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# The Daily Star BUSINESS

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## Round the city markets

# Rice remains lofty while vegetables a bit down

Star Business Report

Prices of rice remained as lofty as before in spite of a substantial improvement in the supply situation over the past few days.

But one will feel a bit comfortable while buying winter vegetables as prices have come down to some extent. However, they were still way above last year's prices. As a result, the increase in supply of vegetables did not bring any cheers to shoppers.

Traders at the city's Badamtali rice market, the largest wholesale market in the country, yesterday said that sales had come down slightly due to the holy Ramadan.

According to them, there is hardly any possibility for rice prices to come down to previous levels as imported rice has kept the market mostly stable and alive.

The Indian Ratna variety of rice was selling at between Tk 570 and Tk 575 per maund (37.32 kg) while Shuama's selling rate ranged between Tk 580 and Tk 585 a maund.

Local new pajam was selling at Tk 570 a maund while the rate of its old stock was Tk 600. Nazirshail was selling at between Tk 700 and Tk 720. Minicut at Tk 750 and Sherpur pajam at Tk 750.

There is no pressure on rice prices. But as the aman harvest is not satisfactory, we do not expect prices to come down soon," said a trader at city's Kawan Bazar.

The newly-harvested onions have started pouring into the market and were selling between Tk 35 and Tk 36 while old stocks ranged between Tk 48 and Tk 50. The market saw the arrival of big-size onions from Turkey, which was selling at Tk 35 per kg.

Peas were selling at between Tk 45 and Tk 50 a kg while carrot was available at Tk 20 per kg. The only big relief for the shoppers was the new potato, which registered a big fall in terms of prices -- from Tk 25 a kg two weeks ago to rates between Tk 14 and Tk 16. The old potato stocks were selling at Tk 11 a kg.

Tomato was selling at between Tk 40 and Tk 48 per kg and did not show any sign of price drops.

A medium-size cabbage was selling at between Tk 10 and Tk 12 against earlier selling rates of Tk 12 and Tk 15 and an average-size cauliflower costs Tk 18 and Tk 20 against Tk 20 and Tk 25 two weeks ago.

Bean was available at Tk 16 and Tk 20 per kg against its price of Tk 20 and Tk 25 two weeks ago.



The prices of the newly-arrived winter vegetables have come down slightly with the increasing supply in city markets. — Star Photo

Weeks ago. Brinjal was down by Tk four and was selling at between Tk 18 and Tk 20 per kg whereas the rate of green chili was Tk 20 to Tk 30 per kg. Onion stalks were selling at Tk 16, cucumber at Tk 20 per kg. The prices of both the items were Tk 24 per kg two weeks

ago. Dry chili was selling at Tk 120 while garlic between Tk 60 and Tk 120 a kg. The prices are steady over the past few weeks. Green papaya, which was selling at Tk 10 two weeks ago, was now available at between Tk eight and Tk 10 per kg. Both Palang shakh and Lal shakh

were selling between Tk eight and Tk 10 a kg. The prices were Tk 16 a month ago. Beef was selling Tk 75 per kg, mutton at Tk 120 and a medium-size chicken between Tk 75 and Tk 85, while eggs were selling at Tk 12 per four.

## Scheduled flights of Air Parabat resume today

Star Business Report  
Air Parabat, the second private carrier of the country, will resume its scheduled flight operations from today, says a press release of the airlines issued yesterday.

After about a six-month flight suspension, Air Parabat flight AP-121 will depart for Barisal at 8-30 am, AP-111 for Chittagong at 8-45 am, while AP-131 will fly to Jessore at 10-30 am from Tejgaon Airport in Dhaka.

The return flights will depart Barisal at 9-25 am, Chittagong at 10-15 am and Jessore at 11-40 am.

It may be mentioned here that Air Parabat will operate 13 weekly flights to Barisal, 13 to Jessore, 12 to Chittagong and 3 flights to Cox's Bazar. Besides, 3 flights will also be operated between Chittagong and Cox's Bazar.

Air Parabat will use two newly-procured 19-seater advanced version of LET-410 aircraft to operate these flights.

Meanwhile, the airlines had earlier announced reductions in its previous fares, considering the inconveniences of its valued passengers.

The newly-revised fares are Dhaka-Chittagong: Tk. 1450, Dhaka-Barisal: Tk. 1050, Dhaka-Jessore: Tk. 950, Dhaka-Cox's Bazar: Tk. 1950, and Chittagong - Cox's Bazar: Tk. 500.

## Bangas approves Tk 15 per share dividend

Bangas Limited approved a cash dividend of Tk 15 per share in the 18th annual general meeting of the company held on Friday, says a press release.

Sales of the company rose by 34.3 per cent to Tk 57,395,396 and its total expenses were kept in control, which resulted in reduction of material and manufacturing costs as a percentage of turnover from 81.94 per cent in 1996-1997 to 81.25 per cent in 1997-98.

As a result, operating and net profits before tax increased to Tk 1,864,327 and Tk 1,136,860 respectively, which is 50.41 per cent and 41.34 per cent higher than that of the previous year.

Chairman of the Board of Directors of the company Md Mozammel Haq presided over the meeting. Among others present in the meeting were directors Md Rafiqul Haque, Md Rabiul Haque, and SM Shahidul Arafin, Company Secretary.

In his speech, the director Md Rafiqul Haque stated that the new unit for producing 'Pepe' corn rings had gone into commercial production within the reporting year of accounts.

## Asian nations struggling to turn around

TOKYO, Dec 26: Asian nations are struggling to turn around their crippled economies with hopes of curtailing the growing unemployment, poverty and, in Indonesia, stirring social unrest, reports AP.

But many hope to turn the corner toward recovery. Key to that would be fixing the financial systems throughout Asia that are still in shambles.

The Japanese economy, which could potentially serve as an engine for regional growth, is likely to continue to shrink, wallowing in its worst recession in a half century.

Voter impatience with Japan's governing party is likely to come to the fore if parliamentary elections are held during 1999, as some expect.

More serious is the turmoil in Indonesia that threatens to explode ahead of general elections in June and the choosing of a new president that follows.

Instability sure to keep foreign investors away from the once booming nation and keep its economy spiraling downward.

## Fight against multinationals

# Fernandes urges Indians to boycott foreign goods

NEW DELHI, Dec 26: Indian Defence Minister George Fernandes has urged Indians to boycott foreign goods "wherever possible," newspapers reported today, reports AFP.

Fernandes, a key member of the Hindu nationalist-led coalition government, was quoted as saying in Bombay overnight Friday that this was one way of battling multinational companies.

"Time has come for us to make a firm resolve to boycott foreign goods in whichever field it is possible," he told an assembly of some 5,000 Hindu nationalist student supporters.

"When I talk of a boycott, I am not alluding to areas where our national security interests are involved," he was quoted as saying by the Pioneer newspaper.

"(But) even in areas where national security interests are involved, we should use discretion in purchasing goods like sophisticated fighter planes from sources of our choice in the world market."

Fernandes recalled when, as a minister in a short-lived federal government in 1977-79, he banished Coca-Cola from India.

The US giant returned to the country after New Delhi launched sweeping free-market reforms in 1991. Its rival Pepsi also now sells in India.

"At that time I could do it," Fernandes said. "Today I am helpless that I cannot do anything about the multinational soft drink companies."

Throwing them out would result in serious consequences. It is in these kind of areas that people come into picture. It is

for the people to take the initiative and stop purchasing foreign goods wherever they can do without them."

Fernandes' comments have come amid continuing pressure by hardline Hindu groups and communists to prevent Prime Minister Atal Behari Vajpayee from opening up the insurance sector and amend the country's 28-year-old patent laws.

Fernandes is also an outspoken champion of human rights, and has in the past supported the Tibetan cause of freedom and pro-democracy student groups in Burma.

Last year, while in the opposition, he defied the Indian government and organised a meeting in New Delhi attended by Indian supporters of Sri Lanka's Tamil separatist campaign.

## Consumer right goes unprotected

# Buffalo meat turns beef in city markets

By Rafiq Hasan

Are you eating the right stuff? Especially when the food in question is beef?

You better be careful when purchasing meat from city butchers as they would not hesitate the least to slip buffalo meat instead of beef into your bag.

During a trip to different city bazaars, this correspondent coaxed it out from a number of vendors that they were actually selling buffalo meat instead of beef.

When asked for some buffalo meat, a meat seller at the New Market categorically denied selling such stuff.

"But I badly need some buffalo meat for my mother because her doctor has prescribed it for her," said the correspondent.

A thought crossed the vendor's mind and then he said that through special arrangements he could manage it.

As this the correspondent agreed. The vendor readily showed a big chunk of meat hanging from the roof of his shop. "There it is, he said, pointing his finger to the piece."

"But you told me that all your stuff was pure beef. How can I believe you?"

"Everyday eight to ten buffaloes are sold in this market," the man said. The other meat

sellers in the market also agreed that buffalo meat was being sold for beef in almost every city markets.

Similar weird experience was awaiting this correspondent at Kawan Bazaar, the city's biggest wholesale market. The vendors at first did not give in to the accusation that they sell buffalo meat, but after some arguments they confessed. "We disclose it only if a customer wants to know," said a meat seller at Kawan bazaar.

The main customers of buffalo meat are the restaurant owners. They prefer it because it is cheaper than beef and earns them an extra hefty amount, according to meat traders.

The meat sellers demand Tk 70 for a kg of beef and Tk 60 for the same quantity of buffalo meat. But when a restaurant owner buys meat in huge quantity, he gets a fat discount of about ten to 25 per cent, the traders said.

Health Department officials of the Dhaka City Corporation said that DCC was not responsible for stopping the sale of buffalo meat as beef.

They added that there was no government control over meat business, mainly due to the lack of adequate number of slaughter houses.

There are only two government-registered slaughter houses in the DCC area -- one at Hazaribagh and other at

Koshaituli. But slaughtering capacity at these houses was too inadequate to meet the demand.

## Foreign co proposes Tk250cr modern slaughter house

On top of this, with the expansion of the city over the years, it has now become quite difficult and often impractical for meat sellers, scattered over distant places, to transport meat from these slaughter houses.

"This is why a significant number of cattle are slaughtered everyday in different areas and the quality of meat is often not good," one official pointed out.

For every ten DCC zones, at least two slaughter houses are needed to ensure quality meat, they said.

A few years ago, DCC approved two butcher houses at Mirpur and Gulshan, but these are yet to be constructed.

DCC earns about Tk 40 lakh a year as tax from the butchers.

The City Corporation is now toying with the idea of allowing some private companies to set up modern butcheries.

A foreign firm has also proposed a modern slaughter house at Gabtali at a cost of Tk 250cr. The proposal is under 'active consideration' of the DCC.



WHAT'S REALLY UP THERE? Consumers are easily deceived by meatsellers since look is not enough to distinguish between beef and buffalo meat at city market shops. The situation has become even worse in the absence of any regulatory authority. — Star photo by AKM Mohsin

## Tallu Spinning makes Tk 10.18m net profit

The 9th annual general meeting of Tallu Spinning Mills Limited was held on Friday at the registered office under the chairmanship of Md Mozammel Haque, Chairman and Managing Director of the company, says a press release.

It was attended by Directors Md Rafiqul Haque, Md Rabiul Haque and Md Atiqul Haque, BSB-nominated Director ASM Rezaul Quddus, Company Secretary SM Shahidul-Arafin and a large number of shareholders.

Chairman of the Company, Md Mozammel Haque, placed the annual report for the year which ended June 30, 1998.

Despite various constraints, Director Md Rafiqul Haque disclosed that the company earned a net profit Tk 10.18 million and the Unit-II of the company to produce export quality yarn commenced commercial operation since July 01 this year.

# LatAm nations find it hard to head into '99

MEXICO CITY, Dec 26: Weak oil prices and natural disasters put many Latin American nations in a tough position heading into 1999, reports AP.

Honduras and Nicaragua both must rebuild from the devastation of Hurricane Mitch, and are seeking forgiveness of their total of \$11 billion in foreign debts. Mitch killed more than 9,000 people across Central America, destroyed roads and bridges and left thousands homeless.

Peru, meanwhile, intends to spend 1.86 billion soles (\$600 million) on reconstruction from storms caused by the El Nino weather phenomenon earlier in 1998.

With oil prices at a 25-year

low, leaders in Mexico, Venezuela and Ecuador are preaching austerity and bracing for recessions in the face of plummeting export revenues.

Brazil, struggling with a huge public deficit, will try to restore investor confidence by slashing \$23 billion from its government budget.

Panama, meanwhile, looks forward to taking possession of the Panama Canal from the United States on December 31, 1999. But not before presidential elections in May; Martin Torrijos, the son of former Panamanian strongman Omar Torrijos, leads in early opinion polls.

El Salvador, Argentina and Chile also will elect new presi-

dents.

The future of Mexico's Institutional Revolutionary Party, which has ruled since 1929, will be reshaped as presidential aspirants jostle in the party's first open primary.

The atmosphere will be friendlier when Mexico welcomes Pope John Paul II for a 3 1/2-day visit in January.

A judge will determine whether two members of Argentina's former military junta will face trial on charges of adopting children taken from dissidents during its 1976-83 "dirty war," and Chile awaits the outcome of Spain's extradition request for former dictator Augusto Pinochet.

# 1998 - a year of stock market mayhem

Phew! What a year 1998 was for the world's stock markets. It was not so much a roller-coaster ride as a bungee jump. Stocks soared to new highs in the early part of the year.

But they could not defy gravity for long. In July they fell off a cliff, and at one point there seemed to be no way back.

As one economy after another plunged into recession, the omens for share prices did not look good.

**Economic storm clouds**  
Japan's financial situation went from bad to worse. Its beleaguered economy was beset by a deepening recession and its troubled banking system teetered on the brink of disaster.

Other South East Asian economies did not fare much better as economic turmoil spread throughout the region.

But it was the collapse of the Russian economy which really set the cat among the pigeons. It was not just the plight of the economy, which is small compared to other world economies. There was a real worry that the

country's political problems were about to spiral out of control.

Investor confidence was shattered. The financial crisis spread to Latin America, fears of a global recession grew and share prices plummeted.

Then came Long Term Capital Management, the US hedge fund which lost a huge amount of money by taking spectacularly unsuccessful financial bets on the financial markets. In the autumn, the world appeared to be on the brink of a financial meltdown.

But just as stock markets were shrouded in doom and gloom, a remarkable thing happened. Shares began to recover.

**The big bounce back**

In fact by the end of the year UK and US stock markets bounced back to near their all time highs.

Justin Urquhart-Stewart, share expert at Barclays Stockbrokers, believes that the world's stock markets witnessed a titanic struggle between doom-mongers and in-

vestors who chose to look on the bright side of life.

"It was a year in which we were teetering between the forces of darkness and the forces of light. The forces of darkness," said that 70 per cent of the world by geography was in recession," said Mr Urquhart-Stewart.

Nevertheless the optimists eventually won out.

Cuts in interest rates in the US, the UK and across Europe helped calm nerves and should bolster growth in some of the world's leading economies.

Meanwhile the International Monetary Fund moved to prop up troubled economies such as Brazil by supplying them with extra financial resources and world leaders started to act to improve the regulation of financial markets.

Merger mania also buoyed stock prices in the second half of the year.

**Merger mania**

With earnings growth drying up and prices static if not falling, companies have got the

urge to merge. They want to propel profits higher by slashing costs.

"Obviously we had the merger opportunities where frankly you had corporate finance teams looking at their bonuses far too enthusiastically and running slide rules over absolutely anything at all," said Mr Urquhart-Stewart.

Investors who acted like an ostrich and kept their heads in the sand while stock markets gyrated wildly around them, must be wondering what all the fuss is about.

Shareholders who kept faith in leading UK and US shares have made a pretty penny.

**Golden year**

By Christmas, the FTSE 100 index of leading London shares had risen 13 per cent over the year while the Dow Jones Industrial

Average on Wall Street had added a very healthy 17 per cent. Germany's Dax index has risen 15 per cent, while the Cac 40 index in Paris is up 28 per cent. On the whole, therefore, it

has been another golden year for share investors.

Although it has not been all good news. The sharp rise in the market valuations of the UK's largest companies has not been mirrored among smaller stocks.

The UK share index of smaller companies has fallen 12 per cent. Uncertain investors, battered by the gale force winds blowing across the world economy, chose well-known stocks, rather than take risks with less established companies.

"It was a year in which it was right to adopt a defensive strategy and stick to the leading companies. 1998 was not a year... for pushing the boat out," said Jeremy Batstone of NatWest Stockbrokers.

And many leading stock markets have done far worse than those in the UK and the US.

The Brazilian Bovespa index is still down more than 40 per cent since reaching a high in April.

-- BBC Internet