


SANYO
 FAMILY SIZE MICROWAVE OVEN
 35.9 & 37.1 LITRE OVEN CAPACITY



Free Recipe Book

Transfin Trading Ltd.
 Tel: 815306-9, 819625-9

SANYO
 COLOUR TV



Sole Distributor in Bangladesh

Transfin Trading Limited
 100, Kazi Nazrul Islam Avenue, Dhaka-1215
 Tel: 815307-10, Fax: 813062

DHAKA, MONDAY, AUGUST 17, 1998

Body formed to resolve loan problems of jute exporters

A three-member committee has been formed to resolve the staggering bank loan problems of raw jute traders and exporters, reports UNB.

The committee, headed by Jute Secretary Mahfuzur Islam, will review the problems of the jute trader and exporters and submit a report with recommendations by August 31.

Other members of the committee are Additional Secretary (Banking) of Finance Ministry Golam Rahman and Senior vice-chairman of Bangladesh Jute Association (BJA) Md Rezaul Karim.

The committee has been constituted at the directive of Finance Minister Shah AMS Kibria. He made the directive after a BJA delegation called on him Wednesday to discuss the progress of raw jute export, said an official handout yesterday.

Kibria praised the role of BJA in increasing jute export during the last two years and said the government will provide all out cooperation in boosting raw jute export.

DHL wins Int'l Trade Award of S'pore

DHL Worldwide Express has become the first air express company in Singapore to receive the International Trade Award (ITA) - special recognition for innovative application of Information Technology.

The ITA is a national award administered by the Trade Development Board (TDB). It recognises outstanding companies that have contributed significantly towards Singapore's international trade, said DHL in a press statement.

This is the first time the TDB has conferred the ITA special recognition award on any company, it said.

Technology has helped us to constantly introduce innovative products and services to the benefit of our customers. Achieving this special recognition is a great honour for DHL. It's a recognition of our continuous efforts in providing value added services through the innovative implementation of technology," the statement quoted Charles Chia, General Manager, DHL International (Singapore), as saying.

India may provide 100m people with jobs in ten yrs

NEW DELHI, Aug 16: Indian Prime Minister Atal Behari Vajpayee said on Saturday that 100 million people would be provided jobs over the next 10 years, reports Reuters.

Reducing unemployment is an important commitment of our national agenda. Unemployment is a major problem facing the nation," Vajpayee said in an independence day address from the ramparts of New Delhi's historic Red Fort.

"My government has decided to provide 100 million people with jobs over the next 10 years, which means ten million people would be provided with employment opportunities every year," he said.

Vanik launches plastic money

Star Business Report

Vanik Bangladesh (VBL) yesterday formally launched Vanik Gold and Vanik Classic Credit cards in Bangladesh.

Calling Bangladesh "highly potential", company officials said they expected to market some 2000 credit cards in the first year.

"Of over a million outlets in Bangladesh, some 11000 accept credit cards, which are enough for the company to run a sound business," Vice-President Ivor Pratap told a press conference.

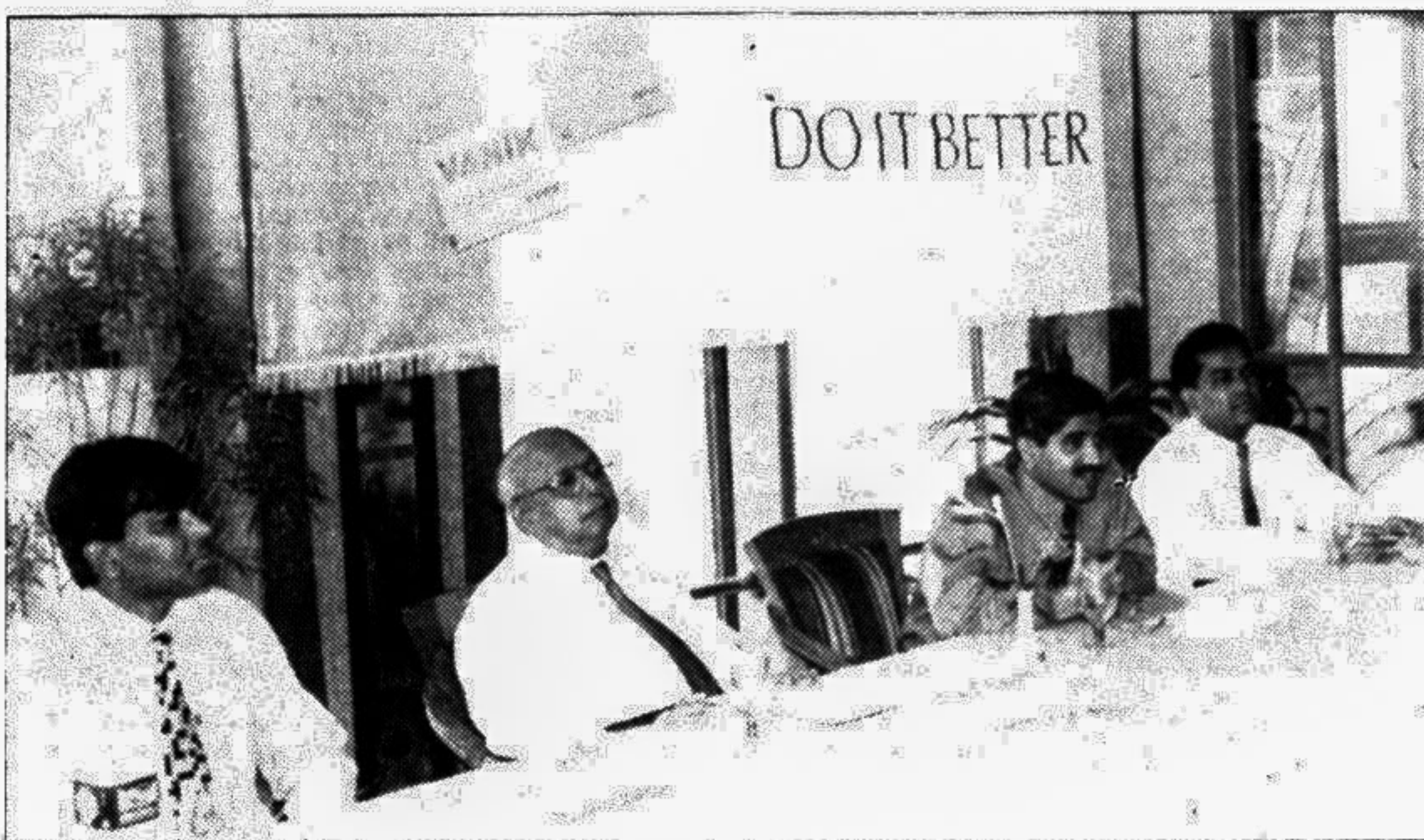
Golden Key Credit Card Company Ltd, the pioneer credit card company in Sri Lanka, provided technical support for the purpose.

The Sri Lankan multinational, which entered Bangladesh in November last year, has already introduced several financial products and services of international standard to Bangladesh.

The company is currently involved in corporate finance, leasing, term deposits, capital market activities and stock brokering through its subsidiary Vanik Bangladesh Securities Ltd (VBSL).

MA Moyeen, chairman, Dr WM Tilakarana, director, and

Mahfuzur Rahman also spoke on the occasion.



M A Moyeen, Chairman of Vanik Bangladesh Ltd, speaks at a press conference on the occasion of the launching of Vanik Credit cards.

BB auction results

The 106th auction of the 90-day treasury bill, the 97th auction of the 30-day and the 180-day treasury bills and the 71st auction of the one-year treasury bill were held yesterday, reports UNB.

Seventy five bids for a total of Tk 614.50 crore of 30-day bill, five bids for a total of 27.50 crore of 90-day bill, one bid for Tk 5.00 crore of 180-day bill and nine bids for a total of Tk 33.50 crore of one-year bill were offered.

Of the offered, 47 bids for a total of Tk 457.50 crore of 30-day bill, all the bids of 90-day bill and three bids for a total of Tk 8 crore of one-year bill were accepted.

The bid offered for the 180-day bill was not accepted, said a Bangladesh Bank press release.

World financial markets still remain nervous

LONDON, Aug 16: World financial markets caught their breath on Friday but remained nervous after a black week marked by a new round of the Japanese crisis, financial turmoil in China and Russia, and fears of worldwide recession, says AFP.

Although analysts are divided over the possibility of the Asian collapse spreading globally, the currency, equity and commodity markets this week have plunged on fears of a widespread fall in economic activity.

In a week of huge turbulence, the Hong Kong market ended pulled back from a five-year low to a 8.5 per cent gain. Moscow rose 14 per cent after

'Asia needs more transparency to win back business'

SINGAPORE, Aug 16: Asian economies will continue to deteriorate until regulations, laws and courts are transparent and fair enough to draw businesses back, the US ambassador to Singapore was quoted Sunday as saying, says AP.

"There is a need for a systemic change in transparency, laws and the opportunity to see fair courts impose those laws to enable capital markets in the world to feel more comfortable to come back," Steven Green was quoted by the Sunday Times as saying.

"Until that happens, we will see continued deterioration in the economy," the paper quoted him as saying during a seminar

Thousands of acres of land illegally occupied Costly negligence by Railway as 3000 coaches catch rust

From Our Correspondent

RAJSHAHI, Aug 14: Negligence to duties by Railway officials has almost damaged wagons and coaches worth Tk 300 crore that are lying for years under open sky.

Parts of more than 3000 bogies, belonging to the Western Zone of Bangladesh Railway, are not usable due to absence of proper maintenance. Sources alleged irresponsible Railway officials, workers and miscreants are stealing them.

According to the sources, some of the bogies can be used after repairs and most of them can never be put to use after years of neglect.

Some insiders claimed the Railway could make about Tk 300 crore by selling the unusable bogies. They said the authorities were mysteriously reluctant to take any initiative.

It could not however be known when these wagons and coaches were procured.

Meanwhile, hundreds of acres of Railway lands have been illegally possessed by influential and unscrupulous people. Settlements, both tem-

porary and permanent, have been built on these lands.

In addition, according to the sources, fallow lands of the Zone which have been illegally occupied by people are estimated at about more than 40,000 acres.

Some lands have been under possession of railway officials or their relatives, the sources alleged.

Gillette earnings surge 11pc

BOSTON, Aug 16: Gillette Company reported Thursday that its earnings jumped 11 per cent in the second quarter, in part due to the higher sales of blades and razors, reports AP.

Gillette earned 372 million dollars for the quarter ended June 30, or 33 cents a share, up from \$336 million, or 29 cents a share, in the same period last year.

Second-quarter earnings do not take into account the full launch of the company's newest razor, the Mach3, which hit stores the last week of June.

Al Baraka earns Tk 2.39cr profit

Star Business Report

Al Baraka Bank Bangladesh Limited has earned a net profit of Taka 2.39 crore at the end of June this year.

The deposits of the bank have gone up to Taka 685.24 crore while its investment stands at Taka 611.43 crore, says a press release of the bank.

During the period the bank handled import business of Taka 118.26 crore, export business of Taka 35.51 crore and remittance business to the tune of Taka 18.12 crore.

Mashreq Bank, PSC, Dubai, has extended a credit line for 5 million US dollar to Al Baraka Bank Bangladesh Ltd for LC confirmation.

Recently the bank has signed a memorandum of agreement with UAE Exchange Centre LLC, Abu Dhabi; UAE Exchange Centre WLL, Kuwait; and Oman and UAE Exchange Centre & Co Ltd, Sultanate of Oman, for Taka draft drawing facility which will facilitate the Bangladeshi expatriates working there to send their money at the shortest possible time.

Bank has also signed an agreement with Placid NK Corporation, New York, USA for handling the remittance business of the Bangladeshi expatriates.

Over the last few years, the bank has also made good progress in recovery of its stuck-up loans as well and has remarkably brought down its classified investment portfolio. Since July 1997, the bank has introduced 6 new deposit schemes and a Consumers' Credit Scheme for the low paid service holders and professionals.

Under its expansion programme, the bank is shortly going to open a collection booth in the premises of IDB Bhaban at Agargaon, Sher-e-Bangla Nagar, Dhaka.

Union workers strike US West in contract dispute

DENVER, Aug 16: About 34,000 union workers went on strike against US West Inc. early Sunday morning after two days of negotiations with a federal mediator failed to resolve a contentious contract dispute centring on a controversial performance pay plan, reports AP.

The Communications Workers of America members, including operators, customer-service representatives and field technicians in a 14-state region, walked off the job at midnight (0600 GMT) when their current three-year pact expired.

IMF endorses Thai financial plan

WASHINGTON, Aug 16: The International Monetary Fund welcomed Thailand's comprehensive package to rescue the country's financial system that includes taking over two debt-ridden banks and five finance companies, says AP.

The IMF's acting managing director, Shigemitsu Sugisaki, said in a statement Friday the move "demonstrates the resolve of Thailand's authorities to pursue economic restructuring in the face of very difficult domestic and regional conditions."

Sugisaki said the measures were aimed at ensuring "the solvency and credibility of the core banking system."

Grindlays Bank launches INSTANZ

Star Business Report

ANZ Grindlays Bank has launched INSTANZ, a monthly income plan where depositors earn interest on their fixed deposits on a monthly basis, says a press release issued in city yesterday.

The minimum amount required to open an INSTANZ account is Tk. 1 lakh which will have to be invested for a period of thirty six months.

Neil Merrick, Head of Personal Banking, ANZ Grindlays Bank in Bangladesh, said that INSTANZ had been launched with a view to attract medium-income groups, retired professionals, etc. who prefer to have a steady flow of income from their savings.

Customers will be able to open INSTANZ accounts with any one of the fourteen sales and service centres of ANZ Grindlays Bank situated in Dhaka, Chittagong, Narayanganj, Khulna and Sylhet.



Amin Ahmed, the first customer to open an INSTANZ account with Dhaka main branch, receives a surprise gift from Neil Merrick, Head of Personal Banking of ANZ Grindlays Bank. Also seen in the picture are Atiquzzaman, Customer Service Advisor and Sabrina Chowdhury, Relationship Manager of the bank.

DCCI signs deal with Devnet on TIPS

Dhaka Chamber of Commerce and Industry (DCCI) has signed a cooperation agreement with Devnet, a Rome-based international NGO in order to launch a project titled "Technology and Trade Information Promotion System (TIPS)" with funding from the European Community, reports BSS.

According to a Chamber press release, the project will promote cooperation among developing countries and at the same time will emerge as a "European Union (EU) Technology Information Centre". This would help improve competitiveness of the entrepreneurs in expanding business to Europe.

The project will eventually turn into an institution in helping

transfer of technology from the developed countries to the developing ones which is a prime need for industrialisation process of the latter. Besides, it will provide business improvement services through networking within Devnet/TIPS partner organisations.

Both DCCI and Devnet/TIPS, under the agreement, will cooperate with each other to keep the members of the business community abreast with new technologies and trade information.

Under the cooperation agreement, the DCCI will install a "TIPS National Bureau" in its premises.

Tobacco industry wins victory over US FDA

RICHMOND, Va, Aug 16: In a major victory for tobacco companies, a federal appeals court ruled yesterday that the US Food and Drug Administration did not have jurisdiction to regulate tobacco products, reversing a lower court decision, reports Reuters.

The ruling derails the Clinton administration's bid to cut youth smoking through increased regulation.

"It's a huge victory for tobacco lawyers," said Bill Novelli, President of the Campaign for Tobacco-Free Kids, a Washington health advocacy group.

A three-judge panel of the 4th US circuit court of appeals, with one judge dissenting, said the FDA overstepped its authority when it issued sweeping regulations in August 1996 that restricted the sale of tobacco products to minors and limited advertising and marketing by tobacco companies.

"We are thus of the opinion that Congress did not intend to

delegate jurisdiction over tobacco products to the FDA. Accordingly, the decision of the district court is reversed," the appellate court said.

It reversed a controversial April 25, 1997, decision by North Carolina US district Judge William Osteen, who ruled that the FDA could regulate nicotine as a drug and tobacco products as drug-delivery devices, but had no authority to restrict tobacco advertising.

The Justice Department said it would appeal the decision, while the tobacco industry said in a statement it was "pleased" by the ruling and "remains firmly committed to taking meaningful steps to reduce underage tobacco use."

President Bill Clinton, in a written statement, said he was firmly committed to the FDA rule because confirming the FDA's authority over tobacco products is necessary to help stop young people from smoking before they start.

Turbulence in world stock, currency markets hits commodities

LONDON, Aug 16: The turbulence in world stock and currency markets did not spare commodities this week, with trading shadowing the fortunes of equities and, above all, the yen, reports AFP.

Oil prices drew close to an all-time low in London, amid huge oversupply and poor demand.

Dollar-quoted base metals jerked back and forth depending on the status of the yen, which determines the purchasing power of investors in the Asian market, all-important for its construction and auto industries.

Coffee prices continued to be ground down on western markets, robusta has lost 100 dollars a tonne in the last two weeks, gold has lost more than 10 dollars an ounce during the same period.

There were also fears during the week that China and Russia would be forced into a devaluation of their currencies, the yuan and rouble, triggering a worldwide financial crisis.

Tony Chadwick, a future analyst at Prudential Bache brokerage, said that investors were leaving the turbulent currency markets to enter the usually more stable commodities market, but were then tending to make short-term speculations by selling and driving the price lower.

Although stock markets recovered towards the end of the week, investors fear that the turbulence may trigger further falls in demand, with the Asian

economic slump spreading to Europe and the United States.

However, some markets, such as cotton, tea and to some extent grains, have remained strong because of strong underlying factors.

GOLD: Tarnished. Gold prices fell sharply after the yen slumped to an eight-year low midweek and fears of devaluation of the Chinese yuan.

Prices on the London Bullion Market fell by 70 cents to 285.65 dollars.

Market sentiment was also hit by an announcement from the Venezuelan central bank that it had lent a large quantity of gold to the market, severely reducing the size of its gold holdings and spreading fears of large official sector sales.

Japan cut its gold imports by more than half in the first six months of 1998, to 33.16 tonnes for metal.

Analysts predicted that over the year, Japanese imports would fall to their lowest level for 18 years.

SILVER: Slipping. Silver prices followed gold lower this week.

Prices on the London bullion market fell by 32 cents to 5.10 dollars per ounce.

But trade figures gave the market a silver lining, after the London bullion market association reported that investors are increasingly moving out of gold and into silver.

The volume of gold trade on the London market fell by 14 per cent in July from June, while silver trade rose by seven

per cent.

PALLADIUM AND PLATINUM: Beaten. The prices of these two metals fell as investors braced for fresh deliveries from Russia to Japanese consumers in August and September.

Palladium prices fell by 9.5 dollars to 284 dollars per ounce, platinum prices fell by 11 dollars to 369 dollars per ounce.

Russia is the world's leading palladium producer and the second most important platinum producer, while Japan is the most voracious consumer, using large quantities of the metal in its automobile industry and for jewellery.

COPPER: Heavy. Copper prices fell back on the London Metal Exchange in reaction to the slide of the yen and expectations of lower demand on the key market of Asia, but recovered with the rising yen towards the end of the week.

Three-month copper fell by 13.50 dollars to 1.628 dollars a tonne, further depressed by a rise in LME reserves of 6,150 tonnes to 270,000 tonnes.

Meanwhile, a strike continued at Indonesia's Grasberg Copper Mine, one of the world's biggest, forcing producer freeport McRoran Copper and gold to halt operations at the 160,000-tonne-per-year site.

LEAD: Shine. Three-month lead rose slightly thanks to the yen's recovery at the end of the week, trading at 553 dollars a tonne, up 8.25 dollars. LME warehouse reserves fell 700 tonnes to 112,800 tonnes, giving

more support to the price.

Low trading volume due to poor sentiment and the holiday period exaggerated price swings.

Chinese authorities reported that during the first seven months of the year China produced 379,800 tonnes of lead, up 13 per cent from the same period last year. In July, production rose a huge 25.9 per cent year-on-year to 60,200 tonnes.

ZINC: Dull. Widespread financial market gloom caused a fall in three-month zinc this week despite a drop in LME warehouse reserves, the metal traded at 1,051 dollars tonne, down 5.80 dollars, while LME stocks fell 250 tonnes to 367,875 tonnes.

Chinese authorities reported that 826,800 tonnes of zinc were produced in the first seven months of the year, up 6.5 per cent compared to the same period last year. In July, production rose 3.7 per cent year-on-year to 111,000 tonnes.

ALUMINIUM: Lighter. Aluminium prices fell slightly despite a fall in LME reserves and a late rally in the value of the yen.

Three-month prices fell by 3.50 dollars to 1,327 dollars a tonne.

LME stocks fell by 5,850 tonnes to 459,825 tonnes. Official figures showed that China increased output by 15.4 per cent on a 12-month comparison to 1.32 million tonnes of aluminium, in July alone, the country produced 196,400 tonnes, up 11.7 per cent com-

pared with July 1997.

NICKEL: Higher. Nickel prices rose on technical trades amid extremely low volumes.

Three-month prices fell by 2.50 dollars to 4,165 dollars a tonne.

Canada's giant Inco Producer, meanwhile, left the market cold by deciding not to cut output, despite reduced demand from Asia.

TIN: Lift. Tin prices rose slightly after a modest fall in LME stocks, three-month prices rose by 52.50 dollars to 5,680 dollars per tonne after a rise of 120 tonnes in market reserves to 6,405 tonnes.

RUBBER: Soft. Rubber prices fell further amid Asia's economic troubles and the general weakness of financial markets.

On the London market, prices for September and October delivery fell to 462.50 pounds and 467.50 pounds per tonne from 465 and 470 pounds last week.

RSSI contracts on the Kuala Lumpur market fell to 2.76 ringgits per kg from 2.86 ringgits.

COCOA: Tepid. Cocoa bean prices were hit by worldwide financial turmoil, ending the week 18 dollars lower at 1,080 dollars a tonne for December delivery, trading volume was low as investors turned away from the market.

Prices were further lowered by good results on the Ivory Coast 1998-99 harvest, with production in the world's leading source of cocoa estimated at

1.1-025 million tonnes, up from analysts' previous estimates of 967,000 to 1 million tonnes.

OIL: Slump. Reduced demand from Asia and fears that devaluation of the yuan could provoke further economic crisis across the region dealt a hammer blow to oil prices, which edged towards an all-time low on the London market mid-week.

Brent North Sea Crude fell below 12 dollars per barrel on the international petroleum exchange to about 11.75, as the market struggled under the weight of record stock levels in the industrialised world.

Prices picked up later in the week to 12.15 dollars, which was nonetheless 61 cents lower than last week, on lower US stocks and a late recovery on Asian markets.

COFFEE: Weak. Robusta coffee for November delivery lost 53 dollars to 1,586 dollars a tonne, with the market hit by worldwide financial turmoil and a rise in Colombia's July production level.

London's futures market followed New York, where prices were pushed down by massive producer selling and the gloom of stock market trouble around the world.

TEA: Cold. Poor demand hit the Mombassa, Kenya tea auction, the tea broker's association in London said, most marked was the absence of Egyptian investors, as well as Afghans, while British buyers were picky over products, there was some support from Pak-

istani buying.

BPI high-quality tea lost 10-35 cents a kilo, while lower-quality tea such as dust or medium also lost ground.

SUGAR: Stable. White sugar prices were broadly stable amid extremely thin trade this week.

Indonesia said that it had bought 206,000 tonnes of refined sugar and 315,000 tonnes of raw sugar for imminent delivery, traders were predicting further purchases of 100,000 to 200,000 tonnes in coming sessions.

Drought in Cuba has hindered the planting of sugar cane there.

On the London Futures Market, prices for December delivery rose by 30 cents to 249.90 dollars per tonne.

VEGETABLE OILS: Warming. US soy prices rose on technical factors, despite forecasts of a record harvest in the 1998-99 season, estimated to be 2.82 billion bushels by the US Agriculture Department, compared with 2.77 billion bushels in 1997-98.

Soya prices on the Chicago Board of Trade (CBOT) rose by nine cents to 5.58 dollars per bushel (of 27.2 kg - for delivery in August).

GRAINS: Toasted. Grain prices were hit by world financial turmoil this week, compounding a drop in demand, but managed generally to recover from a particularly bad previous week.

US prices fell after the Department of Agriculture esti-

mated the maize crop at 9.59 billion bushels, the second biggest in history, amid perfect weather conditions in the corn belt.

On the Chicago Board of Trade, maize fell four cents to 2.06 dollars a bushel of 25.4 kilos for September.

COTTON: Fluffy. Prices rose as cotton production was hit by continued drought in Texas and floods in China which are threatening plantations in the South.

US specialists estimate 1998-99 production at 14,401 to 14,408 million bales, compared to 15 million bales forecast by the US Department of Agriculture and 18.89 million bales last season.

WOOL: Thin. The worldwide financial turmoil this week also hit demand for wool, with the British wooltop index falling five pence to 300 pence a kilo, at the Bradford auction, only 60 per cent of 2,114,211 kilos on offer found buyers.

However, the Australian government's decision last week to order a freeze on reserve stocks pushed up prices slightly in Sydney, Melbourne and Freemantle.

The latest fall in the value of the Australian dollar also made wool more attractive to Chinese buyers, however, the Australian Council of Wool Exporters warned that although the exchange rate shift was welcome, there was a risk that Chinese consumers and banks would default on debts.