

Business Club Australia launched

Australian Trade Commission (Austrade) has recently launched the Business Club Australia, says a press release.

On the eve of the new millennium, Australia Open for Business is a global strategy of the Australian Government Sydney 2000 Business Initiatives and Business Club Australia is a part of the initiatives.

Business Club Australia has been established to assist international business people make connections with Australian companies.

Retail sales up in US

WASHINGTON, Sept 18: Although American consumers continued to fill new homes with furniture and bought plenty of back-to-school clothes in August, analysts see signs of a slowdown in the shopping spree that has helped insulate US companies from economic crises abroad, reports AP.

Retail sales increased a mild 0.2 per cent to a seasonally adjusted 224.8 billion dollars in August, the Commerce Department said Tuesday.

That looks at first glance like a big improvement from a 0.6 per cent drop in July, an even larger plunge than first reported. But a strike at General Motors knocked car sales way out of kilter this summer, and outside the automobile category, sales of other retail goods have slowed.

In August, retail sales excluding autos grew by a relatively modest 0.3 per cent compared to a 0.6 per cent jump in July that was nearer the average for this year.

Heavy spending by American consumers has been the most important factor keeping production by US companies on the upswing in spite of big increases in the trade deficit.

A spreading global financial crisis, which started in Asia, is drying up markets for American products overseas.

Fear that the hard times abroad will hit corporate profits at home has made Wall Street investors jumpy in recent weeks, resulting in wide swings in the Dow Jones industrial average.

Analysts say Americans with one eye on the rest of the world's troubles are also starting to shop more cautiously — even though unemployment remains near a 28-year low, and most people's incomes continue to rise.

In August, sales of durable goods, or items expected to last three years or more, were unchanged after July's 2.1 per cent slide caused mainly by the GM strikes.

Before July, durable goods sales had grown in every month this year except March.

Foreign fund utilization falls in China

BEIJING, Sept 18: Utilized foreign investment in China fell during the first eight months of 1998, compared with a year earlier, while promised investment rose, the government announced Friday, says AP.

China's actually used foreign investment from January to August slipped 1.45 per cent to 27.42 billion dollars from the same period in 1997. Meanwhile, contracted foreign investment rose 6 per cent in the first eight months to 31.7 billion dollars, the Ministry of Foreign Trade & Economic Cooperation said.

China's actually utilized foreign investment for August inched-up 0.54 per cent compared with a year earlier to 3.54 billion dollars, the ministry said in a report published in the official newspaper China Securities News.

August contracted investment fell 2.6 per cent, however, to 3.68 billion dollars the report said, without providing additional comment or details.

The government has been struggling to attract strong foreign investment flows now that Asia, the main source of funds, is in an economic slump.

Non-resident travellers must declare currencies by next month

Malaysian central bank announces new rules

KUALA LUMPUR, Sept 18: All non-resident travellers to Malaysia will be required to declare foreign currencies and ringgit brought in and out of the country by next month, the central bank said yesterday, reports AFP.

The regulations are part of Bank Negara Malaysia's drastic currency controls announced earlier this month, in its bid to withdraw the ringgit out of international markets and regulate its circulation.

The travellers declaration form (TDF) will ensure that non-resident travellers "do not take out more (money) than they bring in," Bank Malaysia's Assistant Governor Awang Adek Hussin told a news briefing.

Weekly currency roundup

During the previous week (September 13-September 17) the demand for US dollar remained high but was range-bound. The impact of flood on foreign exchange started fading away along with the receding flood water.

Payment against these T-bills pushed the call rate up on Monday. Call rate remained high on Tuesday as the market remained short of liquidity. On Wednesday, T-bills worth of BDT 4570 million matured which drove the call rate down to 6.5% and 7.5%.

International market

International forex market remained focused on a rumour about a possible Fed Rate Cut. But Alan Greenspan, Chairman of the US Federal Reserve, did not hint upon any such possibility.



Relief being distributed among the flood-affected people at Sirajdikhan of Munshiganj recently on behalf of National Credit and Commerce Bank Ltd.

ASEAN endorses agri cooperation plan

HANOI, Sept 18: Southeast Asian ministers today endorsed a plan on regional cooperation in food, agriculture and forestry as they ended a two-day meeting here today, says AFP.

The strategic plan of action for the 1999-2004 period identifies strategic action programmes and activities in an effort to enhance regional food security and the international competitiveness of ASEAN products.

Support for euro increases

BRUSSELS, Sept 18: Support for the European single currency has risen to a record high of 60 per cent of EU citizens, according to poll results published yesterday by the European Commission, says AFP.

The level of support registered in polls carried out between April and May of this year was 10 per cent higher than in the autumn of 1997.

Across the 11 countries which will adopt the euro on January 1 of next year, support for monetary union reached 66 per cent.

Three arrested in Russia for bank scandal

MOSCOW, Sept 18: Three people have been arrested in a high-profile case involving accusations that banks embezzled 237 million dollars in government funds that had been intended for supplying fighter aircraft to India, a news report said Thursday, reports AP.

Russian prosecutors have been investigating accusations that Unikombank, one of the country's largest banks, and Andrei Vavilov, former deputy finance minister and now adviser to the gas monopoly Gazprom, diverted 512 million dollars in government funds in two separate deals in 1996 and early 1997.

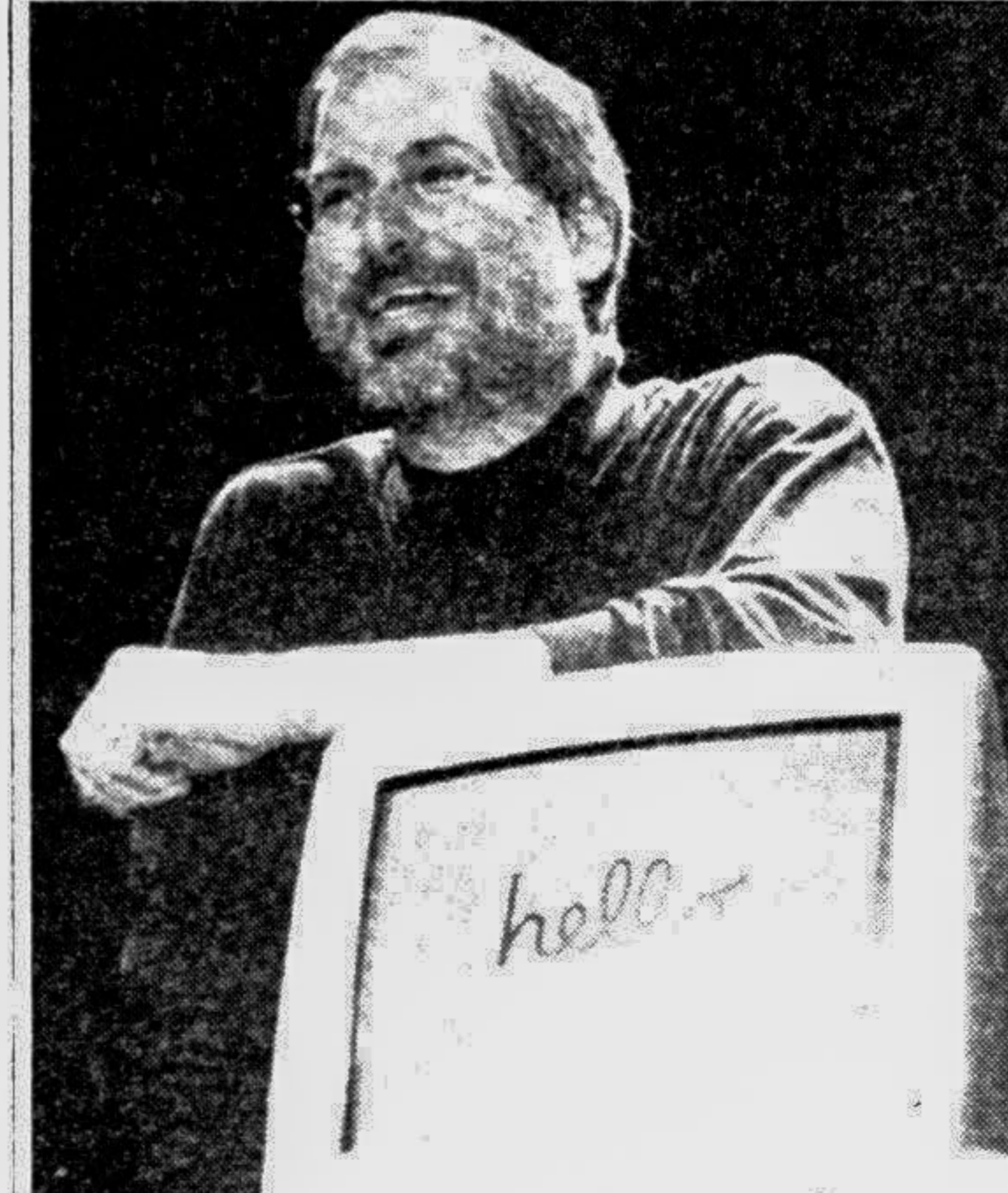
\$12.5b foreign aid bill approved

House rejects Clinton's request for \$18b to replenish IMF

WASHINGTON, Sept 18: The US House of Representatives brushed aside warnings of dire global consequences and snubbed President Bill Clinton's request for 18 billion dollars to replenish the International Monetary Fund, says AP.

Despite a Democratic outcry, the Republican leadership did not even permit a vote on the full amount Thursday as it passed a major foreign aid bill.

House until serious reforms have passed," said Rep Sonny Callahan, chairman of the Appropriations subcommittee on foreign operations.



Apple co-founder Steve Jobs laughs during a demonstration of the iMac desktop computer at the Apple Expo in Paris on Thursday.

US Congress votes for avoiding govt shutdown

WASHINGTON, Sept 18: Signaling that Republicans want no part of an election-season government shutdown, the House and Senate voted to keep federal agencies open next month despite raging budget fights between Congress and President Bill Clinton, reports AP.

Share trading in Russia suspended twice a day

MOSCOW, Sept 18: Trading on the stricken Russian stock market was suspended twice yesterday afternoon as share prices continued a spectacular slump into uncharted territory, a stock exchange spokeswoman said.

Most Asian stocks follow falls in Europe, US, Latin America

HONG KONG, Sept 18: Most Asian stock markets followed overnight falls in Europe, Latin America and the United States to open sharply lower Friday, reports AP.

Market participants said investors remained discouraged after US Federal Reserve Chairman Alan Greenspan dashed hopes of a joint effort by the industrialised nations for a multinational interest rate cut.

IMF forecasts World economy to grow by around 2 pc this year

PARIS, Sept 18: The world economy will grow by around two per cent this year, down from an earlier forecast in April of 3.1 per cent, according to the International Monetary Fund, reports AFP.

The new figure — which is still to be finalised — was given by IMF Managing Director Michel Camdessus, quoted in the Financial Times yesterday.

The lowered expectation was attributed to intensifying global financial turmoil, with the French banker laying the blame on political leaders in Russia and Japan.

The IMF chief did not expect a uniform cut in interest rates in Europe and the United States, which he said are at different stages in their economic cycles.

Weaker Aussie dollar helps raise mineral export earnings

CANBERRA, Sept 18: A weaker Australian dollar helped increase Australia's mineral and energy export earnings by 13 per cent to a record 40.8 billion Australian dollars (one Australian dollar to 0.59 US cents) in the past financial year ending June 30, according to official figures released here yesterday, reports Xinhua.

Brian Fisher, Executive Director of the Australia Bureau of Agriculture of Research Economics (ABARE), said Thursday the "stronger performance (by the nation's mineral and energy sector) reflected both higher Australian prices because of the 13 per cent depreciation of the Australian dollar against the US dollar and increased export volumes for most minerals and energy commodities."

A weaker Australian dollar as a result of the Asian financial crisis has made Australian products more competitive on the world market if they are traded in US dollars and imported goods more expensive.

The major commodities to exhibit rises in export earnings in value term during the past financial year were gold, increasing by 33 per cent, or 14.36 million Australian dollars, colting coal, lifting by 19 per cent, or 935 million Australian dollars.

Aluminium, up 36 per cent, or 748 million Australian dollars, steaming coal, jumping 22 per cent, or 671 million Australian dollars, iron and steel, increasing 16 per cent, or 223 million Australian dollars.

The Australian mineral resource export price index rose by 6.2 per cent in the past financial year compared with the previous year. Increases mainly occurred in the metals and other minerals component, which increased by 8.4 per cent, while the energy minerals component rose by 2.8 per cent, the bureau said in a statement.

Fisher said mineral resource imports also reached a new high in the past financial year of 8.537 billion Australian dollars, an increase of 16 per cent, or about 1.178 billion Australian dollars.

Imports of gold scrap from South Korea and Indonesia were one of the main contributors to a record level of mineral imports, with gold imports surging by 238 per cent to 1.402 billion Australian dollars.