

Chirac arrives in India tomorrow to discuss trade

PARIS, Jan 22: French President Jacques Chirac heads off on a three-day state visit to India Saturday with one goal in mind: pumping up his country's lagging trade performance in the democratic world's biggest pool of potential customers, says AFP.

Accompanying the French head of state will be high-powered delegation including three ministers — foreign affairs, research and technology, and economy and industry — and the heads of 23 of France's biggest enterprises.

The size of this delegation underlines the interest French economic circles have in India and the confidence they place in the country's future. Chirac's spokeswoman Catherine Colonna told a press conference Wednesday.

Politics will also be seen to take a back seat when the presidential entourage lands not in New Delhi but in Bombay, India's commercial heart. Chirac will be met there by the governor of Maharashtra state, P C Alexander.

He will be greeted by his Indian counterpart, K R Narayanan, in New Delhi on Sunday, before attending Republic Day celebrations, marking India's transition to a Republic on January 26, 1950, as guest of honour.

India has been celebrating its 50th year of independence from British rule since last August.

In an interview from Paris to the Indian newspaper, the Hindu, Chirac cautiously-backed Indian aspirations for a permanent seat on the United Nations Security Council.

BB treasury bills auctioned

The 9th auction of the 90-day treasury bill, the 70th auction of the 30-day and the 180-day treasury bills and the 44th auction of the one-year treasury bill of Bangladesh Bank were held on Wednesday, reports UNB.

Twenty-three bids for a total of Tk 501 crore of 30-day bill and two bids for a total of Tk one crore of 90-day bill were offered.

All the bids were accepted. No bid was offered for the 180-day and one-year bills, said a BB press release.

The weighted average prices of the accepted bids against the 30-day and 90-day bills were Tk 99.34 and Tk 97.83 per 100 taka respectively.

The corresponding yields are 7.99 per cent and 8.88 per cent per annum.

Milo plant in Bangladesh

Star Business Report

Milo, a sweet chocolate drink, will now be produced in Bangladesh.

Coming from Australia, Milo, a Nestle product, has long been considered as an energy and health beverage since its launching in 1934 in New South Wales.

"We have invested nearly Tk 15 crore in the new plant and buildings," said Nestle Bangladesh Ltd managing director Nick JS Miller at a ceremony at Hotel Sheraton.

In Bangladesh, Transcom Ltd began marketing Milo in 1990. From now on, Milo will be produced at its Sripur factory that will also produce Nestomil, another popular drink of Nestle.

Also speaking on the occasion were Nestle's marketing manager John Lewer, product manager Kazi Khalid Mahmood, Transcom's general manager Mosharraf Rahman distributed raffle prizes among the winners. The programme was followed by Star.

Bulbul to promote Nestle products

BSS says: Vice captain of Bangladesh cricket team Amritul Islam Bulbul has tied with a multinational company, Nestle Bangladesh Limited for three years to promote its products in the country.

The company yesterday launched its locally packed potential food drink "milo" at a hotel with Bulbul batting a nestle ball.

Vice President of Bangladesh Cricket Board Raisuddin Ahmed was present.

BKB disburses Tk 52.27cr loan in 11 S dists

MADRIPUR, Jan 22: Bangladesh Krishi Bank, Barisal region, has so far disbursed Tk 52.27 crore loan out of the total target of Tk 140.79 crore among the farmers of 11 Southern districts in the current fiscal year, reports UNB.

According to bank sources, a total of 1.32 lakh farmers of the region will be benefitted. The amount has been disbursed through its 191 branches in the last six months till December.

The districts under this programme are Barisal, Bhola, Puthia, Jhalakati, Barisal, Pirojpur, Faridpur, Madaripur, Gopalganj, Sharifpur and Rajbari.



HARD TO GET: A week away from Eid-ul-Fitr, home-bound people queue at Kamalapur Railway Station for inter-city train tickets yesterday.

— Star photo

Asian stocks tumble

HONG KONG, Jan 22: Asian stock markets tumbled Thursday amid fears that the collapse of Indonesia's currency could trigger further economic instability across the region, reports AP.

Hong Kong's main stock index shed 3.9 per cent because of fears over the Indonesian rupiah, the shaky health of Hong Kong's brokerage industry and a one per cent overnight fall on Wall Street.

Taiwan's main stock index dropped 0.1 per cent, while Sydney's index fell 0.9 per cent. Malaysia's index also shed 2.6 per cent as investors reacted to the downturn on other Asian markets.

Indonesia's rupiah collapsed to another record low Thursday amid fears about huge private sector debt and the nation's political future.

The currency crashed to 14,550 rupiah against the US dollar in a mad rush that started as soon as trading opened.

"It seemed like pure panic," said Chia Woon Kien, an analyst with SE Bankers in Singapore, where rupiah were also sold off.

The rupiah recovered to around 12,000 in afternoon trading after Indonesia's central bank reportedly intervened by selling dollars. The rupiah has lost an astonishing 85 per cent of its value in the past seven months.

Indonesia's main stock in-

Mediator presents new Bosnian currency

SARAJEVO, Jan 22: Bosnia's top international mediator on Wednesday presented a currency for all of the country, designed to be used by Serbs, Croats and Muslims alike, reports AP.

The mediator, Bosnian High Commissioner Carlos Westendorp imposed the new currency on Tuesday, after the three ethnic groups failed to meet a January 20 deadline for agreeing on the money.

Although the Bosnian war ended in 1995, disputes over symbols by all groups and separatist tendencies among Serbs and some Croats have blocked agreement on a common currency, which would be a symbol of Bosnian unity.

The market is taking a rest," said Yasuo Ueki, general manager of equities operations at Nikko Securities.

Profit-taking also pushed prices down in South Korea, where the main index dropped 4.5 per cent, and in Thailand. The Thai index shed 2.8 per cent.

The rupiah's fall also dented sentiment in Singapore, prompting a 3.2 per cent drop on the main index.

Philippine shares also dropped, yanked down by a weakening in the local currency, the peso, and continued profit-taking on most large capitalised stocks, traders said.

The main index fell 2.7 per cent.

Pradeep Sharma at the foreign exchange and travel house Thomas Cook said: "The rupee opened at 38.90 to the dollar, marginally down from today's close of 38.75."

Indian rupee continues to hold up against dollar

BOMBAY, Jan 22: The Indian rupee continued to hold up against the dollar today following stabilising measures last week by the central Reserve Bank of India (RBI), dealers said. The main index fell 2.7 per cent.

New Zealand's index finished down 0.4 per cent, but clawed back ground from its lows.

Britain won't rejoin ERM

BRUSSELS, Jan 22: Britain on Wednesday rejected suggestions it will have to rejoin the European Exchange Rate Mechanism (ERM) to qualify for membership of the single currency, reports AFP.

Chancellor of the Exchequer Gordon Brown told the European Parliament's Economic and Monetary Committee that the Maastricht Treaty required potential Euro members to have had stable exchange rates, rather than making ERM membership compulsory.

"Exchange rate stability is the most important criteria laid down in the treaty and that is what we will have as a country," Brown said.

FedEx to equip cargo jet fleet with advanced safety systems

Federal Express Corp. has initiated a voluntary programme to equip its cargo jet aircraft fleet with three advanced safety systems, making it the first air cargo carrier to voluntarily undertake such an extensive safety equipment initiative, says a press release issued from Memphis, US recently.

Beginning this year, the most advanced version of the Traffic Alert and Collision Avoidance System (TCAS II) will be incorporated into the FedEx fleet. This system will have a unique upgrade feature making it capable of using the Automatic Dependent Surveillance-Broadcast (ADS-B) navigation and collision-avoidance technology. ADS-B, which is based on satellite systems already in orbit, is now being developed in several joint government-industry programmes.

Singer opens 67th showroom at Savar

Singer Bangladesh Limited, opened its 67th showroom cum sales centre at Savar Bazar Road, Savar, Dhaka on Wednesday, says a press release.

M A Siddiqui, marketing manager of the company formally inaugurated the showroom.

Executives of Marketing and Marketing Services Department of Singer Bangladesh Limited were present.

Jan Bove (2nd-L), Resident Representative of International Monetary Fund and R Maksud Khan (2nd-R), President, Dhaka Chamber of Commerce & Industry (DCCI), held a discussion meeting at the DCCI office yesterday. DCCI Senior Vice-President Masudur Rahman (R) and Vice President Zafar Osman (L) were also present.



Md Abdul Hye, owner of Khaza Store, Narayanganj, is seen receiving the first 'Milo Winners' Prize from Nestle Managing Director Nick J S Miller at a city hotel yesterday.

— Star photo

Rupiah crashes again

JAKARTA, Indonesia, Jan 22: Indonesia's currency went into freefall within minutes of the start of trading Thursday despite sweeping reforms enacted by President Suharto to arrest the Southeast Asian nations' economic crisis, reports AP.

At one point the hapless currency crashed to 14,400 rupiah to the US dollar. It was its third consecutive all-time low in as many days and down sharply from its closing level Wednesday of 11,550 rupiah.

The rupiah has lost about 83 per cent of its value since a currency crisis hit the region in July.

Dealers said the rupiah was sold off in exchange for US dol-



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India targets 25pc of global spices market

CHENNAI, Jan 22: India has set a target to export of 25 per cent of the value of the total global spices trade of 1.7 billion US dollars from the country by the year 2000, says PTI.

At present India exports spices worth 340 million US dollars and the aim was to reach a target of 500 million US dollars by 2000. Spices Board Chairman V Jayashankar and Chairman of Exporters' Forum George Paul told a news conference here today.

Jayashankar said a three-day "world spice congress" would begin in the city tomorrow. Over 120 delegates from 33 countries and 200 delegates from India would participate in the congress, the fourth in the series, and being held for the first time in Chennai.

Jayashankar said the three congresses held in Bangalore,

Goa and Kochi earlier helped setting up of joint ventures, besides making 'great strides' on the export front.

This congress will also give room for further development and setting up joint ventures," he said.

The earlier congresses had delegates only from spice buying countries and now for the first time spice producing countries would also participate.

Bank holiday

Bangladesh Bank and all scheduled banks will remain closed today and on January 27 on the holy occasions of Jummatul Wida and Shab-e-Kadr respectively, said a Bangladesh Bank press release, reports UNB.

GCC economies set to slow down sharply

ABU DHABI, Jan 22: The economies of six Gulf Arab states are set to sharply slow down in 1998 although some of them boosted oil output and projected higher spending, economic experts said on Wednesday.

After two years of galloping growth, the economies of the Gulf Cooperation Council (GCC) will increase by around 2.3 per cent in current prices this year while real growth could be much lowered.

The combined gross domestic product (GDP) of the 17-year-old political, defence and economic alliance is forecast to expand to around 260.5 billion dollars in 1998 from 254.5 billion dollars in 1997.

The oil sector is expected to decline in the GCC this year because of a projected weakening in crude prices," said Henry Azam, chief economist and assistant general manager at the Saudi National Commercial Bank.

This is due to the continuous expansion in the private sector and non-oil sectors mainly light industry and services."

Crude prices were as high as 20 dollars in 1996 and 19 dollars in 1997 as they were strengthened by higher global demand, tensions between the United States and Baghdad, the absence of sanctions hit Iraq from the oil market for most of 1996, and compliance by major Gulf producers with output quotas assigned by the Organisation of Petroleum Exporting Countries (OPEC).

But prices this month tumbled by more than three dollars to one of their lowest levels in four years despite peak seasonal demand.

The slide was due to excess supplies by the 11-nation OPEC following its November agreement to hike its official output ceiling by 10 per cent to 27.5 million barrels per day (BPD).

Other factors included Iraq's recent agreement with the United Nations to resume crude exports, the economic crisis in Southeast Asia, and a mild winter in the northern hemisphere.

Emirates service to Malta from March 30

Emirates, the award-winning international airline of the UAE, will commence a twice-weekly service to Malta on March 30, says a press release.

The airline will operate the Airbus A300-600R aircraft configured in three classes of 18 First, 35 Business and 163 Economy class seats.

Malta, south of Sicily in the Mediterranean Sea, will be the 44th destination and the 12th in the airline's European network.

Sheikh Ahmed Bin Saeed Al Maktoum, Emirates' Chairman said: "We are grateful to the government of Malta and the civil aviation authorities for granting Emirates the right to operate services."

Credit Suisse says

Asian crisis to depress global demand

ZURICH, Jan 22: The economic crisis in Asia is proving more entrenched than expected and will depress global demand, Credit Suisse said on Wednesday.

The financial markets will feel the impact from Asia, "interest rates are likely to sink worldwide further than previously expected, and will trend downwards" it said.

Credit Suisse estimated growth this year in Switzerland at 1.4 per cent compared with 0.6 per cent in 1997, when the economy limped out of a six-year recession.

The effects of the crisis in Asia would start to break the economy as the year progressed and growth in 1999 would be one per cent.

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