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BUSINESS

DHAKA TUESDAY, FEBRUARY 10, 1998



HYUNDAI

CARS THAT MAKE SENSE

Non-stop operation
of Ctg Port
demanded

Bangladesh Chamber of Industries (BCI) has expressed grave concern at the stoppage of cargo handling at Chittagong Port, reports UNB.

In a statement yesterday, BCI president Sharif M. Alai Hossain said illogical closing down of the cargo handling every now and then is nothing but a conspiracy against the economic uplift of the country.

He said the stalemate prevailing at the Chittagong Port last few years has become a serious trouble to the industrialists and other businessmen of the country.

The BCI President blamed the concerned authorities not to take any effective solution to solve this problem and demanded the port activities be declared as "essential services" with 24 hours operation and new container ports be established.

Bundesbank official
blasts IMF's
SEA policy

BONN, Feb 9: Bundesbank Council member Reimut Jochimsen on Friday criticised the policies of the International Monetary Fund in reacting to the financial crisis in South-east Asia, reports Reuters.

Jochimsen told Germany's Phoenix television channel the IMF had not learned from the last Mexican crisis, when the Latin American country was on the brink of financial collapse, and believed problems could be solved by injections of cash.

"I see a big problem there because it's an invitation to speculation," he said. "That must be talked about urgently."

Jochimsen said it was important the IMF did not become a sort of "International credit insurance fund" at the very time European economies were trying to cut out state credits as part of the drive toward economic and monetary union.

Malaysia govt
to accept public
donations

KUALA LUMPUR, Feb 9: The Malaysian government plans to set up a special office to accept public donations — cash, property, jewelry — in a bid to boost currency reserves, news reports said Monday, according to AP.

The unusual move, announced Sunday by Prime Minister Mahathir Mohamad, is the latest government effort to revive the economy reeling under the East Asian currency crisis. Last month, the government called on people to grow vegetables in their gardens to reduce dependence on imported produce.

Mahathir said the donations scheme has been approved by the Cabinet and details will be worked out soon, the Star and New Straits Times reported.

"I am not asking them to donate, but if they want to donate they can do so," Mahathir said. The money collected would be used to buy foreign currencies, he said.

Malaysia has foreign reserves of 22 billion dollars and Mahathir said the country will not need to ask for international aid.

Asked why then Malaysia needs to boost its coffers, Mahathir said "any little thing that we can do to help ourselves and not have to ask for help... is always good."

Exchange Rates

The following are the Janata Bank's dealing rate (BD Tk for one unit of Foreign Currency) to public as on 09/2/98.

Name of Currency	Buying		OD Transfer
	TT Clean	OD Sight Export Bills	
US Dir	46.1350	45.9462	45.8334
GB Pound	75.3383	75.0216	74.8373
D Mark	25.3492	25.2427	25.1807
FR Franc	7.5634	7.5316	7.5131
JP Yen	0.3676	0.3661	0.3652
C Dir	32.0422	31.9075	31.8291
S Franc	31.4301	31.2980	31.2211

Name of Currency	Selling	
	T.T. & O.D.	B.C.
US Dollar	46.5104	46.5488
GB Pound	76.5802	76.6460
D Mark	25.7952	25.8173
FR Franc	7.6965	7.7031
JP Yen	0.3764	0.3768
C Dollar	32.6119	32.6398
S Franc	31.9997	32.0271

Janata Bank's selling and buying rates in cash currency for public:

Name of Currency	Selling		Buying
	US Dollar	GB Pound	
US DLR	47.0000	46.5000	
GBP	75.5800	73.5800	
S Riyal	12.5000	12.0500	
UAE DH	12.5000	12.0500	
KUWDI	150.5000	145.5000	

Rezaur Rahman
made DSE secy

The Dhaka Stock Exchange (DSE) Council yesterday appointed Rezaur Rahman as the secretary of the bourse.

Prior to this assignment, he was the acting secretary of the organisation.

Rahman joined the Exchange in '94.

ANZ boss sees business ahead

By Toufique Imrose Khalidi

Already boasting a 3.5 per cent share in Bangladesh's banking business, ANZ Grindlays Bank smells more opportunity in this country.

With a 40 per cent share in foreign banking here, it has set itself on an expansion spree and is looking at industrial projects and investment banking in a more liberalised financial regime.

David Smith, the Australia-based general manager for ANZ operations in the Middle-east and South Asia (minus India), is happy that the oldest foreign bank in the country has been allowed to open its 14th outlet in Bangladesh, the first since independence. "It's fairly a significant occasion," The launching in Sylhet on Sunday has been a great success.

Now, Smith has much more in mind. "We'll continue to expand not only with traditional trade and short term finance, but also we are keen to finance longer term industrial projects," he told The Daily Star Monday.

"We are also looking to provide investment banking skills for larger projects and more sophisticated activities. We are excited by the prospects of privatisation in Bangladesh."

Smith hopes to sell "advisory services through our investment bank because of our experience elsewhere." One particularly exciting area for him is the upcoming power projects in Bangladesh. "That's an area as a group where we have a very significant level of experience."

ANZ is seeking the license to

act as an investment banker, but the regulators want foreign banks vying for it to create a separate entity. Smith is ready to plunge into the business if it is cost-effective to operate outside its existing commercial banking set-up.

Smith knows that it is pretty difficult for foreign banks to get the clearance to open a shop in Bangladesh, and he doesn't complain.

"Clearly their is a desire to manage the financial affairs of the country in a conservative and in a prudent way. There is a feeling that their should be some control on the expansion and development of foreign banks in the country. The fact that we and I think, some of the foreign banks have been able to open some additional branches is an indication of some relaxation. And I think we would feel encouraged by that development and would be pleased to see further liberalisation in the financial sector."

So, what exactly are his plans about Bangladesh now that the economic liberalisation has been put on a fast track?

Corporate banking aside, a considerable emphasis will be on personal banking, he says. And sophisticated services are high on his agenda.

"We have been in Bangladesh for a long time. We are the oldest and largest foreign bank here. We feel very close... very much affirmed, and we are strongly committed to the country and to participating in the development of the business."

"We are moving forward... we are certainly expanding our personal banking activities. I think we were the first bank to introduce credit cards in Bangladesh, we were the first bank to introduce modern instruments. We in the last couple of months put in place a modern, new computerised banking system... we'll be putting six

business have enriched his knowledge of the state of affairs here and, above all, the prospects.

"The macro economic indicators look very positive, and I am particularly impressed by the strong growth in exports (which is) around 20 per cent. And it's looking pretty good when comparing with much lower growth in imports. So that's a key factor. I think the imports are growing at about six per cent and exports about 19 to 20 per cent. The other thing I am impressed with is the increase in foreign exchange reserves upto 1.7 billion dollars, which is a reasonably comfortable level for Bangladesh. And the inflation level seems to be stable."

"I would say that all in all the economy is travelling well, and I am impressed about it."

He is aware that worse-than-expected rice output this year is "obviously a threat to the economy." But this is something that "I imagine is largely outside the control of the government. It's an act of nature and these external events do put strains on the economy."

"But I think with the current economic strength this shouldn't be something causing a serious strain" even of there is a large scale import of rice.

The successive devaluation in small doses?

"The currency has depreciated modestly. I am sure that reflects the competitive impacts of the competitiveness of the taka against other markets where



Smith promises to bring sophisticated financial services to Bangladesh

ATMs in place."

From his experience so far, Smith sees goods days ahead. For the last six years, he has seen Bangladesh change, in a positive direction, of course. In the past eight months since he took charge of the region, he has flown into the country thrice on "routine, regular keep-in-touch visits."

His meetings with government ministers and people in

Quantum Index of Medium and Large Scale Manufacturing Industries

Major Industry Groups (2-digit Level)

(Base 1988-89=100)

	General Index (Mfg.)	Food, Bev. & Tobacco	Jute, Cotton & Leather	Wood Products	Paper & Paper Products	Chemical, Petroleum & Rubber	Non-Metallic Product	Basic Metal Products	Fabricated Metal
Weight	100	22.14	38.16	0.23	4.65	24.04	2.77	2.07	5.94
1996-97 July	184.26	179.68	201.23	133.95	249.96	182.38	112.72	157.58	93.10
August	190.73	187.30	202.75	135.26	246.33	198.28	113.85	159.82	93.96
September	183.14	175.71	189.27	136.65	246.34	197.90	117.15	160.67	102.59
October	165.96	176.29	151.19	136.57	248.65	187.28	116.30	163.06	96.65
November	176.22	190.70	166.51	141.74	264.76	188.66	119.42	172.85	93.33
December	190.55	196.77	209.49	137.26	267.37	174.48	121.62	171.22	91.59
January	179.85	160.01	206.50	140.04	231.61	174.62	122.50	175.69	93.36
February	153.25	126.87	160.25	136.60	247.71	164.57	127.84	178.57	90.48
March	160.43	102.93	186.78	134.52	266.71	169.95	127.68	169.81	97.14
April	168.51	154.29	180.78	135.96	271.72	158.89	146.66	184.29	106.76
May	180.87	156.38	212.69	163.60	272.03	162.51	141.40	180.23	89.95
June	207.46	180.80	257.56	164.13	283.10	164.38	168.52	189.69	118.05
July-98 July	207.75	162.55	271.12	155.91	272.49	175.74	147.60	211.20	76.80
September	206.35	188.64	239.30	168.34	264.20	196.26	136.33	206.64	90.25
October	188.26	176.15	210.54	169.17	277.42	174.83	146.63	195.50	92.38
November	193.82	215.75	203.99	157.78	282.81	170.00	148.62	198.24	94.40
July-Nov'96 (average)	180.062	181.936	182.19	136.83	251.208	190.9	115.888	162.796	95.926
July-Nov'97 (average)	202.03	186.018	236.958	164.17	271.974	183.328	143.958	199.636	87.61
Growth (July-Nov'97 over July-Nov'96) (per cent)	12.20	2.24	30.06	19.98	8.27	-3.97	24.22	22.63	-8.67

Source: Monthly Statistical Bulletin, Bangladesh Bureau of Statistics (BBS), July 1997 & Advance Release (Industrial Production Statistics), Issues 1-5, July-November, 1997 (BBS).



A delegation of South Asian Group of Eminent Persons met the members of Metropolitan Chamber of Commerce and Industry, Dhaka at the MCCI Conference Hall on Monday. They discussed formation of a think tank for forging closer co-operation within the SAARC countries in the wake of SAFTA.

Bitopi celebrates
2 yrs of affiliation
with Burnett

Star Business Report

Bitopi Advertising Ltd Sunday celebrated two years of its affiliation with Leo Burnett of USA.

The event coincided with the completion of 30 years of Bitopi, says a press release.

Speaking on the occasion, Stephen Gatfield, Regional Managing Director of Leo Burnett Asia-Pacific, said business ideas were built on excellence and integrity, not on status or position.

He said when Leo Burnett agency decided to create an affiliation with Bitopi, it was because of a shared sense of the importance of these values.

The Managing Director of Bitopi, Reza Ali, also spoke on the occasion. Leo Burnett has a global network with 6.82 billion dollars combined billings per annum.

Asian currencies recover strongly

HONG KONG, Feb 9: Asian currencies ushered in the year of the tiger in an optimistic mood, with hopes for the Japanese economy buying the yen and regional units recovering strongly, reports AFP.

INDONESIAN RUPIAH: The Indonesian rupiah closed trading in Jakarta Friday at 8,955-9,045 to the dollar compared to 9,850-10,500 on Wednesday the previous week before the Eid-ul-Fitr holiday. Traders said the currency steadied during the week on intervention by the Indonesian central bank, but they warned it remained volatile.

JAPANESE YEN: The yen climbed against the dollar in Tokyo during the week on optimism on the Japanese economy's prospects, dealers said.

It stood at 124.05 to the dollar late Friday, compared with 127.32-35 a week earlier.

The yen shot up into the 123-range on Thursday, carrying its bullishness overseas on the passage through Japan's parliament of legislation for one-

off tax cuts to get the economy moving, dealers said. The yen moved narrowly on Friday with dollar selling by exporters capping the upside of the US unit.

THAI BAHT: The Thai baht closed its first week following the abandoning of the country's two-tier forex system firmer at 47.50/40.00 baht against the dollar compared to previous week's close of 52.50-53.30 baht.

The baht strengthened on dollar inflows following the Bank of Thailand's move to abolish the system aimed at preventing foreign currency speculation, analysts said.

SOUTH KOREAN WON: The Korean currency weakened slightly against the dollar, closing the week at 1,535.00 won from last week's 1,530.00 won.

AUSTRIAN DOLLAR: The Aussie dollar moved ahead over the week but its fate remains tied to the Japanese yen amid the regional financial uncertainty, brokers said.

The Australian dollar closed at 67.58 US cents Friday, up from 66.93 US cents a week ago.

"A stronger Japanese economy will prevent a prolonged downturn in Asia and in turn prevent a derailment of the Australian recovery," colonial state bank chief economist Craig James said.

"However, without deregulation of the Japanese economy, yen and Australian dollar strength could prove temporary," he added.

Commonwealth Bank of Australia economists said there was a potential for a strong reaction to domestic labour force and wages data due out in the later part of the week.

Malaysian Ringgit: The Malaysian ringgit roared to 3.8300 to the dollar as the year of the tiger got under way, from 4.4350 a week earlier.

A dealer said the ringgit gained as foreign institutions snapped up Malaysian stocks.

The local unit is expected to sustain its upward momentum on the back of a trade surplus

logged for 1997 of 108 million dollars," he added.

PHILIPPINE PESO: The Philippine peso gained 5.3 per cent this week to close at 40.69 pesos to the dollar Friday amid better than expected economic growth figures for last year, analysts said.

Gross Domestic Product figures, released earlier in the week, expanded 5.1 per cent while gross national product, which includes income from abroad, jumped 5.8 per cent for 1997.

HONG KONG DOLLAR: The Hong Kong dollar closed the week at 7.73 against its US counterpart compared to 7.747 the week before.

TAIWAN DOLLAR: The Taiwan currency closed Saturday at 32.846 to the greenback from 33.996 on the last session before the lunar new year break.

It was expected to gain ground in the short term if the stock market continued to rally, dealers said.

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Al Mizan Money Exchange International
67 Naya Paltan, Dhaka.

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6 Surma Super Market, Amberkhana, Sylhet.

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Trisha Money Changer
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Sikder Money Changing Centre
47 KD Gosh Road, Khulna.

Mum Money Exchange Ltd
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Pharmex Money Exchange
New Municipal Market, Bandar Bazar, Sylhet.

Dependent Money Changer
2388 Boro Magbazar, Dhaka.

Ankan Money Exchange
8/A, Indira Road, Firmgate, Dhaka.

Raj Money Exchange
37 Rajapukur Lane, Andarkilla, Chittagong.

Titas Money Exchange
22/7, 8/8 Free School Street, Eastern Plaza, Dhaka.

World Wide Money Changer
Kabir Super Market, 149 Stand Road, Chittagong.

Barik Building, Chittagong.

Jafar Money Exchange
27 Naya Paltan, Dhaka.

Mahmud Foreign Exchange Centre
47 Aziz Co-operative Super Market, Shahab, Dhaka.

Ranger Money Changer
21 Shantinagar, Dhaka.

Kalshi Money Changer
Abul Kashem Road, Kamalnagar, Satkhira.

To be continued

Gas exploration
Transparency in awarding
PSCs stressed

The Centre for Policy Dialogue recently organised a dialogue on "Negotiating Strategies for Development of Bangladesh's Energy Reserves," says a press release.

The dialogue addressed the issue of negotiating production sharing contracts (PSCs) for the exploration and development of Bangladesh's energy reserves with expatriate companies. The meeting stressed the importance of ensuring optimal benefits from Bangladesh's valuable gas reserves because of its enormous development potential for the economy and highlighted the crucial responsibility of the government in ensuring judicious handling of its negotiating strategies with foreign companies. The meeting suggested the importance of ensuring transparency in the award of the contracts so that no controversy could be generated as to the merits of the award decisions.

The meeting observed that the government would have to review the medium and long term demand and supply of energy in Bangladesh and its neighbours in order to assess the supplies of energy, if any, which may be available, in the short and medium run, for export. In order to review such issues of making optimal use of our energy resources the government should constitute a national task force to review the guidelines on the basis of which our production sharing contracts should be negotiated in relation to the demand and supply prospects for energy in

Bangladesh, our domestic budgetary circumstances and contracts being negotiated by other countries in the region.