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# The Daily Star BUSINESS

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**HYUNDAI**

CARS THAT MAKE SENSE

## Strike at Mongla Port 4299 working hours wasted in four years

KHULNA, Jan 23: About 4299 working hours were wasted at Mongla Port due to strikes enforced by different labour and stevedore organisations in last four years, says UNB.

Port sources said Dock labourers observed strikes for 991 hours, casual labourers 909 hours and Stevedores Association observed 554 hours during the period.

They said Launch Workers' Association observed strike for 264 hours, Bangladesh River Labourers' Federation 552 hours, catering contractors 12 hours, Food Catering Contractors 36 hours, Jahaj Samik Sangha 552 hours, Dock Samik Karmachari parichalana Board Union 12 hours and Launch Owners Association 144 hours, causing a huge loss to the port.

## Consumer price index rises in Singapore

SINGAPORE, Jan 23: Inflation is speeding up in Singapore, with a two per cent rise in consumer prices last year, up from a 1.4 per cent increase during 1996, the government said Friday, reports AP.

Every consumer cost category increased in 1997, compared to the year before, the Department of Statistics reported. Transportation and communication costs went up the most, 3.9 per cent, followed by a 3.7 per cent rise in health care. Housing was up 2.3 per cent, and food by two per cent, mostly because of higher prices for cooked food, seafood and rice, the department report said.

Singaporean news media and government analysts have been tracking an increase in the number of citizens expressing a desire to emigrate during the past year. The high cost of living and a stressful lifestyle were the most common reasons given.

## WHO finds no evidence of bird flu in China

BEIJING, Jan 23: A World Health Organization team found no evidence of southern China of the deadly bird flu, but said Friday it was too early to declare the outbreak over, reports AP.

The team of virus experts said given that six months passed between the first case in Hong Kong and the second, more surveillance was needed.

China's southern province of Guangdong, which borders Hong Kong, usually supplies about 80 per cent of Hong Kong's live chickens. Its legions of chicken farms have been considered a likely source of the avian flu virus H5N1, which has killed six people in Hong Kong and infected 12 others.

The WHO team recommended that for the next six months, China step up its surveillance of the population by five to 10 fold — drawing about 5,000 blood samples that could be tested for the virus.

"Although there have been no new cases in Hong Kong and no cases in Guangdong, we cannot feel secure yet," said Dr. Daniel Lavanchy, a team member.

The WHO also suggested that China improve staffing and equipment for the surveillance program.

Visits to chicken farms as well as hospitals and labs in Guangdong.

Yielded no indications that the source of the virus was in China, Lavanchy said. But he conceded that Guangdong, with tens of thousands of chicken farms, was too large for the team to be sure.

The WHO team's findings confirmed those of government officials, who have insisted all along that the disease has not been detected in China.

Hong Kong last week declared the worst of the outbreak over after barring chicken imports from China and slaughtering all chickens in the territory.

## German trade surplus surges

BONN, Jan 23: Germany's trade surplus surged to 118.6 billion marks (64.5 billion US dollars) in the first eleven months of 1997, which was already a new record since the 1990 German reunification, the German Federal Statistics Office in Wiesbaden announced on Tuesday, reports Xinhua.

According to the latest figures released by the statistics office, Germany's exports in the first eleven months of 1997 totalled 809.3 billion marks (439.8 billion dollars), up 12.7 per cent from the same period of 1996.

Meanwhile, the country's imports also increased by 10.1 per cent to total of 690.7 billion marks (375.4 billion dollars) during the same period.

# Tokyo scraps fishing pact with Seoul

TOKYO, Jan 23: Japan scrapped a fishing pact with South Korea on Friday after talks to renew it deadlocked, threatening to send the often rocky relations between the neighbours to a new low, says AP.

South Korea attacked the decision as "an unfriendly act," and said it would allow its boats to fish freely in Japan's coastal waters.

The exchange added to lingering anti-Japanese sentiments in South Korea, which endured a harsh 35-year colonial rule up to Japan's defeat in World War II.

The two nations have been trying to delineate fishing areas that comply with the 1994 UN Convention on the Law of the Sea, which allows a nation exclusive fishing rights within 200 nautical miles (230 miles, 370 kilometres) of its shores.

The countries are less than 400 nautical miles (460 miles, 740 kilometres) apart, so there are overlapping areas.

The treaty Japan shelved on Friday sets exclusive fishing rights within only 12 nautical miles (14 miles, 22 kilometres). That limit stays in effect, however, because the treaty is valid for a year after either side decides to abolish it.

Japan's decision has an-

gered Seoul particularly because of the perception that Tokyo is trying to exploit South Korea's financial crisis to get its way in the fisheries pact.

South Korea needs help from Japan — its largest single lender — to ease its financial turmoil.

Late last year, South Korea turned to the International Monetary Fund for help with its financial troubles and agreed to a record 57 billion dollar rescue fund.

The decision also comes at a difficult, transitional time for Seoul because it will be inaugurating a new government late next month.

"It's a very unfriendly act that Japan, as a neighboring country, has unilaterally abolished the accord because its excessive demand was not accepted," Foreign Ministry spokesman Lee Kyu-hyong said in Seoul.

Referring to South Korea as "a country with which Japan has one of the closest and most friendly relations," Japanese Foreign Minister Keizo Obuchi said Friday that Tokyo will continue "to work earnestly on the negotiations."

But South Korean Foreign Minister Yoo Chong-ha said "a cooling-off" period would have to come first before any talks can be resumed.

Yoo warned that Japan was responsible for the consequences of its decision. But he said his government has no plan to recall its ambassador to Japan in protest.

The issue has grown complex since Japan expanded its territorial waters last January and began seizing South Korean fishing boats that allegedly violated the new zone. Japan says South Korean fishing boats are depleting fish in waters near its shores.

An eighth South Korean fishing boat was seized Tuesday by Japanese maritime police. South Korea has demanded its release.

"The Japanese action is not desirable for the future of both countries," said Chung Dong-young, a spokesman for President-elect Kim Dae-jung.

"We believe that the fisheries accord is an issue that should be resolved through dialogue and negotiations, not an issue that can be resolved through forceful measures."

Another sore point in South Korean-Japanese relations is a territorial dispute over a set of islets in the Sea of Japan, called Takeshima in Japan and Dokdo in South Korea. The islets are surrounded by rich fishing grounds.

## China sets new anti-corruption guidelines

BEIJING, Jan 23: Chinese leaders have set new anti-graft guidelines in what they describe as a crucial year in the fight against corruption, the official Xinhua news agency reported yesterday, says AFP.

The agency said the moves included curbing on lavish spending by officials for personal ends, efforts to alleviate the burden on farmers and severe punishment for offenders.

The guidelines were set at the second full session of the communist party's central commission for discipline inspection held in Beijing from January 20-22.

Xinhua said the session urged the whole party "to deeply understand the great significance of combating corruption in the process of reform, opening up and modernisation drive."

A communique called for leading officials to exercise self-discipline and for strict controls on the building and furnishing of office buildings and on meetings and celebrations.

"Leading officials are forbidden to use public funds to hold banquets, install household phones or purchase mobile phones, and must use or change cars strictly according to regulations," Xinhua said.

The meeting, attended by top leaders including President Jiang Zemin and Prime Minister Li Peng, said the anti-corruption drive should focus on "increasing education of party members in the party spirit and improving the legal system to ensure the fight against corruption and for a clean government is carried out in an orderly way."

## Cathay Pacific announces 760 layoffs

HONG KONG, Jan 23: Struggling Hong Kong airline Cathay Pacific announced Monday that it was laying off 760 people because of the financial crisis buffeting Asia, reports AP.

In a statement, Cathay said 1997 "was a very bad year and 1998 shows little hope of improvement."

It said 460 of the staff to be laid off were in Hong Kong and the rest were based in other countries around the world.

"Just six months ago I would never have thought we would be forced to resort to such painful measures as this," said Cathay's managing director, David Turnbull.

But he also defended the action, saying: "We cannot just sit here and wait for the market to turn around and save us."

## US universities offer help to Asian students

EUGENE, Oregon, Jan 23: The University of Oregon has agreed to defer tuition and offer emergency loans for students from Asian nations facing an economic crisis, reports AP.

The cost of attending the university for students from Indonesia, Thailand, Korea and Malaysia has multiplied because of currency devaluations in those countries.

For example, the cost the university's 199 Indonesian students has quadrupled.

The university will let Asian students remain in school through the spring quarter — even if they are unable to pay tuition. Emergency loans will be available for living expenses from a 100,000 dollars fund set up for this purpose.

"It's the humanitarian thing to do," Tom Mills, dean of international education and exchange, said Wednesday. "If we had a student from an Oregon town that was flooded, we would do the same thing."

The Asian economic crisis affects more than 2,500 university students in the northwestern state of Oregon, who pay full nonresident tuition of more than 10,000 dollars a year.

So far, officials at Oregon State University in Corvallis have looked at way to defer tuition payments. The school will offer emergency loans to pay for education expenses, and find host families.

Oregon State University cannot afford to defer tuition, but will work out payment plans to help students stay in school.

Even though the dropout deadline has passed, students who already had registered and paid for winter term but must drop out will get a full refund, said Dawn White, director of international educational services.

Gattar Dewi, a University of Oregon sophomore from Indonesia, welcomed the school's help, but said more — even tuition cuts — may be necessary.

"I think the university is doing what it can so far, but I don't think they have seen the real impact yet," said Dewi, whose family has been devastated by the crisis. "This help is for the short term, but the crisis is not a short-term crisis."

## Jakarta unveils revised budget Rupiah slips again

JAKARTA, Jan 23: Continuing a grim daily cycle, Indonesia's fragile currency slipped Friday as the government unveiled a revised budget that falls in line with economic reforms pushed by the International Monetary Fund, reports AP.

Indonesian officials, who initially appeared reluctant to implement austerity measures to boost their shattered economy, now reap few gains even when they do show some resolve.

There was little hope of immediate recovery for the battered rupiah, which was trading at 13,500 at 11 am (0400 GMT), down from a close of 12,000 on Thursday. It has lost about 80 per cent of its value since Asia's currency crisis erupted in July.

The Jakarta stock exchange was up 4.8 points at 448.41 as traders bought cheap shares.

In a routine show of market jitters, the rupiah slid as Finance Minister Mar'ie Muhammad delivered a new state budget with a more sober outlook on Indonesia's economic ills. His speech to benches of legislators in Parliament was largely a formality.

President Suharto, who has been in power for 32 years, has already enacted tough economic reforms that sweep away subsidies and other perks that benefited his family and friends for

decades. The new budget predicts no growth in 1998, down from Suharto's earlier forecast of 4 per cent. It is based on an exchange rate of 5,000 rupiah against the dollar, down from 4,000.

But now, after the currency plunged to an astonishing record low of 16,500 rupiahs on Thursday, markets are showing little faith in the government's frantic repositioning.

Dealers said they were worried about a lack of government action to tackle massive foreign currency debt owed by hundreds of companies facing bankruptcy.

There is nervousness, too, over a few isolated riots linked to rising food prices and fear that violence may spread in the world's fourth most populous nation. Unemployment is up and many industries, including the media and construction, are foundering.

Now worries abound about who might one day succeed the 76-year-old president, who is almost certain to win a seventh, five-year term in a March election held by a Suharto-dominated special assembly.

The push to keep Suharto in power accelerated Friday when the Muslim-oriented United Development Party, the second-largest political group, nominated him for the presidency.



Chairman of National Credit and Commerce Bank Limited, M A Awal, handed over a cheque, on behalf of the bank, to Prime Minister Sheikh Hasina Thursday for the cold-hit people of the country. Mohd Sajidul Haq, Managing Director of the bank, was also present.

## Pak growth rate unlikely to reach target

ISLAMABAD, Jan 23: Pakistan is unlikely to fulfill its targeted annual growth rate of six per cent in the 1997-98 fiscal year, the country's central bank said in a report on Thursday, according to Xinhua.

A less than expected cotton crop and the continued sluggish production in the large-scale manufacturing sector during the first six months of the current fiscal year (July 1, 1997-June 30, 1998) are likely to contain annual economic growth rate to be around five per cent, State Bank of Pakistan (SBP) said in the report.

The SBP also pointed out that there was a considerable shortfall in revenue collection in the first six months of the fiscal year both in relations to the historical trend and the target for the year as a whole.

Similarly, the finances of public sector corporations and of some provinces remained weak in the first half of the year contributing to the budget deficit, it said.

The central bank said substantive measures are needed to improve export performance so that narrowing of the trade deficit continues in the context of recovery and growth of imports, particularly of capital goods and raw material.

The bank also recommended the adoption of a careful strategy to finance the current account deficit through long-term private capital inflow rather than through short-term borrowing.

In addition, the existing stock of short-term foreign exchange liabilities has to be reduced through a well-designed programme of their conversion into medium- and long-term liabilities, it said.

At the same time, foreign exchange reserves need to be built up keeping in new the volume and variability in trade as well as large size and volatility of short-term foreign exchange liabilities, it added.

## Exchange Rates

The following are the Sonali Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 22nd, 23rd & 24th Jan '98.

Name of Currency	Buying		
	TT Clean	OD Sight	OD Transfer
US Dir	45.2800	45.1105	45.0110
GB Pound	73.5545	73.2792	73.1175
D Mark	24.8284	24.7354	24.6809
F Franc	7.4129	7.3852	7.3689
C Dir	31.1552	31.0386	30.9702
S Franc	30.5552	30.4408	30.3736
JP Yen	0.3534	0.3521	0.3513

Name of Currency	Selling	
	T.T. & O.D.	B.C.
US Dollar	45.6598	45.6995
GB Pound	74.7534	74.8184
D Mark	25.3022	25.3242
F Franc	7.5552	7.5618
C Dollar	31.7433	31.7709
S Franc	31.1422	30.1693
JP Yen	0.3638	0.3642

A) TT (DOC) US Dollar Spot Buying Tk. 45.1952	
B) Usance Rate	
30 Days	50
60 Days	90
90 Days	120
180 Days	180
44.4373	44.0000
43.8828	42.8280

C) US Dollar sight export bill 3 months forward purchase: Same as OD sight export Bill buying rate.	
Selling	
Name of Currency	T.T. & O.D.
US Dollar	45.6604
GB Pound	74.7444
D Mark	25.2979
F Franc	7.5556
JP Yen	0.3641
C Dollar	31.7260
S Franc	31.1232

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 22/01/98.

Name of Currency	Buying		
	TT Clean	OD Sight	OD Transfer
US Dir	45.2850	45.0991	44.9884
GB Pound	73.5785	73.2679	73.0881
D Mark	24.8429	24.7380	24.6773
FR Franc	7.4189	7.3876	7.3694
JP Yen	0.3553	0.3538	0.3529
C Dir	31.1618	31.0303	30.9541
S Franc	30.5595	30.4305	30.3558

Name of Currency	Selling	
	T.T. & O.D.	B.C.
US Dollar	45.6604	45.6988
GB Pound	74.7444	74.8097
D Mark	25.2979	25.3199
F Franc	7.5556	7.5622
JP Yen	0.3641	0.3644
C Dollar	31.7260	31.7537
S Franc	31.1232	31.1503

Janata Bank's selling and buying rates in cash currency for public:	
Selling	
US DLR	46.1500
GBP	73.7400
S Riyal	12.3000
UAE DH	12.3000
KUW DI	148.5000

Buying	
US DLR	45.6500
GBP	71.7400
S Riyal	11.8500
UAE DH	11.8500
KUW DI	143.5000

## US now Iraq's third largest trading partner

BAGHDAD, Jan 23: The United States is Iraq's third largest trading partner under the UN approved oil-for-food programme according to UN documents released Thursday, says AP.

The disclosure comes amid repeated attacks on the United States by Iraqi officials, who accuse the Clinton administration of trying to prolong punishing trade sanctions imposed seven years ago.

They also have accused Americans and Britons on UN weapons inspection teams of being spies.

A UN report said that the United States shipped 190 million dollar worth of goods to Iraq during the first year of the oil-for-food programme.

France was at the top of the list, selling Iraq commodities worth 392 million dollars. Iraq's purchases from France included sugar, wheat, medical supplies and ambulances.

Australia ranked second with 286 million dollars in sales. Iraq buys most of its wheat from Australia.

The oil-for-food programme allows Iraq to sell two billion dollars worth of crude every six months to buy needed food and medicine for its 22 million people.

It is an exception from the sanctions imposed in 1990, after Iraq's invasion of Kuwait, that ban the sale of oil and other trade dealings.

The UN Security Council has said the sanctions cannot be lifted until Iraq has eliminated its weapons of mass destruction.

The UN report said Iraq signed 120 contracts with American firms during the first year of the programme. Iraq mainly ordered spare parts for its ailing power grid and medical supplies, the report said.

It said Iraq submitted 882 contracts for UN approval in the first six months of the programme and that 818 have been approved. It said 385 contracts were submitted in the second six-month phase and that 342 were approved. The third phase began in December.

## 100 tons of gold collected to help save ROK economy

SEOUL, Jan 23: South Korea has collected more than 100 tons of gold worth one billion dollars in a campaign aimed at obtaining badly needed foreign currency to help save the country's economy, campaign organizers said Friday, reports AP.

Hundreds of thousands of South Koreans have been selling or donating gold rings, bracelets and other trinkets since the gold drive began in early January.

The campaign organizers say South Koreans privately hold an estimated 2,000 tons of gold worth 20 billion dollars roughly one-third of the money South Korea owes to the International Monetary Fund in bailout loans.

About half of the collected gold has been melted down into ingots and exported, providing dollar-starved South Korea with at least 500 million dollars.

Sellers are to be paid in the South Korean won within a month after the gold is sold abroad.

Housing and Commercial Bank, which first started the campaign with the state-run KBS television network, said it has collected about 90 tons of gold from 1.5 million people.

President-elect Kim Dae-jung donated 393 grams (13.9 ounces) of gold worth 3,930 dollars to the campaign Friday. His gold items were in the shape of keys and turtle — common gift items South Koreans present to friends and relatives to mark important anniversaries.

## Toyota plans to market electric car by year-end

TOKYO, Jan 23: Japanese auto giant Toyota Motor Corp is planning to market an inexpensive 2-seat electric car in major markets by the end of the year, a Japanese financial daily reported, says Reuters.

Toyota plans to market the cars, which will retail for 1.5 million yen (11,600 dollars) to 1.8 million yen (13,900 dollars) in Japan, the United States and Europe, the Nihon Keizai Shimbun reported citing industry sources.

The Toyota electric car will be 2.8 metre (9.2 feet) long and able to run about 100 kilometres (2 miles) on a single charge, the paper said.

Toyota has completed a small cell for the vehicle at Panasonic Energy Co. its joint venture with the Matsushita Electric Industrial Co. It said. Toyota officials could not be reached for comment because of the weekend holiday. (Dollar 1=129 yen)