tourism and investment before adjustment for seasonal factors, jumped to 817.8 billion yen (6.81 billion dollars) in August, up 77.7 per cent from the same month last year.

Although analysts had expected an even bigger jump, August was the fifth consecutive month that Japan's surplus was higher than the same month in 1996.

Japan may face greater pressure from its trade partners, including the United States, to adopt stronger policies to boost domestic demand.

Such demands may heat up ahead of the summit meeting of the Asia Pacific Economic Cooperation forum in November in Vancouver, British Columbia, Canada, said Susumu Kato, chief economist at BZW Security (Japan).

A Finance Ministry official briefing reporters acknowledged that weak domestic demand has dampened imports. But the official said ongoing economic changes, such as Japanese manufacturers moving overseas, will keep Japan's current account surplus from expanding rapidly in the long term.

Japan's trade surplus rose 68.0 per cent to 912.6 billion (7.60 billion dollars) compared with the year-earlier month. Exports rose 13.8 per cent in August from a year earlier, while imports saw a 3.4 per cent rise, the ministry said.

Exports were led by a 41.3 per cent rise in automobile exports and a 11.2 per cent increase in semiconductor-related and electric parts.

## Garment exporters exhaust their share in US market Dhaka wants a raise, or advance allotment of next year's quota

By Govinda Shil

Bangladesh has asked the US government to sanction Dhaka an advanced quota allotment in two different garment categories, mainly for jackets and suits, to continue their exports to the American market.

Bangladeshi exporters fulfilled their quota of more than 600,000 pieces of men's and boys' jackets and suits by October 22. The US government embargoed imports of these items into the country from October 23, according to sources at the

Export Promotion Bureau and the Bangladesh Garment Manufacturers and Exporters Association.

A few ships have been waiting with readymade garments at different US ports. The exporters and importers are paying "storage" charges for the delay, BGMEA sources said.

The Bangladesh Embassy in Washington DC has already written to the US Department of Commerce asking it to grant this allotment.

"We hope the US government will be allowing us the advanced quota allocation which will be adjusted from the country's 1998 quota allotment," said BGMEA second vice president Nurul Huq Sikder.

He said Bangladesh had suggested two options to the US government — either allow the exporters a 15 per cent additional quantity in these two categories or transfer categories from minimum filled up ones to the exhausted items.

According to BGMEA statistics, Bangladesh fulfilled more than 90 per cent of its allotted quota in nine out of 21 categories by November 2.

Readymade garments (except knitwear) fetched Tk 664 crore worth of foreign currency during July-September period. The exporters hopes RMG and knitwear would be able to fetch about US\$ 4.5 billion against its US\$ 3.5 billion projection at the end of the 1997-98 financial year.



M A Awal, Chairman of National Credit & Commerce Bank Ltd, inaugurated the Mohakhali showroom and service centre of Minhaz Electronics Ltd at Mohakhali Plaza in the city. ABM Kamaluddin Khan, Chairman of Minhaz Group, was also present on the occasion.

### SEA currencies rebound as pressure shifts to North Asia

SINGAPORE, Nov 8: Southeast Asian currencies led by the Thai baht and Indonesian rupiah closed strongly Friday as market focus shifted to North Asia where the South Korean won and Taiwan dollar succeeded to relentless pressure, says AFP.

The Seoul stock market registered the sharpest decline at 6.9 per cent. Hong Kong was down 4.2 per cent. Kuala Lumpur fell 3.2 per cent, and Hong Kong was 3.0 per cent lower.

Chuan and another former Thai Premier, 75-year-old Chatichai Choonhavan, had tried to replace Chavalit, who was forced to quit after failing to solve the country's worst economic crisis in decade.

The baht strengthened on expectations that Chuan will come to power, said Maya Pinto, a regional economist with British financial research House IDEA in Singapore.

The South Korean won fell despite the fact that the central bank was selling dollars on the spot market to keep the won within 980. Bearish sentiment on the economy and yen weakness exacerbated the effects of strong demand for dollars.

The baht closed offshore at



British educationist team comprising David Blackmore from the University of Central England, Mike Murray from Birmingham City Council and Colin Hill from Prince Albert School in Birmingham seen talking with Mohiuddin Babar, Director of Dhaka Grammar School.

NEW YORK, Nov 8: For those who question the stamina, or the wisdom, behind the market's latest, greatest escape from disaster, Friday was a test of Wall Street's mettle, reports AP.

And while 195-point slides are hardly comforting, the market didn't exactly unravel into another death spiral like the Dow's 554-point plunge two weeks ago, a scare set off by events that weren't any more menacing than Friday's one-two punch of a Japanese financial crisis and growing inflationary pressures in the United States.

By Friday's close, the Dow Jones industrial average nearly halved its loss and finished the week at 7,581.32, down just 101.92 for the day and up 139.24 for the week.

"This market is on much better footing than it was just a month ago," said Thomas Mc-

### Tea production in Kenya may fall by 35pc next yr

MOMBASA (Kenya), Nov 8: Production of tea in Kenya is likely to fall by 30 to 35 per cent next year due to erratic weather conditions, East African Tea Trade Association Chairman Eustace Karanja said here yesterday, reports AFP.

Karanja, who is also the Managing Director of the Kenya Tea Development Authority (KTDA), told an international industry seminar that devastating drought last year reduced tea production by 40 per cent and described it as the worst in Kenya for 50 years.

However, Karanja said Mombasa was still the main tea auction centre in the region.

"In 1996, tea exported through the Mombasa tea auction totalled 2.48,000 tonnes. The auctions have continually grown into an international blending floor ranking second to Colombo (Sri Lanka)," he said.

Kenya Agriculture Minister Darius Mbeli said the KTDA had embarked on a major tea factory expansion programme to increase the country's capacity to process green leaf.

The seminar, which opened on Wednesday, is being attended by participants from East and Central African countries and overseas.

The forum has addressed export and reexport opportunities for the commodity, the large scale tea sector in Kenya and innovations in packaging in relation to the industry.

Uganda and Malawi discussed projections for future development of their own tea industries while Tanzania presented the implications of the development of the Port of Tanga.

### Dhaka Grammar ties up with British school

A British educationist team visited Dhaka Grammar School in the city yesterday and initiated a School-to-School electronic mail link between it and the Prince Albert School in Birmingham, says UNB.

The linkage programme will facilitate both the schools to exchange ideas, concepts and proceedings on various curricular and extra-curricular disciplines.

The Dhaka Grammar School will particularly provide details and updated information related to socio-cultural, historical and environmental aspects of Bangladesh for the Bangali community students in Birmingham, says a press release.

The team, led by David Blackmore from the University of Central England, also met the students and teachers of the school and evinced keen interest in the various pedagogical activities of the institution.

Other members of the team were Mike Murray from the Policy Division of Birmingham City Council and Colin Hill from the Prince Albert School.

They also discussed with the School authority wide-ranging matters of cooperation, particularly teachers training programmes.

The vessel may have been used for trading between Britain and North Africa.

Manus, chief US investment strategist at Natwest Markets, suggesting that a lot of the speculative players were scared off by the sell off on Monday, October 27. "The market's in stronger hands today than it was a month ago."

According to Richard A. Dickson, a technical analyst at Scott and Stringfellow in Richmond, Virginia, Friday's partial recovery also "validates the idea of buying the dips. If this thing was going down hard, it would make people think twice about buying the dips."

But even if Wall Street showed some resilience on Friday, it was a disturbing way to begin a weekend that's sure to be cut short for those worried about how Asia's markets will open on Sunday evening.

"Now their market for exports has shrunk dramatically," Cooper said, estimating that 44 per cent of Japan's exports went to Asian countries.

Those economies are slowing,

### WB approves \$ 285m for Pakistan

ISLAMABAD, Nov 8: The World Bank yesterday approved 285 million US dollars for Pakistan's national drainage programme (NDP) which supports the implementation of major reforms in water sector and finances urgently needed investment in irrigation and drainage.

According to official sources, the credit approved by the World Bank will help activate a combined financing package of 785 million dollars from the Pakistani government, the Asian Development Bank and Japan's Overseas Economic Cooperation Fund.

The Sources said the credit for the NDP project would also help promote research to strengthen Pakistan's technical knowledge base on irrigation and drainage.

Pakistan's Indus basic irrigation system is the lifeblood of its agriculture and the largest integrated irrigation network in the world, the sources said.

Eighty per cent or 17 million hectares of Pakistan's cultivated area is irrigated, said the sources, adding the irrigated agriculture accounts for more than 90 per cent of agricultural output and 22 per cent of gross domestic product.

The sources said lack of an effective drainage system to combat the twin menace of waterlogging and salinity is a principal threat to the survival of irrigated agriculture in Pakistan, it was announced Friday.

In response to the crisis, the NPD project is designed to develop a network to drain saline effluent safely to the sea and thereby restore environmentally-sound irrigated agriculture in Pakistan, the sources said.

Riva Seferi, who lives in the Latvian capital Riga with her 78-year-old husband, will receive 400 dollars at a ceremony November 18, said Gideon Taylor, acting vice president of the American Jewish Joint Distribution Committee in Pakistan.

Gideon told the Associated Press in a telephone interview that payment of amounts up to 1,000 dollars to other destitute Holocaust survivors in Eastern

Europe would follow shortly.

The money comes from a special fund set up by Swiss banks and industry earlier this year to ease international accusations that they profited from the Holocaust and fueled Adolf Hitler's war machine.

The fund contains some 280 million Swiss francs (200 million dollars).

News that payouts — small by western standards but a relative fortune to many in the former Soviet bloc — are finally due to start will come as a relief to Swiss authorities.

The fund has been dogged by wrangling between the Swiss and foreign Jewish groups over membership and power.

Speaking at an International Chamber of Commerce conference, "The World Business Agenda for Electronic Commerce," Magaziner cited the ICC's work on digital signatures and its new guidelines for "ensuring" messages to certify transactions as examples of positive private sector initiatives for self-regulation of electronic commerce, says an ICC press release.

ICC, the foremost business self-regulatory body, published the new guidelines on its web site (www. iccwo.org) recently.

**Chechnya outlaws alcoholic beverages**

MOSCOW, Nov 8: Chechnya's Muslim-dominated government Friday banned the production, import or sale of alcoholic beverages, a Russia news agency reported, reports AP.

The ban takes effect next May 1, Interfax reported. Until then, distilleries are expected to sell their remaining products and convert their production to soft drinks.

The ban was signed by Vice President Vakha Arsanov.

Chechnya has a tradition of manufacturing brandy and both dry and fortified wines. Chechen authorities had previously banned the production and sale of alcohol in August 1992, but that ban was not enforced, Interfax said.

Since its war for independence from Russia, Chechnya has adopted many laws based on the Quran, the Muslim holy book, and has established Muslim courts. Russia still considers Chechnya to be one of its republics.

**US consumer spending up**

WASHINGTON, Nov 8: US consumer spending rose 0.2 per cent in September from August while personal income gained 0.4 per cent, the Commerce Department reported, says AP.

The consensus forecast from

Wall Street economists had been for both September consumer spending and personal income to rise 0.3 per cent.

Spending on durable goods fell 1.4 per cent in September after a 0.3 per cent decline in August.

and in some cases very dramatically so, and the Japanese government can't do a thing about it.

Those worries were largely cast aside until Friday, when Tokyo's Nikkei stock index tumbled more than four per cent to its lowest level in more than two years amid speculation that Japan's leading banks, strangled by bad debt, might need to liquidate their stock holdings to raise cash.

"The world is not even beginning to give its due to the Japanese problem," said Don Hays, director of investment strategy at Wheat First Butcher Singer in Richmond, Virginia. "When you have the second largest economy in the world on the verge of depression, it's a problem."

All of Friday's complication came from the US unemployment rate

sank to a 24-year low of 4.7 per cent in October.

Coming just days before the Federal Reserve holds its next strategy meeting, the data played on fears that growing competition for workers will force companies to boost compensation sharply and then raise prices. Notably, the Labour Department report also showed that the average hourly wage jumped last month.

The New York Stock Exchange composite index fell 6.46 on Friday, but finished the week with a gain of 6.15 at 487.29.

The Nasdaq Composite index dropped 21.04 to 1,602.40 on Friday, shrinking the week's gain to 8.79. The American Stock Exchange index fell 9.44 to 678.27.

The Wilshire Associates Equity Index — which represents the combined market value of all NYSE, American and Nasdaq issues, ended the week at 8,962 trillion dollars, up 9.6 billion dollars from last week. A year ago, the index stood at 7,070 trillion dollars.

## Indian rupee continues to fall against dollar

global markets.

The rupee-dollar rate remained stable at 35.70 to a dollar for more than a year until last month.

A media interview with Indian Prime Minister Inder Kumar Gujral was interpreted as a signal that the rupee was about to be devalued, leading to two weeks of falls which saw the dollar gain 2.5 per cent against the rupee.

The rate fell to 36.73 before a gradual recovery set in more than a fortnight back after New Delhi said the RBI would intervene in the market to ensure "orderly conditions."

**New rules in India**  
**Foreign cos allowed to invest in airports**