

SHOWROOMS:

SANYO

Gulshan — 31 Gulshan Tower, Gulshan-2, Dhaka.
Tel: 9882192

Malibag — 89, DIT Road, Malibag, Dhaka.

Mirpur — 674, Rokeya Sarani, Kazipara
Mirpur, Dhaka.

Uttara — Bally Complex, Sec-3, Uttara, Dhaka
Transin Trading Limited
Tel: 819625-9, 815306-9

The Daily Star

BUSINESS

DHAKA WEDNESDAY, DECEMBER 31, 1997

HYUNDAI

CARS THAT MAKE SENSE

More French investment likely

French Ambassador to Bangladesh Ms Renee Verel yesterday expressed her confidence that the present investment and business friendly working condition of Bangladesh would attract more French investment here in near future, reports UNB.

She said this while talking to the Executive Chairman of Board of Investment, Farooq Sobhan, at his office.

While congratulating Sobhan to his new assignment, the French Ambassador hoped that the present cordial and friendly relations between the two countries would be further cemented through expanded economic co-operation and business relations.

During the meeting, they discussed about the progress of some specific projects and the BOI Executive Chairman assured her to do everything possible for the French investors in Bangladesh.



R Maksud Khan



Masudur Zafar

Maksud Khan elected DCCI President

R Maksud Khan has been elected President of the Dhaka Chamber of Commerce and Industry for the year 1998 at its annual general meeting held yesterday, says a press release.

Masudur Rahman and Zafar Osman have been elected senior vice-president and vice-president respectively.

Khan, a Chemical Engineer, is the Chairman of Fine Group of Companies, engaged in manufacture and export of ceramics, tableware, giftware and international trade.

He has been associated with trade bodies for a long time and is a former president of DCCI in 1995.

Masudur Rahman was a vice-president of the DCCI in the year 1986. He is a qualified business graduate.

Zafar Osman is the Managing Director of International Trade Connection (Pte) Ltd, Director of Tiffany's Wear Ltd and Adviser of Bangla Industrial Trading Co Ltd.

PM reviews ADB assisted projects

Prime Minister Sheikh Hasina reviewed the progress of credit effectiveness of Asian Development Bank assisted projects for the calendar year 1997 with the concerned ministers and secretaries here yesterday, reports UNB.

The Prime Minister chaired the meeting attended, among others, by Finance Minister Shah A M S Kibria, Education Minister A S H K Sadique, Communications Minister Anwar Hossain, State Minister for Fisheries and Livestock Satish Chandra Roy, Principal Secretary to the Prime Minister Dr S A Samad and ERD Secretary Dr Mashur Rahman.

The relevant projects involving US dollar 419.7 million included Primary Education Project, Participatory Livestock Project, Housing and Primary Health Care Project, Bangladesh (Jamuna) Bridge and Railway Project, Capital Market Development Project and Rural Infrastructure Development Project.

BASC certificate awarding ceremony

The certificate awarding ceremony of the 5-day training workshop on Horticulture Nursery Establishment & Management organized by Business Advisory Services Centre (BASC) was held at the BASC Training Hall, in the city, on Sunday, says a press release.

Muhammad Ali Executive Director, BASC, attended the ceremony and distributed certificates among the participants.

The workshop was participated by 13 participants from Inter Exports Int'l Ltd, Hytek Garments Ltd, Papyrus, Agrani Bank Blue Tit (Pvt) Ltd, Biz Bangladesh, Zia Nursery, PEP-PRETI Jagrata Daba Sangha and some emergent private sector entrepreneurs.

UNCTAD report says

FDI in developing Asia rises by 25pc

Foreign Direct Investment (FDI) in the developing South, East and South-East Asia rose by 25 per cent in 1996 to a record 81 billion US dollar, according to a World Investment Report 1997 prepared by the UNCTAD, says BSS.

The United Nations Conference on Trade and Development (UNCTAD) said FDI inflow in China in 1996 was a record 42.3 billion US dollars. Singapore was the second largest FDI recipient with a record 9.4 billion US dollars in that year while Indonesia was in the third position, with eight billion US dollars, which was almost double of the previous year. Malaysia, received 5.3 billion US dollars.

The report said, India's FDI inflow rose by 34 per cent to 2.6 billion US dollars.

The report said substantial amount of FDI came from developed countries but intra-regional investment was the principal single component of FDI in the regions.

The UNCTAD report said the rapid growth in intra-regional FDI reflects the 'flying-geese' pattern of regional industrial restructuring, with increasing number of countries participating.

To keep the value-added chain of production moving and competitive, the newly industrialised economies were competing to become regional business centres, and trying to attract FDI in services and high-technology industries.

The leading ASEAN economies (other than Singapore) and China and adopting a

more selective approach to FDI, targeting 'qualitative investments' for upgrading their industrial bases.

The report said, 'The rising cost of land and labour in the newly industrialised Asian economies are moving towards labour-intensive activities than other countries of the region like Cambodia and Myanmar.'

Taiwan is setting up global production facilities in capital and technology intensive industries.

The economies of the regions with advanced skills, research and industrial bases and large indigenous firms, are investing extensively in electronics, automobiles, petrochemicals and oil-refineries.

World oil prices fall to 2-yr low

LONDON, Dec 30: World oil prices fell to their lowest for almost two years on Monday as Iraq moved quickly to resume UN-monitored oil exports and Asia's financial crisis started nibbling at global demand, says Reuters.

Mild winter weather in the northern hemisphere also contributed to the slide on crude markets pushing the price of international benchmark Brent blend crude below dollar 17 for the first time since May 1996.

London February futures for Brent settled at 16.60 dollars, down 73 cents on the day and their weakest value since February 1996, against a backdrop of bearish news about Iraqi oil exports and Asian refinery output.

Dealers said speculators at futures exchanges in New York and London were making fresh bets that oil's 20 per cent slump since early October had further to go.

Iraqi Oil Minister Amir Muhammad Rasheed said on Saturday that Iraq could resume crude exports under the

third consecutive six-month phase of the UN Secretary General Kofi Annan.

Annan may also recommend in early February that Iraq be permitted to raise sales under the exchange from the previous regime of 2 billion dollars every 180 days.

'The market will remain negative with far eastern refiners cutting runs and the prospect of a resumption of Iraqi oil-for-food sales in the next few days,' said London-based brokers GNI.

Asian oil dealers said refiners in the region, buffeted by a big rise in import costs, were reducing crude purchases.

Refineries in South Korea, Japan and Singapore had decided to reduce operations as the region's financial crisis started to bite into demand and sent dollar-denominated oil import costs rocketing.

Some Asian currencies have fallen by up to 50 per cent versus the dollar in the past few months.

Mild winter weather in the big consuming countries of the

western hemisphere was also undermining oil prices, now running two dollars below the average for 1997 and 7.50 dollars below the year's high last January.

Winter heating oil prices in northwest Europe dipped to a 23-month low on Monday. Stocks of heating oil and diesel fuel in the European Union at the end of November were 17 per cent higher than the same time a year ago.

Saudi Arabia issues '98 budget

DUBAI, Dec 30: Saudi Arabia on Monday issued its 1998 budget, raising expenditures 15 billion riyals to 196 billion riyals (52.3 billion dollars) from this year's projected spending, the official Saudi Press Agency (SPA) reported according to Reuters.

It said the state budget deficit was forecast to rise to 18 billion riyals, one billion riyals over this year's projected deficit.

700 travellers cheques lost

A total of 700 pieces of blank visa travellers cheques have been reported lost from the possession of Biman Bangladesh Airlines, cargo Tropic, Zia International Airport, Dhaka despatched by Mashreqbank PSC, Dubai for National Credit and Commerce Bank Limited via Emirates flight No. EK062 dated 14.12.97.

The lost ICs are: 1674350125501-1674350126000 (500 pieces, US\$100 each), 1284350349401-1284350349500 (100 pieces, US\$500 each), 1294350082101-1294350082200 (100 pieces, US\$1000 each).

A general diary has been lodged with Cantonment Police Station, Dhaka. The matter has also been referred to Bangladesh Bank, Dhaka and Mashreqbank PSC, Dubai, a NCCBL press release said.

All authorised dealer, banks and licenced money changers have been requested to be careful against any fraudulent use of the above lost visa travellers cheques.

Chinese economy grows by 8.8 pc defying regional crisis

BEIJING, Dec 30: China's economy grew by 8.8 per cent in 1997 while prices rose just 0.8 per cent, defying the impact of the Asian economic crisis and a severe drought, the government announced Tuesday, reports AP.

Chinese exporters will post a trade surplus of about 40 billion dollars for the year despite stiffer competition from Asian economies whose prices have fallen along with their currencies, said Ye Zhen, a spokesman for the State Statistical Bureau.

'It is estimated that 1998 will continue the pattern of high growth and low inflation,' Ye said at a news conference.

Growth that had been projected at 10 per cent fell short because drought in the north-east withered crops, but nationwide the grain harvest was a 492.5 million tons, the second-best year on record, Ye said.

'The question is how to improve efficiency. We are not aiming for high growth. We think 8 per cent is sufficient,' Ye said. 'It's still rapid growth, especially compared to Asian countries with economic turmoil that is slowing down.'

Economists note that because much value added is lost to an inefficient state sector, banks loaded with irretrievable loans and lagging farm production, China needs fast growth to continue to boost its people's incomes.

Income per person rose 2.9 per cent to 5,140 yuan (619 dol-

lars) for city dwellers and four per cent to 2,080 yuan (250 dollars) for rural residents, the bureau said.

Its annual review, based on figures from the first 11 months of the year, also highlighted the problems afflicting China's government-dominated economy, which is in the midst of a massive restructuring.

Layoffs by companies trying to become profitable raised unemployment to 12 million workers, although as many as six million got new jobs through government re-employment projects, according to Ye.

Official unemployment figures don't include tens of millions of people forced to work only part-time or those sent home by companies but still paid a subsistence wage.

Chinese exports also are under pressure from Southeast Asia, whose products became cheaper when the Thai, Malaysian and Indonesian currencies plunged in the midst of a financial crisis sweeping the region.

But Ye, echoing economists who have minimized the impact of currency differences, said China shouldn't be directly affected because most of its products do not compete directly with other Asian exporters.

A Xinhua report says: China expects to generate 1.135 trillion kw of electricity and its installed generating capacity will reach 250 million kw this

year, both ranking second in the world.

According to Shi Dazhen, minister of electric power and general manager of the China State Power Corporation, China has made historic breakthrough in electricity generation, investment mode, operation mechanism, and management system, and a complete and initially modernized system of power industry has taken shape.

The minister made the remarks at a national power conference held here on Sunday. He said that it is remarkable for the country to have maintained an annual average growth rate of 6.2 per cent in power generation for five consecutive years.

And for ten years running, the large and medium-sized generating units with total capacity ranging from 10 million kw to 15 million kw have been put into operation annually.

To date, some 14 provinces, autonomous regions and municipalities directly under the central government have met the target of making electricity available to every village under their jurisdiction.

Exchange Rates

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 30/12/97.

Name of Currency	Buying		
	TT Clean	OD Sight Export	OD Transfer
US Dir	45.2850	45.0991	44.9884
GB Pound	75.2232	74.9056	74.7218
D Mark	25.1858	25.0795	25.0180
FR Franc	7.5259	7.4942	7.4758
JP Yen	0.3467	0.3452	0.3444
C Dir	31.2743	31.1423	31.0659
S Franc	31.0866	31.9554	31.8794

Name of Currency	Selling	
	T.T. & O.D.	B.C.
US Dollar	45.6604	45.6988
GB Pound	76.4375	76.5043
D Mark	25.6402	25.6623
Fr. France	7.6634	7.6701
JP Yen	0.3553	0.3556
C Dollar	31.8406	31.8684
S. Franc	31.6822	31.7098

Name of Currency	Selling	
	T.T. & O.D.	B.C.
US DLR	46.1500	45.6500
GBP	75.4400	73.4400
SRiyal	12.3000	11.8500
UAH DH	12.3000	11.8500
KU DIN	148.5000	143.5000

A meeting of the Board of Directors of National Credit and Commerce Bank Limited was held in Chittagong on Thursday with MA Awai, Chairman of the bank in the chair.



Mahbubur Rahman Khan, Director of Eastern Bank Ltd, opening the bank's 21st branch at Uttara in the city on Monday.

Japan risks falling into recession

TOKYO, Dec 30: Japan risks falling into a recession after the world's second largest economy suffered its darkest year since the imposing of the bubble economy of the late 1980s, says AFP.

Battered by Asian turmoil that threatens to choke exports, strangled by tight fiscal policy and torn by a crisis in its financial sector, Japan has to stumble out to the woods, analysts say.

'We are at the risk of falling into recession,' said Andrew Shipley, senior economist at Schroders Japan after the release of gloomy numbers including a forecast 2.2 per cent fall for industrial production in November.

Japan's troubles have been exacerbated, analysts say, by the government's determination to repair a huge budget deficit, expected to reach 467 trillion yen (3.9 trillion dollars) by March next year without government action.

Those efforts were enshrined in law in November with legislation calling on total government deficit to be curtailed to less than three per cent of economic output by March 2004 down from seven per cent now.

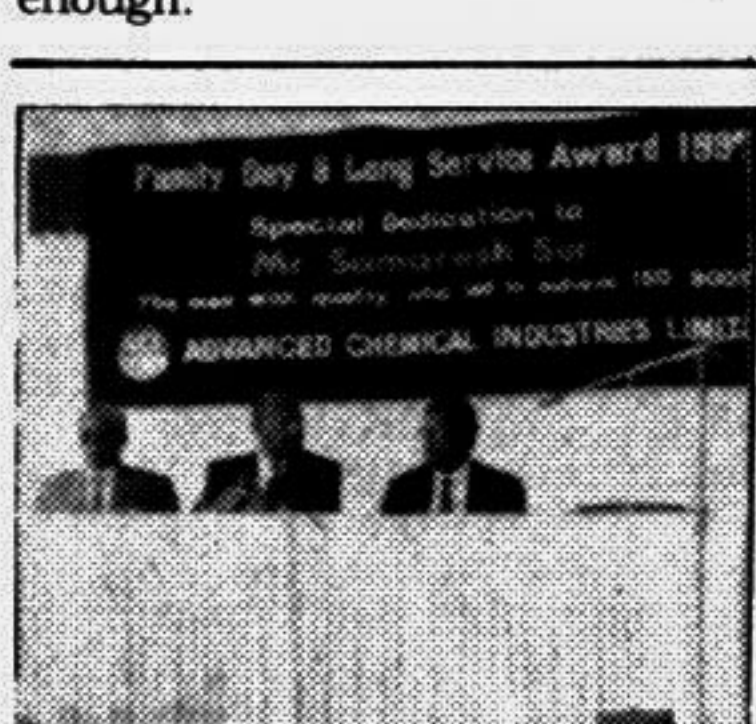
But the budget saving measures have already inflicted deep wounds on the economy, with a rise in the consumption tax on April 1 blamed for a 2.9 per cent economic contraction in the three months to June.

Susumu Kato, economist at Barclays De Zoete Wedd, said labour market condition which

point to future business activity, had deteriorated, production was sluggish and inflation remained subdued.

Japan is also widely expected to suffer as the economic scourge inflicted on Asia since mid-1997 erases the appetite for Japanese exports — so far the best performing sector of the economy.

While Tokyo has pinned its hopes on reform of the heavily-regulated economy, most analysts say these structural reforms have yet to cut deep enough.



ACI Limited dedicated its Annual Family Day this year to honour Samareh Sur, retiring General Manager, held at Narayanganj recently. Anis Ud Dowla, Chairman and Managing Director of ACI and Ashraf Saleheen, General Manager (Operations) are also seen in the picture.

Fighting South Asian poverty seems a daunting task

HONG KONG, Dec 30: For South Asia, one of the poorest regions in the world, poverty eradication remains a daunting task with just five years to go to meet the target, reports Xinhua.

At their summit meeting in May this year in the Maldives, South Asian leaders reaffirmed their commitment to eradicating poverty in the region as soon as possible preferably by the year 2002.

Years of relentless efforts in these countries culminated in 1991 when their leaders sat down in Colombo, Sri Lanka, for a regional summit at which the highest priority was given to identifying measures to fight poverty which had long been a scourge to the region.

And at their New Delhi summit in 1995, the leaders of Bangladesh, Bhutan India, the Maldives, Nepal, Pakistan and Sri Lanka — the seven members of the South Asian Association for Regional Cooperation (SAARC), pledged to eradicate poverty in the region preferably by 2002.

Ever since SAARC was formed in 1985, poverty eradication as well as economic co-operation, has been the top priority of the regional grouping.

Keenly aware that South Asia is still haunted by a host of serious social problems with poverty as the chief culprit, SAARC governments spare no efforts in this endeavor.

According to SAARC figures, the number of people living be-

low the poverty line in the seven countries has dropped to about one-third of the total 1.2 billion population from 45.4 per cent in 1987.

The World Bank estimates that the incidence of poverty in South Asia is expected to decline to 26 per cent by 2000.

Yet the task is arduous poverty is widespread, but resources are limited, in recent years, SAARC countries have taken various measures to fight poverty.

In India, the largest country in the region, one-third of its more than 900 million people live below the poverty line.

Since India gained Independence in 1947, its successive governments have taken various measures to help the poor and backward areas in alleviating poverty.

These include the establishment of the National Backward Classes Finance and Development Corporation — a non-profit firm which promotes economic and development activities for the poor, and the formulation of preferential policies encouraging private and foreign investment in poor areas.

Both the central and local governments have special assistance plans. Special allowance is provided for poor people who can attend training centres to learn skills to make a living.

In neighbouring Pakistan, one of the most conspicuous

aid-the-poor plans is perhaps the social action program (SAP), launched in 1992 with the aim to remove the lingering structural imbalance in development.

The two-phase SAP involves primary education, basic health, population welfare and rural water supply and sanitation. In the first phase (1992-1996), the primary school attendance rate and the contraceptive prevalence rate rose, the infant mortality rate dropped and life expectancy for women improved.

The government plans to invest 270 billion rupees (6.7 billion US dollars) for the second phase (1996-2000). It has also set up a federal task force on poverty eradication to help improve its policy framework.

For Pakistan, the biggest challenge in eradicating poverty may be the high growth rate of population, which has dropped to 2.7 per cent. Pakistan, the eight most populous nation in the world ranks 134th among the 174 developing countries in terms of human development indicators, and 28 per cent of its 140 million people still live below the poverty line.

The picture is darker in Bangladesh, one of the four least-developed nations in South Asia — the other three being Nepal, Bhutan and the Maldives.

Bangladesh's per capita Gross National Product (GNP)

was only 276 US dollars in 1996-97 and more than half of its 124.3 million people live in poverty, the problem is compounded by the weak economic base, natural calamities, mismanagement and dwindling foreign aid.

Successive governments have pledged efforts to lift the country out of poverty and undertaken many related projects, which have gained limited success.

Compared with 1987, the proportion of people living in poverty fell by 5.8 per cent to 51.7 per cent in 1994, at such a pace, it would take more than 50 years to eliminate poverty in the country, according to Dr Hossain Rahman of Bangladesh Institute of Development Studies.

In Sri Lanka, the Samurdhi movement is credited with having helped prevent popular discontent by ensuring that the wealth of the riches trickling down to the poor.

Formerly known as the Janasevya Apian, launched in October 1989, it was part of the government's economic development strategy to aid the rising number of poor people, brought about partly by the economic reforms started in the country in 1978, by creating more jobs for them and increase their incomes.

The reforms have greatly boosted the economy, but consequently the gap between the rich and the poor is also

widening. To nip any potential social unrest in the bud, 34 million and 12 million US dollars have been released by 1996 as relief funds and employment funds respectively to help 27,000 poor families.

In February, the parliament passed a package of provisions concerning the plan, renamed the Samurdhi movement in August 1995, in an effort to boost the campaign.

There are between 325,000 and 390,000 people living below the poverty line in the Indian Ocean island nation with a population of 18.5 million. For the Himalayan Kingdom of Nepal, fighting poverty is an arduous struggle with its per capita GNP stagnation for a long time at 190 US dollars, one of the lowest in the world, and 45 per cent of its 21 million people living below the poverty line.

Poverty alleviation has been one of the major objectives of successive governments and a number of programme have been launched in the past years.

These programmes have been focusing on rural areas and on agriculture which contributes 43 per cent of the gross domestic product (GDP) and 82 per cent of the employment. For all these programmes success, the road ahead is tortuous the biggest problems are limited arable land, lack of off-farm activity and the over growth of population, Nepali officials said.

Shipping Intelligence

Chittagong Port

Berth Position and Performance of Vessels as on 30-12-97

Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Leaving
J/3	Yafeng	Cement	Lars	Delmure	R/A	3/12
J/4	Banglar Urmu	GI	Kan	BSC	14/12	3/1
J/5	Erna Oldendorff	R Seed	Vera	Lilmond	9/12	9/1
J/6	Sincere Star	GI	P Gud	Prog	2/12	31/12
J/7	Banglar Kallol	GI	B ABB	Move	17/12	1/1
J/8	Banglar Kallol(48)	GL	Mong	BSC	27/12	31/12
J/9	Lerrort	Cont	Sing	RSL	26/12	1/1
J/10	QC Pintail	Cont	Sing	QC SL	24/12	31/12
J/11	Vanessa	Cont	Col	Baridhi	23/12	31/12
J/12	Handy Esperance	Wheat(G)	Sing	SSST	23/12	5/1
J/13	Sin Hai	Cont	Sing	QC SL	24/12	31/12
CCT/2	Xpress Resolve	Cont	Sing	RSL	26/12	2/1
CCT/3	Kota Cahaya	GI/R Seed	Sing	AASS	18/12	4/12
RM/14	Thor Spirit	GI/R Seed	Sing	AASS	18/12	4/12
CCJ	Tempest	Cement	Sing	HSL	22/10	5/1
GSJ	Olympic Merit	Wheat(G)	Harve	OWSL	15/12	1/1
TSP	Hyok Sin	R Phos	Pang	Move	25/12	6/1
RM/3	High Mountain	Cement	Kind	PSAL	R/A	6/1
RM/6	Mekhanik Vrasok	Sho/Ms	Sing	ESCL	27/12	31/12
DD	Banglar Gourab	Repair	Fang	BSC	17/11	4/1
DDJ/1	Tanary Star	Idle	Pan	PSAL	R/A	31/12
DDJ/2	Palmas Service	-	-	B Bay	R/A	-
RM/8	Sea World	Idle	Damm	CCNL	19/11	31/12
RM/9	Banglar Jyoti	Repair	-	BSC	R/A	1/1
Malco (U)	Et Ocean Echo	P Mat	Sing	MBL	30/9	-