



Fuji-Kodak row  
WTO rejects  
US claims

WASHINGTON, Dec 6: Ruling against the United States in a major trade case, the World Trade Organisation rejected American claims that the Fuji film company had conspired with the Japanese government to keep Eastman Kodak products out of Japan, reports AP.

Friday's decision represented a bitter defeat for Kodak, which had spent millions in the past two years to attack what it claimed was a rigged Japanese distribution system.

It also represented a second big trade defeat for President Bill Clinton's administration, which had forcefully argued Kodak's claims. Last month, the administration was forced to withdraw, at least temporarily, its efforts to win new trade negotiating authority from Congress.

Analysts said the WTO defeat, in such a high profile case, would increase protectionist sentiment in the United States that the current world trading system is unfair to American workers.

US Trade Representative Charlene Barshefsky said the ruling "sidesteps the real issues in this case" and failed to address the reality that Japan's film distribution system was closed to outsiders.

Prices of essentials shoot up in Chaudanga

CHAUDANGA, Dec 6: Prices of essentials have shot up in the markets of the district causing untold suffering to the low income group of people, reports UNB.

According to local people prices of rice, fish, vegetables, onion, pulses have marked sharp rise in the last fortnight.

At present coarse rice is selling at Tk 12 per kg as against Tk 10 while fine rice at Tk 14 as against Tk 12. Brinjal is being sold per kg at Tk 10 as against Tk 4-5, korolla per kg at Tk 15 as against Tk 10-12. Onion prices at Tk 30 per kg and masur dal at Tk 40.

Besides, prices of edible oils have also shot up in the market. Coconut oil is now being sold at Tk 150 per litre as against Tk 100, soyabean oil at Tk 60 as against Tk 50 and mustard oil at Tk 60 as against Tk 55.

The price of fish is also beyond the reach of the common people due to its acute scarcity.

Pak stocks fail to gain much from political normalcy

KARACHI, Dec 6: Pakistani stocks failed to gain much benefit from the end of a political crisis earlier this week which had kept investors gloomy, dealers said today, reports AFP.

The Karachi Stock Exchange 100-index gained an overall 17.11 points during the week to close at 1,789.35 on Friday.

Osama Bin Shoaib, a dealer at a leading brokerage house, said poor economic indicators overshadowed the end of the political crisis which saw Farooq Ahmed Leghari resign as prime minister.

Falling foreign exchange reserves, lower-than-expected cotton production forecasts and a shortfall in government revenue collection are discouraging major players, he said.

The headline share index surged by 40.51 points to 1,829.73 after Leghari resigned on Tuesday, but it fell by 29.61 points and 10.77 points on Thursday and Friday respectively as the economic gloom settled.

Thai govt to set up hotline to avoid panic as companies close

BANGKOK, Dec 6: The government is to open 100 telephone hotlines Monday to ease expected mass anxiety over the closure of up to 58 suspended finance firms, newspapers said Saturday, reports AP.

Customers of the firms, most of which are expected to close their doors, will be able to get advice by telephone on how to sort out their financial affairs.

The companies were suspended after accumulating massive bad loans during a time of boom in the highly speculative real estate sector.

The collapse of the firms precipitated Thailand's worst economic crisis in modern times. The International Monetary Fund stepped in with a 17.2 million dollars bailout after laying down tough conditions, including the liquidation of insolvent companies.

The firms are stuck with non-performing loans of up to 400 billion baht (9 billion dollars). Shutting them down would begin the biggest ever restructuring of Thailand's finance structure, and lead to foreign majority ownership of many of the country's 15 commercial banks.

Last week, the bosses of the 58 companies apologised to depositors, creditors, shareholders and employees who will lose their jobs.

# Asian crisis will retard global growth by 1 pc: IMF

DHAKA SUNDAY, DECEMBER 7, 1997

WASHINGTON, Dec 6: In its most extensive assessment so far of the financial firestorm sweeping Asia, the International Monetary Fund said Friday the crisis may soon be contained but has already shaved nearly a full percentage point off world growth next year, reports AP.

The IMF loans will be part of a total package of international assistance for South Korea that is expected to top 60 billion dollars, making it the largest bailout in IMF history, surpassing the 48 billion dollar programme for Mexico two years ago.

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received approval for 17.2 billion dollars bailout package and in October, Indonesia received a 40 billion dollars bailout as one after another of the once strong Asian economies has fallen victim to plunging currencies, stock market declines and spreading bankruptcies.

Fischer said that it was essential for South Korea, Thailand and Indonesia to follow the stiff reform plans they agreed to in return for the IMF bailout assistance so that they can stabilize the current crisis.

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Discussion on investment held in Sylhet

SYLHET, Dec 6: State Minister for Foreign Affairs Abul Hasan Chowdhury today laid emphasis on the united efforts of all political parties for easy alleviation of poverty, says UNB.

Poverty alleviation would be an easy task if all political parties unite in the efforts of the country's economic development, Chowdhury said while addressing a discussion on Foreign Investment and Economic Partnership here.

The Investor Forum Sylhet, Bangladesh (IFSB) organised the discussion with its president Sekil Chowdhury in the chair.

The visiting 15-member delegation of Tower Hamlets Council of London, including its Mayor, and the leading businessmen and industrialists of greater Sylhet district attended the discussion.

The state minister urged the expatriate Bangladeshis to contribute to the economic uplift of the country by making goods.

He said the government of Prime Minister Sheikh Hasina has extended various incentives, including tax-holiday on fresh investment, to inspire the investors.

Education Affairs vice chairman of Tower Hamlets Council, Soylif Islam, councillor Rajan Uddin Jalal and Syed Zebunnisa Huq, MP also spoke on the occasion.

The Tower Hamlets Council of London has been working to extend cooperation to the development activities of Sylhet Pourasava and other areas, said a PID handout.

**KNM may face closure any time**

KHULNA, Dec 6: Country's only newsprint mill — Khulna Newsprint Mills — may face closure any time as its huge output remained unsold for months together, reports UNB.

Due to shortage of buyers it has already drastically cut its production. At present some 5000 mts of newsprint worth about Tk 10 crore remained stockpiled in its godown for want of buyers.

Mill sources said its per day production in three units was at 150 metric tons and in the absence of buyers it has been forced to curtail its production. It single unit is now produces only 10 to 15 mts daily.

The mill has already lost its home market as the customers are using high quality foreign newsprint. The officials apprehended that if the situation continues, the mill which is now plagued with acute financial constraints, will face closure in near future.

The publishing companies and the newspaper industries are preferring high quality imported newsprint, mill sources said.

The mill officials opined unless quality of the mills product is not improved there is no chance to regain the local market and the mill will continue to incur losses.

**US unemployment rate falls to 5pc**

WASHINGTON, Dec 6: US Unemployment unexpectedly slipped to 4.6 per cent for November, with 404,000 jobs created in the month. The Labour Department reported yesterday, says AFP.

The jobless rate is the lowest since October 1973 and down from 4.7 per cent last month.

Analysts had expected the jobless rate to rise to 4.8 per cent and had anticipated 200,000 new jobs.

There was more good news for workers as hourly wages rose 0.6 per cent in November for a 4.1 per cent rise over the year.

The interest rate on the treasury department's benchmark, 30-year bonds rose to 6.145 per cent shortly after the jobless figures were announced. The rate had been 6.041 per cent.

**Exchange Rates**

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

**Buying**

Name of TT Clear OD Sight Export Bills

US Dlr 45.2900 45.1100 45.0100

GB Pound 75.8194 75.5181 75.3507

D Mark 25.4323 25.2313 25.2751

F Franc 7.5992 7.5690 7.5523

C Dlr 31.7259 31.5999 31.5298

S Franc 31.5020 31.3768 31.3072

JP Yen 0.3480 0.3466 0.3458

**Selling**

Name of T.T. & O.D. B.C.

US Dlr 45.6595 45.6990

GB Pound 77.0370 77.1037

D Mark 25.9121 25.9345

F Franc 7.7402 7.7469

C Dlr 32.3176 32.3456

S Franc 32.1006 32.1284

JP Yen 0.3580 0.3583

**A) TT (DOC) US Dollar Spot Buying Tk. 45,400**

**B) Usance Rate**

30 60 90 120 180

Days Days Days Days Days

44.8245 44.4471 44.0097 43.9863 43.9374

Dr. Saleh J Malaikah, Chairman of the Board of Directors of Al Baraka Bank Bangladesh Ltd, called on Lutfur Rahman Sarker, Governor of Bangladesh Bank, recently.

Foreign investors ignore political crisis in India

NEW DELHI, Dec 6: Indian Finance Minister P. Chidambaram yesterday cited the overwhelming success of an Indian telephone company's share offer as proof that overseas investors were unfazed by the country's political turmoil, reports AFP.

"Despite the political uncertainties and coalition nature of our governments, the world has great goodwill for India and investors have full confidence," Chidambaram told a news conference.

MTNL was a rediscovery of confidence. The fact that the MTNL issue went for a premium shows the investor confidence in India," Chidambaram said.

"I believe ... GAIL will in all likelihood return to the market once conditions settle down," he added.

The Indian government had hoped to raise 70 billion rupees (1.79 billion dollars) in the fiscal year to March 1998 by selling minority stakes in GAIL, MTNL and several other state-owned firms.

MTNL earned a net profit of 216 million dollars for the fiscal year to March 1997 on total revenues of 1.1 billion dollars.

The government holds 66 per cent of the MTNL shares while the rest is held by Indian institutions (16.1 per cent), foreign institutional investors (15.8 per cent) and Indian banks, mutual funds and the public.

The state-run MTNL, the sole provider of telephone services in New Delhi and Bombay, recently offered 70 million shares in the form of global depository receipts.

The issue, worth over 660 million dollars, was oversubscribed three times despite political uncertainty, which ended Thursday with the announcement of new elections.

Chidambaram said other state-run firms issues of global depository receipts — some of which had been shelved — would be carried out in the fiscal year to March.

The minister said a 500-million-dollar issue by the Gas

HANGING BUSINESS SCENARIOS AND CHALLENGES TO NOVEMBER 29-30, 1997, LAHORE, PAKISTAN

M. Harunur Rashid, Chief Executive of United Insurance, receiving SAFA Award from Pakistan Minister for Commerce, Trade and Investment, Muhammad Ishaq Dar, in Lahore recently.

LONDON, Dec 6: Rib roasts and all other beef on the bone will be banned in Britain from December 16, the government announced Friday night, as farmers stepped up mass protests at ports over the new clampdown spurred by mad cow disease, reports AP.

Nearly 1,000 farmers besieged docks in Plymouth, southwest England, planning to stop truck drivers they suspected were carrying beef from France — and found the vehicles packed with vegetables.

"It was definitely not a waste

of time," said Richard Haddock, vice-Chairman of the Devon County section of the National Farmers' Union, who was allowed by police to examine the cargoes. "It proved that beef could come through this port."

The demonstration at Plymouth, 180 miles (300 kms) from London, was the biggest since Wednesday's announcement of the proposed British ban.

Britons have largely ignored the government health warning, with butchers rushing to stock home freezers before the ban came into effect.

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of time," said Richard Haddock,

Protests continued at the south England port of Dover, where some 250 farmers brought traffic briefly to a standstill on Thursday night, and at the Welsh ports of Holyhead and Fishguard, Seaford in northwest England, and Stranraer in Scotland.

Announcing the ban date, Agriculture Minister John Cunningham said, "I have acted swiftly within the powers I have to protect the public."

Butchers without bones, such as fillet steaks, will remain on

the ban.

He added that butchers

should remove any backbone

from beef before sale, and dispose of the bones as unfit for

human consumption.

Britain decided on the ban after scientists said there was a slim chance that bovine spongiform encephalopathy — the scientific name for mad cow disease — can get into the human food chain through bone marrow.

In London, Prime Minister Tony Blair warned farmers to stay within the law, said his government was determined to ensure free movement of imports, and would provide no increased subsidies for farmers.

"We fully understand the

distress and difficulties of farm-

ers," Blair added at a ceremony at London's Waterloo station to mark Britain's taking over the presidency of the European Union