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**HYUNDAI**

CARS THAT MAKE SENSE

Investment in CEPZ goes up by 43 pc

From Nurul Alam

CHITTAGONG, Jan 24: Exports from the country's first operational export processing zone here, recorded an increase of 35 per cent while the investments, mostly from abroad, went up by 43 per cent in the year 1997, compared with previous year (96), official sources said.

Chittagong Export Processing Zone (CEPZ) that housed 76 operational industries, exported finished goods worth 402 million US dollars in 1997 as against 298 million US dollars in 1996.

In 1997, CEPZ drew investments of 30 million US dollars as against 21 million US dollars in '96, sources added.

Total investments in CEPZ that became operational in 1983, now surged to 207 million US dollars, official sources informed.

CEPZ drew the attention of foreign investors mainly from Korea and Japan due to availability of cheap labour and ban on trade union activities by the labourers.

The exported goods included electronics, readymade garments, textiles, fishing and golf equipment, computer discs, artificial flowers and bicycles etc, according to official reports.

EU committee meets next month to consider lifting of ban

Fish exporters go for high-value products

By Govinda Shil

When Bangladeshi youths are turning to fast food shops in cities for their light refreshments, consumers in the US, Japan and Europe rely more on "ready-to-eat" and "easy to prepare" frozen foods to save time.

To satisfy consumers' changing demand in the developed countries, Bangladesh has started producing cooked and semi-cooked frozen foods, according to officials and exporters.

"Semi-cooked or cooked items add about 125 per cent value in comparison with the traditional block frozen shrimp," said Amjad Hossain, managing director of the Lockpur Fish Processing Company at Khulna.

He says he believes these high value adding items could increase foreign exchange earning to Tk 2,000 crore within next three years from the country's current annual fish exports of about Tk 1,300 crore.

Lockpur is one of the larger fish processing units with annual sales of Tk 200 crore, 75

per cent of which are high value-adding products.

An FAO project has helped seven fish processing plants in Khulna and Chittagong regions to produce high value-adding fish products. Trial production in Chittagong plants will begin from February 11 and in Khulna from February 22. A national workshop on value-added fishery products will be held in Dhaka on February 26.

An EPB official said some 10 existing plants were already producing high-priced fish items. According to the official, the share of high value products out of total fish exports was US\$ 12 million in 1994-95, US\$ 23 million in 1995-96 and US\$ 30 million in 1996-97 respectively.

"We have no option but to go for high profit fish items," said Dr. Atabuzzaman, BFFEA secretary general. He said consumers in the US, Japan and Europe were going more for cooked or semi-cooked fish products to save their time.

Meenhar Sea Foods, Mahi

Fish Processing, Chowdhury and Company, Aqua Resources Limited, Sundarban Fish Processing, Bangladesh Fisheries Development Corporation and Conception Sea Foods Limited are among the firms who have received the FAO technical assistance delivered through INFISH, a Malaysia based organisation to promote technology and marketing of fishery products in Asia and the Pacific region.

Meanwhile, the fish exporters in Dhaka said they were receiving a number of inquiries from their European buyers about lifting of the EU fish ban imposed on Bangladesh July 30 last year.

The EU veterinary committee held its meeting Wednesday but did not discuss Bangladesh's case. The Bangladesh Frozen Foods Exporters Association (BFFEA) sources said another meeting would be held in the first week of February when a positive decision on lifting the ongoing ban might be made.



For years, vendors have scrambled for space on the pavements on Mirpur Road near Dhaka College. This year's been no exception ahead of Eid-ul-Fitr, adding to the congestions of both vehicular and human traffic in the surrounding areas.

— Star photo by A K M Mohsin

Karim Aluminium to go public in March

Karim Aluminium Ltd, country's one of the leading aluminium manufacturing companies, plans to offer Taka 7.5 crore worth of shares to the public in March next, company sources said here yesterday.

They said the Securities and Exchange Commission (SEC) has already given primary consent to the company, which belonged to the Karim Group of companies, to float its shares in the capital market, reports BSS.

The company will also offer Taka 11.25 crore worth of 15 per cent redeemable debentures for public and Taka 10 crore of 15 per cent redeemable debentures in private placement. The sponsors have already raised Taka 7.50 crore against the sponsors shares.

The Investment Cooperation of Bangladesh (ICB) in a meeting in November last had also given consent to work as trustee of debentures to be offered to the public by the company it has also decided to underwrite 40 per cent of shares and 30 per cent of debenture to be offered by Karim Aluminium to public.

The sponsors had decided to expand the company to increase the contribution of locally produced aluminium rod and other products to the GDP.

They said only 40 per cent of total market demand could be met with locally produced aluminium at present.

The other companies which belonged to the Karim Group include Cosco Agencies — Trading and C and F Agent Karim Pipe Mills — Manufacturer and Marketers of GI and MS Hardware, Conductors and Electric Poles, renaissance Health Limited — Health Clinical Service Providers, Air Parabat — Stool Service provider and Pilot training.

Malaysia urges farmers to till idle govt land

KUALA LUMPUR, Jan 24: In the latest austerity measure aimed easing and economic crisis, Malaysia is inviting farmers to plant cash crops on idle government land, reports AP.

Land and Cooperative Development Minister Osu Sukam said Friday that the Cabinet has asked state governments to give prompt attention to applications for such projects, the national Bernama news agency reported. It did not elaborate.

Osu, who is a member of a new high-power crisis management group on controlling the economic turmoil resulting from a regional currency crisis, said some farmers have already been given temporary licenses to plow government land in Cameron Highlands and other parts of Parak state.

In recent weeks, the government has urged people to grow their own vegetables so that the country can save precious foreign exchange. Prime Minister Mahathir Mohamad has called on women to sell their jewelry and invest the money in unit trust funds to increase national cash liquidity.

The call for the return to the farms has been prompted by Malaysia's over-dependence on imported food items, the result of an industrialisation programme that created stunning economic growth during the past decade.

Thailand's devaluation of its currency, the baht, in July led to steep declines in the value of other regional currencies, such as the Indonesian rupiah and the Philippine peso.

The turmoil later spread to South Korea which, along with Thailand and Indonesia, ultimately accepted a multibillion-dollar bailout from the International Monetary Fund.

SEC office at Chittagong to monitor CSE

Regulators to probe charges against ACI

By M Shamsur Rahman

The Securities and Exchange Commission (SEC) has formed a three-member committee to investigate into the alleged manipulation over Advanced Chemical Industries (ACI) offer of rights shares following a request by the Dhaka Stock Exchange (DSE).

The three-member committee headed by an executive director and comprised of two deputy directors from the Supervision and Monitoring wing (S&M) of the SEC will conduct the preliminary investigation and submit a report in two months.

"We will see if there is any violation of laws and take action accordingly. The DSE can suspend trading of a company according to the listing laws," an SEC member said.

A committee source said the

investors would investigate if there was any insider trading. "We will also try to find out if company directors or sponsors were involved."

DSE officials said they would not allow the company shares to be traded unless they would get clearance from the market regulator.

Currently, an SEC surveillance team is deployed on the DSE floor at three booths to detect manipulation.

Meanwhile, formalities are almost complete for opening of an SEC office in Chittagong to monitor activities on the Chittagong Stock Exchange (CSE).

Manned by an executive director and a deputy director who will be assisted by sufficient staff, the office will begin functioning "any day from now", a senior SEC official said.

IJO workshop begins

A two-day workshop and the 2nd Project Coordination Committee meeting of the project — Support for Varietal Improvement of Jute and Kenaf — began. International Jute Organisation headquarters here yesterday, reports UNB.

Scientists and the National Project Coordinators from five IJO member countries — Bangladesh, China, Indonesia, Nepal and Thailand — and representatives from inter-governmental and non-governmental organisations are attending the event.

Jute Secretary Mahfuzul Islam inaugurated the workshop and meeting, chaired by IJO Director Henri L Jason, said a press release.

The Jute Secretary, in his speech, lauded IJO for its various projects and activities that have provided the jute producing and consuming countries to get closer, exchange views and discuss the problems of the jute sector as well as to formulate various jute related programmes.

He hoped that with the collective endeavour of all participants of the event, it would be possible to make appropriate recommendations.



A workshop and 2nd project coordination committee meeting on 'adaptive research on improved varieties of jute and allied fibres and their utilisation for enhanced income generation' began at IJO headquarters in the city yesterday. Seen from left are Dr Aimin Liu, Agriculture Officer, IJO, Henri L Jason, Director, IJO, Mahfuzul Islam, secretary, Ministry of Jute, KM Rabbani, Executive Director, IJO and Dr Ayubur Rahman, senior officer, Agriculture Section, IJO.

American visa offices discriminate against poor, non-whites: Judge

NEW YORK, Jan 24: A Federal Judge in Washington has ruled that some American consular offices are denying visa to applicants solely for how they look or what they wear. He has questioned such practices, saying they could be illegal, reports UNB.

Judge Stanley Sporkin of Federal District Court in Washington, in a recent decision involving the US consular office in Sao Paulo, Brazil, observed that policies that rely heavily upon factors such as physical appearance and national origin when adjudicating the applications is illegal.

The ruling was made following a case filed by Robert E. Olsen, a former visa officer in Sao Paulo's US Consulate. Olsen, a Harvard-educated lawyer, joined the Sao Paulo consulate in 1992.

According to Olsen's deposition, he was dismissed in December 1993 for refusing to follow instructions to deny visa for ethnic or social background.

In his ruling, Judge Sporkin referred to a US State Department manual that openly encourages to discriminate against Chinese, Arabs and other Asians and against blacks. "Visa are rarely issued to these groups," the manual said. The manual also encouraged

consular officers to use such discriminatory abbreviations as RK (Rich Kid), LP (Looks poor), TP (Talks poor), LR (Looks rough) and TC (Take care).

The manual clearly advises visa officers to refuse Arab and Chinese applicants. "Arab and Chinese last names set off bells and whistles," the manual said.

Olsen was handed the five-page manual as "general guidelines on how to handle selected visa cases" upon his arrival in Sao Paulo, and was greatly alarmed. "I thought this was wholesale discrimination against applicants based on skin colour and where they came from," he told the judge.

In one instance, Olsen recalled, a woman was refused visa just because she appeared impoverished. A diplomat scrawled on the application, "poor, poor, poor."

Olsen further recalled that one of his supervisors told him to spend only about three minutes on each application interview and to double his rate of visa denials, from 15 per cent the 30 per cent. When he refused, Olsen was dismissed.

Judge Sporkin said the principle that the government must not discriminate against particular individuals because of the colour of their skin or the

place of their birth means that the use of generalisations based on these factors is unfair.

The judge said Olsen's dismissal was illegal and ordered the State Department to review the case to determine if he should be reinstated with back pay.

Reports of discrimination against Visa applicants from Asian countries, including Bangladesh, have been widely reported in ethnic newspapers in New York. This is a routine matter," said a Bangladeshi immigration lawyer.

The New York Times, in a front page report Friday, said the Federal Court's ruling, confirming the illegality of discriminatory practices, could have far broader implications for the State department since similar policies are in effect at US visa offices around the world.

The State Department has, however, denied any discriminatory practice. A spokesman told the New York Times that no applicant was refused visa for ethnic background. About the guidelines, she said they are used to help the visa officer "ask the right questions."

The department said it would appeal against the judge's decision.

Share market shows signs of recovery following govt steps

By Rafiq Hasan

Share market showed signs of recovery on the most days of last week following some government supports to improve the ailing capital market of the country.

The DSE All Share Price Index increased by 29.41 points during the week and closed at 715.30 points on Thursday. The index continued its upward trend and posted a 22-point gain yesterday.

Market capitalisation of the bourse rose by Tk 202 crore last week and closed at Tk 6387.46. The Chittagong Stock Exchange All Securities Price Index registered a gain of 4.76 points last week followed by another increase of 3.83 points yesterday.

"As the government ordered nationalised commercial banks and other financial institutions to lend money for share business and increased the percentage of loans against share certificates, the investors

felt a little enthusiasm about the future of the capital market," said a leading share dealer. But he termed it as temporary because, according to him, "it will take some more time to overcome the liquidity crisis for which the market had been suffering."

In a bid to bring stability in the capital market the government has raised the loan facilities against the market value of securities from the existing 50 per cent to 60 per cent. The situation may improve further as another ten financial institutions are coming soon to participate in the share business.

The ten financial institutions which got permission from the government to operate as merchant banks and issue manager are due to receive registration certificates today.

After the biggest fall of DSE index in 44 months, Finance Minister S A M S Kibria, Securities and Exchange Commis-

sion Chairman Abu Sayed, Bangladesh Bank Governor Lutful Rahman Sarker, DSE Chairman Rakibur Rahman and managing directors of all nationalised commercial banks at a meeting decided some steps to salvage the plunging capital market.

The DSE price index rose by six points on Monday, 13 points on Tuesday, and 9 points on Thursday. It fell by three points on Wednesday.

On an average, 74 issues gained and 59 suffered everyday of the week. The number of traded issues was 137, out of which three remained unchanged.

As many as 24 lakh shares and debentures valued at more than Tk 25 crore changed hands during the six trading days.

The All Securities Price Index of Chittagong Stock Exchange rose by 4.76 points closing at 315.93 points.

US plans seminars to help trade with Asia

ALBUQUERQUE, New Mexico, Jan 24: Businesses hurt by falling sales in Asia may find some help in a series of seminars the Commerce Department is planning around the country, reports AP.

"We know the road ahead will not be smooth for American exporters," US Commerce Undersecretary David Aaron said Friday at an Asian trade conference.

The turmoil that has rocked the stock and currency markets of Asian nations since the summer has also slowed their economies, which means governments, businesses and consumers will likely buy less from US companies selling goods there.

Eastern Bank's new MD



M Khairul Alam is the new Managing Director of Eastern Bank Ltd.

Prior to his present assignment, he was the Acting Managing Director of the same bank.

Alam joined Uttara Bank Ltd as probationary officer in 1973, says a press release.

During his long banking career, he served BCCI (Overseas) Ltd and held important positions. Prior to his present assignment he was the Acting Managing Director of EBL.

Alam attended a number of training courses and seminars on credit and management in Hong Kong, London, Thailand, Malaysia and South Korea.

Closely associated with social activities, he is the founder President of Fatickhira S A Girls High School and Fatickhira Amena Khatun Primary School, Shaharati, Chandpur.

Stocks fall modestly in New York

NEW YORK, Jan 24: Stocks fell modestly Friday, giving the market its third straight losing session amid renewed worry about how much Asia's economic crisis will hurt US companies in 1998, says AP.

The Dow Jones industrial average dropped 30.14 points — or 0.39 per cent — to 7,700.74 despite swinging from an early 46-point gain to an 88-point loss during the session. The blue-chip barometer has now lost about 172 points in three sessions after rallying 119 points higher on Tuesday.

Broad-market indicators were also pressured again by profits worries, as well as concerns over whether the latest charges of sexual improprieties by President Clinton will impair government initiatives at home and abroad.

"The market hates uncertainty," said Alfred E Goldman, director of market analysis, AG Edwards and Sons Inc. in St. Louis. "When the word impeachment is used, investors worry about what that will mean for the economy."

Stocks opened higher after Asian markets finished a volatile week on an upbeat note. Tokyo's main index rose 2.3 percent, Indonesia's rose 1.7 percent and Hong Kong's rose 0.4 percent after two days of sharp declines.

Notably, the technology sector again suffered only minimal damage despite another profit report from a group that referred to Asia's troubles. Analysts said the sector has already been battered down to levels that are too appealing to bargain hunters.

Allegations about Clinton's private life Dollar remains weak in London

LONDON, Jan 24: The dollar remained weak in the first part of the Friday trading session on the London forex market, whacked by new allegations about US President Bill Clinton's private life, while sterling traded within narrow margins after release of UK fourth quarter growth figures, reports AFP.

The dollar was trading at 1335 GMT at 1.7975 marks against 1.7910 in the morning and 1.8036 Thursday evening, and at 126.08 yen against 125.85 and 127.24.

Analysts said the greenback was suffered from the double whammy of new charges about Clinton's love life and alleged attempts to cover it up, and press reports announcing plans for new measures for supporting the Japanese economy.

The Daily Tomiuri Shimbun said the new steps aimed economic stimulation could be announced by Tokyo on February 20.

Despite the dollar's weakness, some analysts pointed out that the US economy's fundamentals remain good, a fact that should limit the greenback's downturn.

Sterling showed no special

reaction to fourth quarter growth figures seeming to confirm a slowdown of the British economy. GDP was up by 0.5 per cent in the fourth quarter from the third, and by 3.1 per cent year on year.

The data make it less likely that the Bank of England's monetary policy committee will raise interest rates at its February 4-5 meeting.

The other major European currencies were at levels close to the ones noted Friday morning.

The dollar was trading at 1335 GMT at 1.7975 marks (against 1.8036 Thursday evening in London), 126.08 yen (127.24), 1.4663 Swiss francs (1.4695), and 6.0208 French francs (6.0403).

Sterling was changing hands at 1.6509 dollars (1.6500), 2.97632 marks (2.9759) 208.47 yen (209.90), and 9.9525 French francs (9.9713).

Gold fell to 291.25 dollars an ounce from 294.10 late Thursday.

The British three-month interbank rate stood at 7.46 per cent, unchanged, while the three-month Euro dollar was off to 5.50 per cent from 5.56.

Crisis in Asia Apparel prices may fall in US

NEW YORK, Jan 24: This won't be the year that you'll pay more for clothes.

That doesn't mean the cost of your favourite polo shirt or khaki pants will drop by 20 dollars. But expect prices on apparel to be trimmed in the coming months as retailers find cheap deals on merchandise thanks to Asia's economic crisis, says AP.

"Prices for goods will decline and that will allow retailers to lower product prices for consumers," said Ira Silver, chief economist at JC Penney Co. Inc.

More than 40 per cent of US apparel imports come from Asia today, according to the Commerce Department. China exports the most apparel to the United States, followed by Hong Kong, Indonesia and Korea.

Thai airport tax to double in Apr

BANGKOK, Jan 24: The airport tax for overseas flight out of Thailand will double to 500 baht (10 dollars) starting April 1 to keep up with the plummeting value of the local currency, says AP.

Civil aviation authorities announced Friday that the tax will remain the same, 30 baht (60 cents), for domestic flights, the Bangkok Post newspaper reported Saturday.

The Thai currency has depreciated by more than 50 per cent against the US dollar since it was floated last July, triggering an economic crisis that has spread throughout Asia.

Plunge in oil prices also hits Indonesia's economy

LONDON, Jan 24: The Asian financial crisis and falling oil prices have left Indonesia in a double bind, reports AP.

The Indonesian economy is devastated, with recent plunges by the stock market and the wildly fluctuating rupiah stirring unrest that has led to food buying panics and spread concerns that millions of people will suffer hard times for years to come.

Indonesia also is part of OPEC and sells its oil for hard currency US dollars.

But it cannot turn to the oil fields or to OPEC for economic salvation as it struggles to bounce back with help from a 40 billion dollars International Monetary Fund bailout package.

Oil prices have slipped to nearly four-year lows and analysts have their doubts about whether the Organization of the Petroleum Exporting Countries can talk prices back up.

And while some OPEC ministers are holding an emergency meeting next week in Vienna, Indonesia is too marginal a player to hold much sway over the cartel's policy.

Getting more cash by stepping up production is not an option. The southeast Asian island nation has been pumping all the crude it can for some time.

So unless the other OPEC members find a way to cut production in a meaningful way to drive up world oil prices, Indonesia will be stuck getting fewer dollars per barrel.

Indonesia produced about 1.39 million barrels daily last year, according to Leo Drollas, chief economist at the Center for Global Energy Studies in London. But it consumed about 981,000 barrels a day, leaving somewhat more than one-third of the oil to sell on the open market, he said.