

SANYO
Micro
Computer
Controlled
Automatic
Washing
Machine ASW-40MT

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The Daily Star BUSINESS

DHAKA TUESDAY, JANUARY 20, 1998

HYUNDAI
CARS THAT MAKE SENSE

BEPZA stands corrected

The export earning by the enterprises at country's two EPZs in Dhaka and Chittagong was US\$ 307 million during the first half of current fiscal instead of US\$ 30.7 million as released by the Bangladesh Export Processing Zones Authority (BEPZA) on Sunday.

Quoting the BEPZA statement, The Daily Star published a story yesterday.

The BEPZA regretted the mistake.

Nepal-Bangladesh Bank declares 15pc dividend

Star Business Report
Nepal-Bangladesh Bank Ltd has declared a 15 per cent dividend for its shareholders for the year 1996-97.

This was announced at the bank's 3rd annual general meeting held in Kathmandu recently, says a press release.

The Chairman of the bank, JB Shrestha, presided over the meeting. It is the first joint venture bank between Nepal and Bangladesh set-up by IFIC Bank with 50 per cent equity along with the management of the bank and the rest of the equity is held by the Nepali sponsors, has earned a net profit of Nepalese Rs 21.10 million in the 1996-97 fiscal year.

In 1996-97, the bank had a deposit of Rs 1.34 billion which is 46.20 per cent higher compared to the position in the earlier fiscal year.

During the current fiscal year, the deposit has increased by 19.30 per cent to Rs 1.69 billion.

Since commencement of business in 1994, the bank has operated profitably with six branches to dates.

The share of the bank in the banking sector of Nepal is 1.7 per cent which was 1.3 per cent earlier.

The total loan and investment portfolio has grown by 68.8 per cent in comparison to last year. The bank has made loans of Rs 1.45 billion and it share in the banking sector has increased to two from 1.50 per cent.

For the fiscal year 1997-98, the bank has targeted a deposit base of Rs 1.86 billion and loans of Rs 1.56 billion and plans to open two more branches.

With the successful operation of this joint venture in Nepal, IFIC Bank has further strengthened its overseas presence in addition to its earlier set-up joint venture in the Sultanate of Oman, which is also operating profitably.

Another BOC's plant goes into production

The second integrated welding electrode manufacturing plant of BOC Bangladesh Limited went into production yesterday.

Built at a cost of Taka 12 crore, the plant has been imported from Esab AB of Sweden who is one of the largest welding manufacturers in the world. The plant is expected to help double the existing production capacity, says a press release.

BOC has a technical collaboration agreement with Esab AB of Sweden. Recently, the company signed a distribution contract with another world-class welding company, the Lincoln Electric Company of USA.

BOC Bangladesh is the only electrode manufacturing company in Bangladesh to receive ISO 9002 certification for establishment of quality system.

M Syeduzzaman, Chairman of the company, formally inaugurated the plant yesterday. The inauguration ceremony was attended by Dick Grant, Regional Director, South Pacific and South Asia, and Shashi Prasad, Director, South Asia of the BOC Group plc.

This plant has been set up as a part of the company's major investment programme and is sited next to the first plant installed in May, 1995 at Rupganj, near Dhaka.

Food production in Nepal may fall this year

KATHMANDU, Jan 19: Nepal girded itself for a drop in food production this year following an unusual eight-week cold spell which damaged crops in the lowland tropical region, an agriculture official said yesterday, reports AFP.

TB Shrestha, Director General of the Agriculture Department, said heavy rainfall had damaged paddy crops in the topical region adjoining the Indian states of Bihar and Uttar Pradesh.

The preliminary study revealed that the production of paddy is vowed to reduce by four per cent in comparison to 1996 winter season. And two to three per cent of the wheat production would fall short of the last year, Shrestha said.

Nepal produced 6.4 million metric tons of food in the last fiscal year 1996-97 up from 6.2 million metric tons in 1995-96.

One-stop cell of BOI opens

The much-talked about one-stop cell of the Board of Investment (BOI) was inaugurated here yesterday in a bid to stop hazardous bustle by the investors to get services of different agencies, reports UNB.

Executive Chairman of the BOI Farooq Sobhan formally inaugurated the cell at its office at Shilpa Bhaban.

The investors don't require to go different places for getting services as concerned agencies like NBR, BTB, DOE, Register of Joint Stock Companies and Firms, Ministry of Land, DESA, BPDB, Dhaka WASA and Titas Gas Company from now would provide respective facilities and services to the investors from this cell.

BOI Chairman Farooq Sobhan requested all out cooperation and support from the agencies concerned to make the cell a success.

Referring to the shifting of

BOI office building he said for developing the image of BOI the office building would gradually be shifted to the Jiban Bima Tower.

Focussing in the same thing he added that the executive floor of BOI has already been shifted in the 19th floor of the tower and within a month this One-Stop Cell would also be shifted there in the 18th floor, he hoped.

The cell was created as per the decision taken in the 9th meeting of BOI presided over by Prime Minister Sheikh Hasina.

The idea of creating this cell was to provide primary infrastructural and institutional facilities and services from one place to investors needed for setting up of industrial units.

Representatives from different Chambers, officials of BOI, NBR, BTB, DOE, DESA, BPDB, REB, Titas Gas, Dhaka WASA were present on the occasion.



Chairman of Janata Bank Imamuddin Ahmed Choudhury handed over a cheque for Tk 10 lakh, on behalf of the bank, to Prime Minister Sheikh Hasina for the Prime Minister's Relief Fund on Sunday. M A Hashem, Managing Director, and W R Tawhed, Deputy General Manager of the bank were also present on the occasion.

Forex reserve improves but still unsafe

The position of Bangladesh's foreign exchange (forex) reserve has slightly improved this month but it is unlikely to face a major blow as a result of recent financial crisis in South East Asia and in South Korea, says SANA.

According to official sources, the country's forex reserve rose to 1.67 billion on January 8 against only 1.60 billion on December 11 last year. It was 1.58 billion at the end of November which was the lowest in recent times.

Officials at the Bangladesh Bank attributed the rising trend of forex position to a satisfactory increase of export that registered 20 per cent growth during the first five months of the current fiscal year (1997-98).

Export earnings rose to 2.11 billion dollars in five months from July to November against 1.76 billion in the corresponding period of the previous fiscal (1996-97).

Central Bank officials, however, termed the present position of forex reserve 'not so safe' although the position has stabilised to a great extent after a

long spell of turmoil since the present government took over the charges in mid 1996.

Normally forex reserve enough for paying 3.5 months import bill is considered as safe for forex reserve for a country. But Bangladeshis present foreign reserves would meet import bills of maximum three months, a high official at the Central Bank told SANA.

The inadequate forex reserve position may further be affected by the recent economic woes in South East Asian countries and South Korea, the official said referring to huge remittance flow to Bangladesh from those countries.

A sizeable number of Bangladesh wage earners may lose their jobs in those countries in near future owing to the monetary crisis. So, the flow of remittance will decrease. Malaysia and South Korea have already announced that they are going to cut down nearly two million foreign workers.

A comparatively low disbursement of foreign aids in recent months is also a reason behind the present situation.

Business failure high in Japan

TOKYO, Jan 19: Ruined by a credit crunch and a stagnant economy, more Japanese businesses went bankrupt in 1997 than in any year in the last decade and debts of failed firms reached a postwar high, researchers said Monday, reports AP.

In 16,365 businesses went under last year, 12.5 per cent more than the year before and the most since 1986 when 17,476 companies collapsed, according to a report by Teikoku Databank Ltd said.

The growing number of bankruptcies stems from Japan's sluggish economy and a credit crunch among smaller firms as debt-ridden banks hesitate to make new loans, Teikoku said.

On average the bankruptcies were bigger than in previous years. Aggregate debts of the failed firms surged 75.4 per cent from the year before to a postwar high of 14.02 trillion yen (107.9 billion dollars).

The figures don't even include some of the year's biggest corporate collapses, such as Yamaichi Securities and Hokkaido Tokushoku Bank, because those companies closed their doors on their own instead of doing so under court order.

Yamaichi went belly up with debts of more than three trillion yen (23.1 billion dollars) and was Japan's biggest business failure ever.

In December alone, 1,593 firms filed for bankruptcy, 26.5 per cent more than in the same month a year earlier. And aggregate debts left by bankrupt companies rose fourfold to 2.75 trillion yen (21.1 billion dollars), a postwar high for a single month.

Especially hard hit was the construction industry where 4,785 firms went bust last year. The government has dramatically cut the amount it spends on public construction projects in an effort to reduce its burgeoning budget deficit.

Japanese banks are struggling with a pile of bad real estate loans still left from the collapse of land prices early this decade.

Stock markets in Asia show signs of recovery

HONG KONG, Jan 19: Asian markets opened higher Monday, building on a rebound last week following US and IMF officials' efforts to stem the region's financial crisis, says AP.

In Tokyo, the 225-issue Nikkei Stock Average gained 271.73 points, or 1.69 per cent, in the first 30 minutes of trading on expectations that Japan's government was seriously considering additional measures to stimulate the economy.

On Friday, the Nikkei had jumped 924.47 points, or 6.11 per cent.

The US dollar fell further against the yen by midday Monday, trading at 128.36 yen early morning, down 0.80 yen from late Friday in Tokyo and lower than its New York rate of 129.30 yen on Friday.

Hong Kong stocks, which ended a volatile last week just slightly higher, opened sharply up Monday, buoyed by gains in other Asian markets. Hong Kong's key stock barometer, the Hang Seng index, was up 404.87 points, or 4.5 per cent, after a few minutes of trading to 9304.91.

Asian markets are doing quite well this morning," said Josephine Hui, research director at Cheerful Securities in Hong Kong.

The rebound followed whistle-stop tours of Asia last week by the head of the International Monetary Fund, Michel Camdessus, and by a senior US Treasury official, Lawrence Summers, who was dispatched by President Bill Clinton to assess the region's financial turmoil.

The Washington-based IMF has arranged more than 100 billion dollars in funding for South Korea, Indonesia and Thailand, the countries worst affected by a drastic plunge in currencies and stock markets since last July.

On Monday, South Korea's share index opened sharply higher, fueled by a buying spree by small investors, analysts said. After 10 minutes of trading, the main stock index was 21.95 points, or 4.4 per cent, higher.

"Sentiment is turning bullish as both local and foreign investors are scurrying to buy shares," said Choi Chang-ho, an analyst at Seangyoung Investment and Securities Co.

Indonesian shares also opened up 3.6 per cent at 429.033 points.

In Taiwan, stocks opened higher as investors anticipated larger dividends, especially in high-earning technology issues, under new tax rules to go into effect this year, analysts said. Singapore's main share index rose 4.5 per cent in early trading, breaching 1,300 points.

Australia's share market remained in positive territory around midday Monday following rises on international markets Friday. New Zealand's main index closed at 2236.73 points, 1.2 per cent higher.

SEA crisis poses a major threat to China's exports

BEIJING, Jan 19: China warned yesterday that the regions' financial crisis had created a 'major threat' to its exports because of a sharp drop in demand for building materials and metals from Southeast Asia and the region's significantly cheaper exports, says AFP.

"The affected countries' retrenchment on imports and the reduction of the export prices are imposing a double pressure on China's exports," Meng Guirong, President of the China Chamber of Commerce for Mineral, Metal and Chemical Exporters was quoted as saying by the official China daily.

The newspaper said "many" cement factories in eastern Shandong province had already gone bankrupt because of the crisis and that growth of equipment exports turned negative during the second half of 1997.

Taliban introduces strict currency control

KABUL, Jan 19: Afghanistan's ailing currency, the Afghani, will be subject to daily value fixing by the Taliban administration in a bid to stop speculating, official sources here announced yesterday, reports AFP.

In a package of measure aimed at giving the militia greater fiscal control, the Afghan capital's main money market has been shut down with all traders ordered to officially register their shops.

The central bank shall announce to the public the rate for the purchase and sale of currency everyday, and all money changers should operate according to the determined rate, a state-run radio Shariat announced.

The broadcast said all trading in currency outside the war-shattered capital's two main money markets is outlawed, with a penalty of two years imprisonment and confiscation of all assets to be dish out to violators.

All the money changers who are not licensed are told to get licences quickly or else their shops will be locked and they won't have any right to complain," it warned.

Also outlawed is the practice of Seta-bazi where traders swap notes of 5000 Afghani denominations for others types to make a profit.

"This action is totally forbidden in the holy religion of Islam and if anyone is seen to be doing it they will be jailed for five years and they don't have any right to complain either," the broadcast said.

Exchange Rates

The following are the Sonali Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 19th Jan '98.

Name of Currency	Buying		
	TT Clean	OD Sight	OD Transfer
US Dlr	45.2800	45.1100	45.0100
GB Pound	73.7527	73.4758	73.3130
D Mark	24.5631	24.4709	24.4166
F Franc	7.3339	7.3064	7.2902
C Dlr	31.3700	31.2522	31.1829
S Franc	30.1019	29.9889	29.9225
JP Yen	0.3495	0.3482	0.3474

Name of Currency	Selling	
	T.T. & O.D.	B.C.
US Dollar	45.6595	45.6990
GB Pound	74.9772	75.0421
D Mark	25.0315	25.0532
F Franc	7.4709	7.4774
C Dollar	31.9620	31.9896
S Franc	30.6696	30.6961
JP Yen	0.3598	0.3601

A) TT (DOC) US Dollar Spot Buying Tk 45.1950
B) Usance Rate

Days	30	60	90	120	180
US Dollar	44.814	44.4373	44.060	43.682	42.980

Indicative Rate		
Currency	Selling	Buying
Saudi Riyal	12.1726	11.9972
UAE Dir	12.4315	12.2543
KUW Dir	149.2384	146.9714
D Guider	22.2274	21.9059
S Krona	5.6887	5.6042
Malay Ringgit	10.4604	10.1948
Sing Dollar	26.1734	25.7568

Shipping Intelligence

Chittagong port									
Berth position and performance of vessels as on 19.1.98									
Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Date of arrival	Leaving			
J/1	Sarah-1	CI	Yang	Cross	30/12	23/1			
J/3	Linghai-18	C. Clink	Sing	MBL	10/12	23/1			
J/4	Baltimar Venus	CI	Yand	Litmond	14/1	20/1			
J/5	Brave Pescadores	CI	Sento	Radiant	24/2	19/1			
J/6	Norbulk Oak	CI	S Hal	Prog	1/1	26/1			
J/7	China Star	CI	Sing	Everett	6/1	22/1			
J/8	KFK	CI	Mad	Oil	15/1	22/1			
J/9	Peng Chi	CI	Sing	Prog	31/12	22/1			
J/10	Qc Pintall	Cont	Mad	SSL	5/1	23/1			
J/11	Sin Hal	Cont	Sing	QCSL	13/1	21/1			
J/12	M. Regina	Cont	Sing	Pil (Bd)	6/1	21/1			
J/13	Vanessa	Cont	Col	Baridhi	13/1	21/1			
CCT/2	Mirdamad	Cont	Sing	SSL	8/1	20/1			
CCT/3	Johanna	Cont	Sing	RSL	10/1	21/1			
RM/14	Jin Cheng Jiang	Pasp	Sing	Tmil	28/12	19/1			
CCJ	Banglar Mamata	Repair	-	BSC	R/A	24/1			
TSP	Kuryong	Cement	Sing	Delmure	9/12	26/1			
RM/4	Sun Emerald	Cpo	Sand	Lams	18/1	20/1			
RM/5	Al Kuwattiah	Hsd/Jp-1	Mina	MSTPL	16/1	20/1			
DD	Banglar Urm	Repair	-	BSC	R/A	30/1			
DDJ/1	Tanary Star	Idle	Para	PSAL	-	-			
RM/8	High Mountain	Cement	Kind	PSAL	R/A	22/1			
RM/9	Banglar Kallol	Repair	B. Abb	Move	17/12	28/1			
KAFCOU	El. Ocean Echo	P. Mat	Sing	MBL	30/9	-			

Vessels due at outer anchorage					
Name of vessels	Date of arrival	L. Port call	Local agent	Cargo	Loading port
Tug Tong Lian	19/1	-	Cosmos	-	-
Star Antares	19/1	-	Everett	Urea	-
Sweet Lady	19/1	-	ANCL	-	-
Myohyang-2	24/1	-	PSAL	Cement	-
Seabulk Carl	19/1	Sing	Tmil	CI	-
Kota Berjaya 11/1	19/1	Pil (Bd)	Cont	-	Sing
Ho Chi Minh	20/1	Ukka	AASS	M. Seeds	-
Da Fu 12/1	20/1	Sing	Apil(B)	Cont	Sing
Freedom-K	20/1	Yant	Jaycee	Cement	-
Sea Horse	21/1	Sing	Seacom	CI (Copro)	-
Banglar Ror 13/1	21/1	Sing	BSC	Cont	Sing
Tamdhua 48/1	22/1	-	Simni	R/Coch/Gi	-
Sotoon	22/1	-	Simni	Scraping	-
Kota Alam 6/1	23/1	Sing	Pil(Bd)	Cont	Sing
Dewan-1	24/1	Kara	AML	CI/CI	Kara
Sea Elegance 14/1	24/1	Sing	Pil (Bd)	Cont	Sing
Grete Oldendorff	25/1	-	Rainbow	R Seed	-
Nan Du Jiang	26/1	Dali	USTC	C Clink	-
QC Teal 18/1	26/1	Sing	QCSL	Cont	Sing
Diligence Cont 18/1	27/1	Sing	QCSL	Cont	Sing
Kota Binting 18/1	27/1	Sing	Pil (Bd)	Cont	Sing
Banglar Mori 16/1	27/1	Sing	BSC	Cont	Sing
Haimao	27/1	Mong	MHI	Scraping	-
New Cynus 48/18/1	28/1	-	Prog	S. Soil	-

Tanker due:				
Name of vessels	Date of arrival	L. Port call	Local agent	Cargo
Juliana	19/1	Sing	Tsl	Tallow
Zhong Hua-1	21/1	-	Tsl	CPO
Parnar	21/1	Mina	MSTPL	HSD
Bunga Melawis Dua	31/1	-	Seaglor	CPO

Vessels at Kutubdia				
Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Ismaya	-	-	B. Bay	9/1
Orizont	-	Sing	B. Bay	25/2
Walter	-	-	B. Bay	1/1
Setia Abadi	-	-	B. Bay	R/A(27/12)
Seabulk Besty	-	-	B. Bay	R/A(5/1)

Vessels at outer anchorage:				
Ready on:				
Sea Energy	GI	Busa	Prog	8/1
Ultima	Cont	Col	Baridhi	7/1
Peng Yan	GI	S. Hai	Baridhi	14/1
Cape Hatteras	Cont	Sing	RSL	15/1
Lerrort	Cont	Sing	RSL	14/1
Ib Everett	GI	Sing	Everett	15/1
Kota Chaya	Cont	Sing	Pil (Bd)	15/1
San Pablo (Roro/24)	Vehi	Col	J	17/1
Bonanza(48)	GI (P.EG)	Sing	MBL	17/1
Banga Biraj	Cont	Sing	Bdship	17/1
Tempest	Cement	Sing	BSL	18/1