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HYUNDAI

CARS THAT MAKE SENSE

Bank of Japan's chief director commits suicide

TOKYO, May 2: A top executive of Japan's scandal-plagued central bank hanged himself Saturday, the latest suicide by a government bureaucrat amid a widening corruption probe, police said, reports AP.

The Bank of Japan's Chief Director Takayuki Kamoshida, 58, was found hanging from a nylon string in a Tokyo apartment at around 3 am Saturday, a police official said, speaking on condition of anonymity.

Kamoshida was the BOJ's top manager and was also in charge of efforts to root out corruption at the bank and to punish employees involved in bribery scandals, national broadcaster NHK said.

A suicide note found in the apartment said: "I'm tired. I'm at the limit."

Kamoshida himself was not reported to be targeted in corruption investigations.

Kamoshida had asked his chauffeur late Friday to drive to an apartment owned by his mother so he could pick up some documents, the spokesman said.

When Kamoshida failed to emerge for several hours, the chauffeur called the bank director's wife. The two found the body after entering the apartment using an extra key, the spokesman said.

Central Insurance opens branch at Malibagh

Central Insurance Company Ltd (CIC) formally opened a branch at Malibagh in the city on Thursday, says a press release.

Alhaj Md Yousuf Chowdhury, Chairman of the Board of Directors of the company inaugurated the branch.

The Chairman in his brief speech highlighted the role of general insurance in the economic development of the country.

Managing Director, Md Hashmat Ali, welcomed the guests and spoke on the occasion.

Meghna Life's head office at Biman Bhawan

Meghna Life Insurance Company Ltd has opened its head office at Biman Bhawan in Motijheel Commercial Area, says a press release.

Chief Adviser of the company and Chairman, Karnaphuli Insurance Company Ltd, Nezam Uddin Ahmed, Mujib-ud-Daula, Managing Director, MA Majid, FCA Adviser, Md Mozammel Huq, Adviser, a good number of bank and insurance personalities attended the function.

A *milad mahfil* was held on the occasion.

Economic growth slow in US

WASHINGTON, May 2: Reports released Friday highlighted a slower pace of US economic growth and inflation in April after a stronger than expected increase in consumer spending in March, says AFP.

The National Association of Purchasing Management (NAPM) said its April index of manufacturing activity fell to 52.9 from 54.8.

Its index of prices paid by manufacturers also weakened, dropping to 41 from 44.4 while its measure of employment came to 49.8 down from 54.8.

"Purchasing executives remain optimistic about the continued strength of the economy," said Norbert Ore, Chairman of NAPM's Survey Committee.

"Their greatest concern is still the impact of the Asian economic situation on exports and imports, and there are still concerns with rail deliveries."

The association's production index decreased 4.2 points to 53.4 in April from 57.6 in March while new orders decreased half a point to 56.8 in April.

The overall picture in April as indicated by growth in production and new orders is one of continued growth in manufacturing activity though at a slower pace," according to Ore.

"New orders are growing and — as a leading indicator — predict growth in production rates in the coming months."

"Production is still strong while supplies and deliveries of commodities do not appear to be a problem."

Of the 20 industries in the manufacturing sector, 10 reported improved business in April.

The Commerce Department meanwhile reported that construction spending declined 0.5 per cent in March after a 0.3 per cent gain in February.

In a separate report, which would indicate continued near-term momentum in the economy, the department said consumer spending gained 0.5 per cent in March, up from 0.3 per cent in February and better than the 0.3 per cent rise expected on Wall Street.

But while they spent more in March compared with February, the increase in consumers' income was limited to 0.3 per cent, compared with a 0.6 per cent gain in February.

SEC sets sight on single-day settlement

By M Shamsur Rahman

The Securities and Exchange Commission (SEC) has decided to introduce 'one day trading adjustment settlement system' for both the bourses and forbid short selling.

A proposed draft in this regard has been sent to both the exchanges by SEC, which has asked for their opinion by May 3, according to SEC sources.

The DSE had earlier asked SEC to allow it to return to T+4

rolling settlement instead of twice-a-week netting currently practiced in DSE.

The Commission in the wake of DSE's plea formed a seven member committee with SEC member Imdadul Huque as the convenor on March 5 to review trading and settlement system of the bourses.

The committee after 55 days has recommended a uniform

trading system for both the exchanges.

Under the new 'one day trading adjustment settlement system' the members of bourses would adjust their balance and make payments within three days from the trading day and then the exchanges would clear and settle the payments to brokerage firms within five days from the trading day.

The new system would not

allow 'any carry forward for the next day'. The SEC will give its final approval to the new system after getting clearance from both the bourses, which would be formalised through a gazette notification, the sources said.

The Commission has also decided to allow the exchanges to monitor the short selling through spot inspection and inform the regulators of any irregularities, the sources said.

The new move according to SEC, would protect interest of investors.

"Short selling is one of the main factors which caused the index to slide as brokers used to sell shares without having them in their possession," an SEC official said. "The ban would also help protect investors' interest."

Two-day JEC meet ends in Islamabad

Bangladesh, Pakistan agree to boost two-way trade

Bangladesh and Pakistan have agreed to take measures to arrest the recent declining trend of two-day trade and work for its balanced growth, reports UNB.

The agreement was reached at the end of the two-day meeting of Bangladesh-Pakistan Joint Economic Commission (JEC) in Pakistan capital, Islamabad.

The meeting over, Bangladesh Commerce and Industries Minister Tofael Ahmed and Pakistan Commerce and Investment Minister Mohammad Ishaq Dar signed an agreed minutes on behalf of the respective governments, according to a message received here yesterday.

After reviewing the status of bilateral trade and investment, the two sides also agreed to increase exchange of private sector trade delegations, participation in the trade fairs and exhibitions in respective countries.

They also agreed to revive the Bangladesh-Pakistan Economic Cooperation Committee between the two national Chambers of Commerce.

Bangladesh and Pakistan agreed to set up joint venture projects in Bangladesh on textiles, transport equipment and 10-20 megawatt power plants.

The Pakistan side offered suppliers credit for the BMRE of sugar mills and cement and clincker factories. They also shown interest to set up cement and engineering goods.

The two sides also decided to cooperate each other in the communication and infrastructure sectors and touched the sectors like tourism, education and agriculture.

The Pakistan side has agreed to increase their import of tea, jute and jute goods and other agro-products from Bangladesh.

Earlier, Tofael Ahmed called on Pakistan Population Wel-

fare and Science and Technology Minister Sayeda Abida Hussain.

He stressed the need for better cooperation between the two brotherly countries for expanding science and technology transfer.

The Bangladesh Minister has declared the computer software and the data entry as one of the four thrust sectors for export.

"We are offering generous incentives to this sectors to get employed our educated youths as well as earn foreign currency through software export," he said.

Responding to the efforts to strengthen bilateral relationship, the Pakistan Minister said, "we are very keen to establish new trade-link with Bangladesh through establishing joint venture projects in science and technology sector."

She also stressed on expansion of bilateral education programme.

Tea production in India up by 23pc

NEW DELHI, May 2: India's tea production increased by six million kilograms (13.2 million pounds) year-on-year in the first two months of 1998, the Press Trust of India said, reports AFP.

Production rose 23 per cent to 36.9 million kilograms (81.8 million pounds) in January-February compared to 30 million kilograms (66 million pounds) in the corresponding period last year.

Tea produce shot up in India's tea-growing northeastern region despite continued separatist violence in the area, it said.

India's output of tea grew from 753 million kilograms (1.656 million pounds) in 1995 and touched 805 million kilograms (1.717 million pounds) in 1997.

India is the world's largest producer and consumer of tea. The hilly, forest-covered region of Assam, in the Indian northeast, accounts for half the country's production.



MA Awal, Chairman of National Credit and Commerce Bank Limited, inaugurated new premises of Babubazar Branch at 57, Mitford Road, Babubazar, in the city yesterday.



The newly elected Executive Committee members of the Postagola Louha Babsaye Malik Samity took oath at the association office yesterday.



Professor Md Yunus, Chairman of Grameen Bitek, handing over a certificate to a participant of a training course on the marketing of Volt-Guard.

Training course on Volt-Guard marketing held

Grameen Bitek Ltd., a new joint venture of Bitek and Grameen Fund, a sister organisation of Grameen Bank, recently arranged a training course on the marketing of its patented product "Volt-Guard."

The product protects all kinds of electrical and electronic appliances from extreme abnormalities of power line voltages and protects even if 440V appears on the 220V line.

Fourteen newly appointed marketing officers took part in the course held at the Grameen Bank premises from March 27 to 29.

Professor Md. Yunus, Chairman of Grameen Bitek Ltd, addressed the participants and distributed the certificates on the last day of the programme.

Volt-Guard has a big role to play in saving the properties of the people and the Bitek team has the capability and potential of presenting more innovative technological products to the nation — these are the reasons for which Grameen Fund has come forward to form this new joint venture company, Yunus said.

M D of Grameen Fund AM Qureshi who is also the Chairman of management committee of the newly formed company also spoke.

Tide marketed in Bangladesh

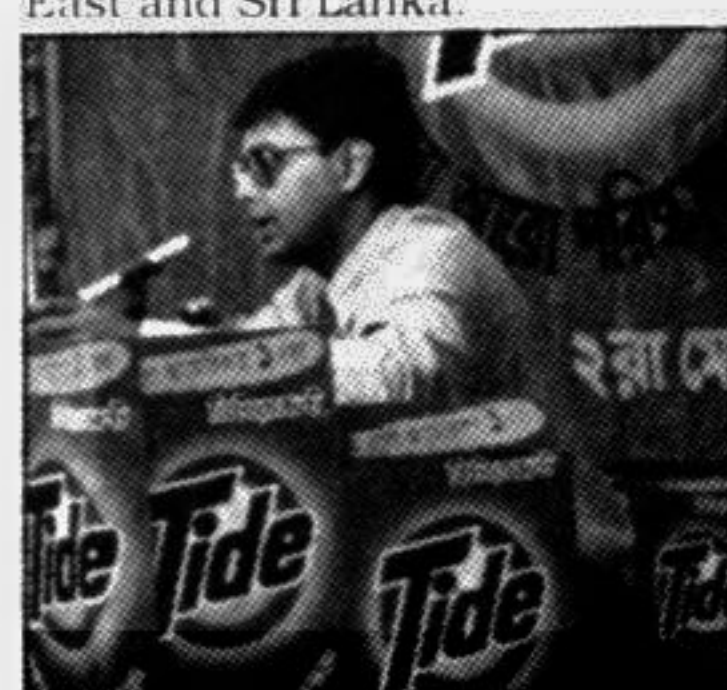
Procter and Gamble has launched its detergent brand Tide in Bangladesh.

The launching of the commodity was held at a ceremony at a city hotel yesterday, says a press release.

A detailed presentation was made on the product, sales target and marketing strategies by Samudra Bhattacharya, Assistant Manager of the company.

Currently, Tide is the world's largest selling detergent brand with an annual turnover of Tk 12,500 crore.

Tide was first launched in 1946. It is now marketed in 36 countries throughout the world including USA, Canada, Mexico, Philippines, the Middle East and Sri Lanka.



Samudra Bhattacharya making a presentation on Tide.

Some 800 dealers surrender licences

Urea traders find business difficult

Star Business Report

Hundreds of urea fertiliser dealers have surrendered their licences complaining the business is no longer profitable because of "excessive" government regulation.

Bangladesh Fertiliser Association sources said a total of about 800 urea fertiliser traders surrendered their licences this year mainly because of government-directed maximum price limit of the soil nutrient. The price control was causing losses to them, traders claimed.

According to the Bangladesh Chemical Industries Corporation, which operates the state-run fertiliser factories, 3,158 urea traders were registered as on March 31 this year against 3,876 traders as on January 31.

BFA attributed to last year's low farm prices, a high number of dealers, import of a new type of urea from KAFCO (bigger-sized granular) and low demand projections for urea were responsible for dull business this year.

Many farmers lost interest in planting high-yielding paddy varieties as they did not get reasonable prices for their harvests last year.

Each dealer must deposit Tk 2 lakh with the BCIC as security money. Besides, the dealer is to pay Tk 480,000 for per 100 tonnes of urea at the mill office. Another 480,000 taka must be ready for withdrawal of urea for the next consignment.

Adding the costs of transportation, storage and other expenses, the price of a 50-kg bag stands at Tk 260 to Tk 280 depending on the area of business against government-fixed rate of Tk 240.

Against an annual investment of Tk 10 lakh, a dealer must make a profit of at least Tk 160,000 a year, keeping in mind a 16 per cent bank interest.

"A dealer is hardly able to make Tk 160,000 out of his Tk 10 lakh investment," said Abdul Baten, executive secretary at Bangladesh Fertiliser Association. He said the government has fixed Tk 255 to Tk 275, as upper limits of a 50-kg bag of urea depending on where the fertiliser is being sold.

In most cases, the BFA leaders claimed, the dealers were incurring direct financial losses.

BFA members claimed that they had an unsold stock of about 200,000 tonnes of urea all over the country which had very little possibility to be sold out during this season. The peak season is already over.

A dealer from Ashuganj said the losses could be minimised if free movement of fertiliser instead of command area system was introduced. Under the command area system, no dealer is allowed to sell his share outside his assigned area.

When contacted, a senior BCIC official admitted that a good number of dealers were surrendering their licences but said new dealers were coming in the business. He also admitted that it was difficult now for a trader to make profit.

The government projected a demand for 21 lakh tonnes of urea this year but later re-estimated it to be around 19 lakh tonnes. Traders said they were sitting with 2 lakh tonnes of unsold urea.

G-8 summit begins May 15 ICC seeks suitable rules for new global economy

Star Business Report

The International Chamber of Commerce (ICC) urged the national leaders attending the Birmingham Group of Eight Summit this month to push for comprehensive rules suited to the new globalized economy and to enlist business expertise in formulating them, according to an ICC press release issued from London recently.

In a statement delivered to British Prime Minister Tony Blair as host of the Birmingham summit scheduled for May 15-17, the ICC said: "As markets go increasingly global so the need is rapidly growing for more global rule-setting. And that means more global decision-making and leadership."

The world business organization also said government and business must do more to combat a growing perception in the public mind that globalization is a threat rather than an opportunity that has "already brought unprecedented advances in material welfare to billions of people."

ICC President Helmut Maucher, Chairman of Nestle, led the delegation of business leaders who called on Blair at Number 10 Downing Street, ICC national committees in the capitals of the G8 countries meanwhile handed the statement over to their respective governments.

The ICC delegation included ICC Vice President Adnan Kasar, Chairman of Fransabank Group, Lebanon; the Past President, Rahmi M. Koc, Chairman of Koc Holding; and Patrick Gillam, Chairman of ICC United Kingdom and of Standard Chartered Bank.

The ICC statement said:

"Governments and business must work more closely together, at national and international level, to design the multilateral rules for the worldwide market place which will be increasingly necessary for the smooth functioning and good management of globalization."

It said a welcome aspect of globalization was the imminent arrival of a single European currency. "The introduction of the Euro will require governments and central banks across the world, but particularly in the G8 countries, to collaborate to ensure that this major development is handled efficiently and does not become a source of global financial volatility."

The Asian crisis had also demonstrated the need for a stronger framework of laws, rules and institutions to ensure the smooth running of an integrated world economy, the statement said.

Tourism in HK slumps

HONG KONG, May 2: Tourist arrivals in Hong Kong slumped by almost a quarter in the first three months of 1998 as part of a downward trend that is contributing to Hong Kong's worsening economy, a news report said Saturday, reports AP.

About 2.2 million people travelled to Hong Kong from January to March, down about 25 per cent from the same period last year, Hong Kong radio said.

Oil-for-food deal Iraq hopes to earn \$ 2b

BAGHDAD, May 2: Iraq said Friday that if current oil prices hold it will be able to earn the 2 billion dollars. It is allowed to under the third phase of the oil-for-food deal with the United Nations, says AP.

Iraq so far has exported 130 million barrels out of the 186 million barrels it contracted to sell under the third phase. Saddam Al-Hassan, chairman of the State Oil Marketing Organization, told The Associated Press.

Al-Hassan did not say how much of the remaining 56 million barrel quota will Iraq export. But he said the country hopes to achieve the 2 billion dollars ceiling when the third phase ends June 3.

In the first phase of the oil-for-food programme, a six-monthly exemption from economic sanctions, Iraq sold 120 million barrels to earn 2 billion dollars. In the second phase between June-December 1997 Iraq sold 127 million barrels to earn the same amount.

That was because oil prices were higher then, Al-Hassan said.

'Immigration causes environmental damage in US'

WASHINGTON, May 2: An environmental group in the US has called for a halt to further immigration claiming it is leading to environmental degradation.

On the 28th anniversary of Earth Day on April 22, the little known Washington-based group called Population-Environmental Balance raised an alarm that immigration contributes to problems for environmental conservation.

"The adverse effects of population growth on our environment are often overlooked," Balance says, claiming that in 28 years the US population had grown by over 65 million. "The

population for the United States, at 269 million people, is growing by three million people a year. At current rates, it will surpass 500 million by 2050 — with our environment paying the ultimate price," Balance asserts.

Though its position is not popular with most environmental organisations, it strikes a chord with anti-immigration forces in this country.

Balance says population growth and the alleged high fertility rate of immigrants have resulted in over 50 per cent of America's original wetlands getting drained and 90 per cent of the country's forests getting

cut down to meet the demand for timber.

"The US has finite resources and cannot continue with this growth trend indefinitely," stated Maria Sepulveda, Executive Director of Balance.

The very results that Balance quotes have been attributed by virtually all genuine environmental organisations to absence of good policies and foresight on the part of government and private industry in the search for profits and to spur "development."

Most environmentalists consider Balance's stand as a form of jingoism feeding on racial and other right-wing

tendencies that have come to the forefront over several years. The United States needs to stabilise its population and to achieve what we must implement an immigration moratorium," Balance says.

Immigration and the higher than average fertility rates of recent immigrants account for 60 per cent of the United States' annual population growth and at current rates will account for 90 per cent by 2050, Balance maintains.

The US ranks as the third most populated country in the world after China and India and the fastest growing industrialised nation, it says. "No

matter how much we learn to reduce, reuse and recycle, we are merely running in place unless we stabilise our population," Balance contends.

According to the group, the root cause of every environmental problem in the United States is population growth. It calls for a five-year immigration moratorium in excess of 100,000 per year. After the five-year moratorium, Balance advocates replacement-level immigration of 200,000 per year as a long-term and sustainable immigration policy for the country.

Source: India Abroad News Service

ducing in early 1999, when the world's computer makers are expected to start using the new chip in their products.

"The company has at least a one-year lead over other semiconductor producers," Samsung said.

South Korea's financial crisis cast doubt over its semiconductor makers' ability to make new investments.

SINGAPORE: An investment bank has predicted for the first time that Singapore, which has weathered the Southeast Asian economic crisis much better than its neighbours, will go into recession this year.

Santander Investment Securities Singapore forecast in a report made public Wednesday that the city-state's economy will shrink by a real 0.3 per cent.

"The Singapore export machine will grind to a halt," San-

tander said adding that a key weakness is faltering demand from Japan, which receives about 7 per cent of Singapore's exports.

The Organisation for Economic Cooperation and Development has predicted 3.2 per cent growth for Singapore this year, and other independent economists have estimated 3 per cent.

"We believe that the Singapore economy will move into recession this year," Santander said in its first report on Singapore since completing a takeover last week of Peregrine Securities Singapore.

BEIJING: A group of foreign bankers expressed concern Wednesday that the pace of financial liberalisation in China may slow in the wake of the Asian currency crisis.

Speaking during a panel discussion of the China Business Summit, organised by the Switzerland-based World Economic Forum, representatives of foreign banks painted a gloomy picture of the prospects for making profits on the Chinese mainland and appealed for new steps to open the banking sector.

"What China learns from the Asian currency crisis is that it would limit the pace of foreign bank's entry into the domestic market," said John Hobson, executive director of Morgan Stan-

Asia business briefs

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"What China learns from the Asian currency crisis is that it would limit the pace of foreign bank's entry into the domestic market," said John Hobson, executive director of Morgan Stan-

ley Asia. "In the short term, you'll see more frustration."

Overseas banks operating on the Chinese mainland are restricted to foreign currency operations. An exception is made in a special zone in Shanghai, called Pudong, where nine foreign banks are allowed to conduct business in the local currency.

Even those banks are frustrated by restrictions. Citibank country corporate officer in China, John Beeman, said the pilot scheme of allowing foreign banks to run yuan business in Shanghai "is going nowhere" due to a lack of access to local corporations that is constraining the growth of yuan loans.

BANGKOK: The Thai government rejected demands Wednesday by sugar-cane planters to raise domestic sugar prices, a politically sensitive issue during the current recession.

The Commerce Ministry ruled out a request for a price hike of 3 baht (8 cents) per kilogram, following Tuesday's talks between 10 planters and ministry officials.

Rachai Chusikul, secretary general of the Thailand Sugar-cane Growers Association, had said the government needs to boost the liquidity of growers because the next harvest is nearing.

Rachai said that the government's estimated price of a ton of sugar at 785 baht (20 dollars) was unrealistic and that the fluctuation of currency rates over the past year has damaged export earnings.

MANILA: More than 43,000 Filipino workers were laid off in the first quarter of 1998 due to the effects of Asia's economic crisis, the labour office said Wednesday.

The Bureau of Labour and Employment Statistics said 18,566 workers permanently lost their jobs while 20,824 were jobless temporarily. Filipino companies have suffered during the crisis from falling demand for their products, rising costs, a weaker currency and lack of raw materials.

The labour office said another 3,955 workers will likely lose their jobs.

It also said 1,072 companies were affected by the economic slowdown, of which about 200 applied to be closed.

Acting Labor Secretary Jose Espanol asked other companies to give high priority to rehiring the laid-off workers.

— Source: AP