

FAO urges Asians to avert future food crisis Reduce population growth, improve land use

BANGKOK, June 14: Asians are better in the 1990s thanks to growing economies and modern farming, but a senior UN food official warned Monday that population growth must fall and land use improve to avert food crises in the new millennium, says AP.

Prem Nath, assistant director general of the Food and Agriculture Organisation, spoke to a roundtable on food security bringing together agriculture ministers, representing half of humanity — China, India, Malaysia, Pakistan, the Philippines, Thailand and Vietnam.

"In terms of population size, Asia is responsible for a lion's share of the annual increase of the developing world's population," Prem said. "For comfort, the fertility rate must go down — and fast."

Increasing urban populations are limiting the expansion of farm land, Prem said. Meanwhile, estimates indicate that water availability per capita in Asia halved in the 30 years ending in 1980 and would fall 35 per cent more by the year 2000.

The dwindling resources are putting more and more pressure on land under cultivation and

will eventually succeed in degrading it, putting the food security of whole countries at risk.

Prem noted that the urbanisation and rising incomes due to explosive economic growth over the past two decades had changed eating patterns and given people a more reliable food supply.

Annual meat consumption in China has doubled to 20 kilograms (44 pounds), Prem said.

But the meatier diet has required a sevenfold increase in the amount of grain needed to raise livestock, Prem said. The livestock population will increasingly become a major influence in the future state of food security.

Heavy pesticide use in rice-growing areas has worsened land and water pollution and produced insecticide-resistant pests, Prem said.

Prem said the greatest hopes for abundant food in the new millennium could be the looming revolution in biotechnology, which he said would sweep agriculture with the same speed the Internet is sweeping business and communications.

"Knowledge-intensive agri-

culture of the future will either be a boon or bane to the farmers and the cause of agricultural and rural development or degradation," Prem said.

Thailand has used its leadership as a world producer in rice, chicken and canned fish to export away some of the pain from Asia's economic crisis, and other countries are following suit.

Edgardo Angara, the Philippines' minister, said that Manila had recently launched a five-year plan and new law to boost agricultural development, especially in Mindanao, which remains troubled by insurgency and is one of the country's poorest regions.

"In the end, agriculture sector development will bring social justice to every country in Asia," Angara said.

Soleh Solahuddin of Indonesia said that a key would be whether rich countries would open their markets to developing nations.

Lui Jain, China's vice minister, said that freer markets in China had boosted agricultural production but admitted that this had led to increased environmental strain, ultimately curbing growth.



An electronic board flashes the current rate of the US dollar against the Japanese yen during the morning trading session at a foreign money brokerage in Tokyo 14 June 1999. The US dollar jumped against the yen after Japan's central bank intervened to buy the US currency. The greenback was quoted at 120.46-50 yen, up from 117.91 yen late 11 June in Tokyo. — AFP photo

UN predicts Economic crisis just a 'blip' in Asia's development path

BANGKOK, June 14: Asia's boom years have not bypassed the poor, the United Nations said today, and predicted the economic crisis would prove to be just a "blip" in the region's development path, says AP.

The UN food and Agriculture Organisation's regional chief said a study of 88 countries showed incomes of rural poor improved during the boom and there was reason for optimism as the crisis abated.

"Contrary to popular claims, recent episodes of growth did not bypass the poor," FAO Assistant Director General Prem Nath told participants of a ministerial roundtable in Bangkok.

"Poverty, it can be seen, responded quite strongly to overall (per capita) economic growth," he said.

He said with Asia's worst economic crisis on record, which began in mid-1997, showing signs of abating, the FAO was confident it would prove to be just a "hump or blip" in the region's development.

"We dare assert with self-as-

surance that it is now timely and fitting to take a prospective or forward-looking stance and focus our minds on beyond the Asian crisis."

Prem Nath said although it looked at one point as if the recession would "wipe out success built up through decades of remarkable economic growth, poverty alleviation, and human development," that no longer appeared to be the case.

He said that in 77 of the 88 countries surveyed the incomes of poorer sectors had improved strongly during the boom years, but that they had suffered most during the crisis.

He said that poverty in virtually all Asian countries was a rural phenomenon and urged governments to focus on rural development in their efforts to reform.

Momentum towards more

productivity hold the key to sustained rural development."

"At this stage there is a danger of reverting to inward-looking policies," he warned.

"To turn away from market-friendly measures in favour of protecting and insulating the agricultural and rural sector in ways that distort domestic prices, would be counterproductive."

However, he said that although the UN remained positive about Asia's future, significant hurdles remained ahead, including populations growth, potential natural disasters and fast-dwindling water supplies.

"Estimates indicate that water availability per capita in Asia fell by half in 30 years ending 1980 and would fall by another 35 per cent by the year 2000."

He said the trend in natural disasters in recent years was worrying, with Asia bearing the brunt, or eight out of 10 of the worst disasters last year.

Thailand to get \$500m from IMF rescue package

BANGKOK, June 14: Thailand will draw a further \$500 million from the International Monetary Fund's economic rescue package under new, streamlined terms, a senior Finance Ministry official said Monday, reports AP.

The official, speaking on condition of anonymity, said the IMF board is expected to rubber-stamp the eighth quarterly installment of the rescue package when it meets later this week.

Thailand's has so far drawn \$12.95 billion from the \$17.2 billion rescue package, organised in August 1997 as the Thai economy was crashing following a de facto devaluation of the currency.

Until now, installments have been disbursed only after letters of intent to the IMF which commit the government to policy and economic targets in return for economic aid.

The IMF agreed earlier this year to let Thailand draw further funds without drafting letters of intent. The eighth quarter, running from June until August, is the first not to require such a letter.

Previous letters have come under fire from the parliamentary opposition, which has said they are tantamount to secret treaties between the government and a foreign power.

Several senior government officials said recently that Thailand may not need all the remaining \$4.25 billion in the package and may withdraw from the program before it comes to an end.

Thailand's economy, which shrank 8 per cent last year, was forecast Monday by the central bank to post 1 per cent growth in 1999.

The Bank of Thailand's statement contradicted statements by officials in recent weeks that growth could climb as high as 1.5 per cent. The bank's figure was unchanged since the last letter of intent sent to the IMF in March.

Japan's car parts firm to invest \$51m to create 400 jobs in UK

TOKYO, June 14: A Japanese car parts firm said today it would invest \$23 million pounds (\$1 million dollars) and create 400 new jobs by building a factory in Britain, says AP.

Toyoda Gosei Co. Ltd., an affiliate of the carmaker Toyota Motor Corp., said it would begin production at the new plant in Rotherham, South Yorkshire, by the end of next year.

The deal was announced jointly by the firm's president Tokio Horigome and visiting British trade secretary Stephen Byers.

It was a "very significant investment," Byers told a news conference in Tokyo.

"We believe that within Europe we provide the most business friendly environment, an environment of economic stability, and an environment where we have labour market flexibility," he said.

"We want the UK market to be opened up to a greater extent than it has been in the past. Toyota's new factory, its first production plant in Europe, will make seating parts to be supplied to Toyota's French auto plant."

"Once we get our product supply system in place in Europe, we believe we have the base to become a truly global corporation with the global-sourcing to serve our customers in the four corners of the world," Toyota's Horigome said.

His firm supplies about 70 per cent of its products to Toyota, but also counts Honda Motor Co. Ltd., Mazda Motor Corp. and Mitsubishi Motors Corp. among its customers.

Byers, who arrived Sunday for a four-day official visit, met Japan's trade minister Kaoru Yosano and the post and telecommunications minister Seiko Noda today.

Chinese exports bounce back by 4.2 pc

BEIJING, June 14: China's exports, hit by the Asian financial crisis, staged a modest rebound of 4.2 per cent in May compared with the same period last year, state television reported today, says AP.

Exports in May totalled 15.53 billion dollars, a rise of 4.2 per cent compared with the same month last year. China Central Television (CCTV) reported.

But in May last year exports had just begun to feel the pinch of the Asian crisis, creating a lower comparison base.

China imported 13.66 billion dollars' worth of goods and services in May this year, a rise of 21.5 per cent year on year, CCTV said.

Total trade volume for the month was 29.19 billion dollars, up 11.7 per cent compared with the same period last year.

CCTV said the rise in exports came on the back of boosted exports to Japan, the United States, the European Union, southeast Asian countries and South Korea.

China's exports fell 7.8 per cent in the four months to April from a year earlier, to 52.03 billion dollars, showing that the traditional engine of Chi-

na's economic growth was still struggling to recover from the financial crisis.

In April alone, imports rose a whopping 18.7 per cent to 13.84 billion dollars.

Exports declined 7.3 per cent to 14.8 billion dollars.

Weighted down by double-digit declines late in the second half, exports managed full-year growth of only 0.5 per cent in 1998, in contrast to a 20.9 per cent growth the previous year.

Chinese economists have warned that no recovery is likely until the fourth quarter of this year, as economic recovery by Asian neighbours hard-hit by the crisis will keep pressure on the price competitiveness of Chinese export goods on world markets.

Countries such as South Korea and Thailand can sell overseas relatively cheaply, as their currencies devalued sharply in the early stages of the crisis and have not risen to their former levels against hard currencies.

China has stood by its pledge not to devalue its yuan and maintained it at around 8.3 to the dollar. Its leaders insist it has no reason to consider altering its fixed exchange rate this year.



Mir Zahir Hossain, Chairman of the Board of Directors of National Credit and Commerce Bank Limited, inaugurates the bank's Islampur branch in the city on Monday. Mohd Sajidul Haq, Managing Director, and senior officials of the bank are also seen in the picture. —NCCB photo

Asian stock markets closed mixed

HONG KONG, June 14: Asian stock markets closed mixed Monday, with the key indexes falling in Tokyo and Seoul but rising in Hong Kong and Jakarta, reports AP.

The Japanese benchmark 225-issue Nikkei Stock Average lost 9.73 points, or 0.06 per cent, to finish the day at 17,188.82. On Friday the average finished up 95.93 points, or 0.56 per cent.

Tokyo share prices were boosted in morning trading by the lower yen and strong foreign buying, but profit-taking forced the market to surrender its gains.

The Nikkei average closed lower for the first time in seven sessions.

Investor sentiment has improved significantly since the government reported last week that Japan's real GDP rose 1.9 per cent in the January-March quarter, fueling hopes that the economy has finally bottomed out.

Meanwhile, the dollar rose sharply against the yen following aggressive buying by the Japanese central bank.

In Seoul, share prices closed sharply lower on renewed concerns about a possible rise in US interest rates.

The Korea Composite Stock Price Index fell 26.70 points, or

3.1 per cent, to close at 821.91.

Prices on the Hong Kong Stock Exchange closed generally higher for the second consecutive session.

KUALA LUMPUR: Malaysian share prices closed higher on speculation that Prime Minister Mahathir Mohamad will announce early parliamentary elections this week. The key Composite Index rose 10.22 points, or 1.3 per cent, to 782.98.

TAIPEI: Share prices closed little changed in light trading. The market's key Weighted Stock Price Index fell 5.82 points, or 0.1 per cent, to 7,973.58.

MANILA: Philippine shares closed higher after the central bank cut its overnight borrowing and lending rates for the 17th time this year. The Philippine Stock Exchange index of 30 selected companies rose 23.41 points, or 1 per cent, to 2,391.20.

BANGKOK: Thai share prices closed higher. The Stock Exchange of Thailand index rose 7.61 points, or 1.5 per cent, to 514.67.

SINGAPORE: Share prices closed mixed after the exchange was shut down in the morning because of technical problems.

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to clients					
Currency	Selling TT & OD	Selling B/C	Buying T. Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	48.7300	48.7700	48.3100	48.1570	48.0650
Pound Sdg	78.7574	78.8221	77.5714	77.3257	77.2101
Deutsche Mark	26.4924	26.5141	25.5166	25.4348	25.3968
Swiss Franc	32.1268	32.1532	31.6310	31.5308	31.4837
Japanese Yen	0.4081	0.4085	0.4011	0.3998	0.3992
Dutch Guilder	23.5142	23.5317	22.6456	22.5738	22.5401
Danish Krona	6.9268	6.9317	6.7658	6.7538	6.7401
Australians	32.98197	32.98466	31.5464	31.4465	31.3995
Belgian Franc	1.2855	1.2855	1.2371	1.2332	1.2313
Canadian \$	33.6836	33.7112	32.6993	32.5958	32.5470
French Franc	7.8991	7.9056	7.6079	7.5838	7.5724
Hong Kong \$	6.2942	6.2994	6.2151	6.19954	6.1862
Italian Lira	0.0268	0.0268	0.0258	0.0257	0.0257
Norway Kroner	6.2595	6.2646	6.1518	6.1323	6.1231
Singapore \$	28.8480	28.8717	27.9210	27.8332	27.7916
Saudi Rial	13.0277	13.0384	12.8457	12.6050	12.5859
UAE Dirham	13.3040	13.3150	13.1167	13.0751	13.0556
Swedish Krona	5.7710	5.7757	5.6958	5.6776	5.6691
Qatari Riyal	13.4224	13.4334	13.2309	13.1890	13.1693
Kuwaiti Dinar	164.9348	165.0702	153.1220	152.6371	152.4089
Thai Baht	1.3211	1.3211	1.2512	1.24371	1.24089

Bill buying rates					
TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
48.2112	47.9074	47.5048	47.1023	46.6997	45.8945

US Dollar London Interbank Offered Rate (LIBOR)					
Buying	Selling	Currency	1 Month	3 Months	6 Months
48.0650	48.7300	USD	5.0000	5.1500	5.36750
48.0650	48.7300	GBP	5.1253	5.1297	5.2031
Cash/TC	Cash/TC	Euro	2.6000	2.6215	2.69438
					2.7781
					2.85350

Exchange rates of some Asian currencies against US dollars					
Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
43.132/43.147	51.85/51.90	36.99/37.02	3.7998/3.8003	7579/7600	1169/1171

Amex notes on Tuesday's market:
Demand for US dollars was high in the interbank market. Improved supply situation kept little pressure off the USD/BDT rate which ranged between 48.6500-48.6750. Participation by the big market players in the interbank improved the situation in USD/BDT.

Call money market was very active on Monday. The call rates ranged between 9.50-11.50%.

In the Tokyo market on Monday, the dollar jumped against yen after the Bank of Japan (BOJ) intervened to buy dollars for yen and Japanese officials spoke out against excessive rises in the yen.

Dollar-buying by the BOJ was confirmed by senior Finance Ministry officials, who said Japan took action in the foreign exchange market to prevent excessive strengthening of the yen. The total amount of dollar-buying intervention by the BOJ could be as much as \$5.0 billion or even more.

The dollar stood at 120.30/35 yen as of 0629 GMT, up sharply from 117.88/98 yen in late New York on Friday.

The euro, which last week halted its decline from the January highs, was drifting slightly off Friday's highs. The euro stood at \$1.0480/85 at 0833 GMT, below Friday's \$1.0558 peak but well above the \$1.0254 lifetime low it had put in a week ago. The euro's upward momentum faded somewhat after last week's rally but there was a general consensus that a near-term bottom had been put in.

Sterling was firm against the dollar, helped by the dollar's general softness against the euro and the yen lately. Sterling/dollar stood at \$1.6140/45 from \$1.6090/00 Friday.

At 09.24 GMT the majors traded against US \$ at 120.39/120.49 JPY, 1.5248/1.5253 CHF. Euro at \$ 1.0454/1.0458 and GBP at \$ 1.6136/1.6141.

Shipping Intelligence

CHITTAGONG PORT					
Berth position and performance of vessels as on 14.6.99					
Berth No	Name of vessels	Cargo	L port	Local agent	Date of Leaving
J/1	Bhavavhuti(48)	CI Chin	SSLL	10/6	14/6
J/2	Well Run	C Clink	CRABI	H&SL	31/5
J/3	Banglar Doot	Rice (P)	Pak	BSC	11/5
J/4	Sun Bright	CI Sing	Seaglor	21/5	18/6
J/5	Troliun	GI (BT)	BABB	CIA	R/A
J/6	Cardhu	CI Sing	Everett	13/6	20/6
J/7	Azhom Nicolas	Wheat (P)	Tark	MSA	24/4
J/8	Zemep Kapantoglu	Wheat (P)	PSaid	OWSL	31/5
J/9	Haitan No.1	Sugar (G)	Sing	OWSL	31/5
J/10	Sun-II	Wheat (P)	Turk	Rainbow	3/5
J/11	Tasnia	Urea	UAE	Nishan	8/5
J/12	QC Mallard	Cont Sing	QCSL	8/6	16/6
J/13	Kota Cahaya	Cont Sing	Pil (BD)	8/6	16/6
CCT/1	Achiever	Cont Sing	RSL	4/6	14/6
CCT/2	Bunga Maslapan	Cont P Kel	EOSL	8/6	14/6
RM/14	Eka Lestari	C. Clink	Jaka	PSAL	1/6
CJ/1	Yongli	C Clink	Jaka	PSAL	20/5
GS/1	Fivi	Wheat (G)	Duck	LSC	29/5
TSP	Qin Ling	R PIOS	Nanj	Seacom	9/6
RM/3	Xing Ye	Rice (G)	-	MHCSL	R/A
DO/1	Banglar Shourabh	Repair	-	BSC	R/A
DD	Al Mustaba	Repair	-	CIA	R/A
DP/1/1	Tanary Star	IDLE	Para	PSAL	16/6
RM/8	Unity	IDLE	Mong	SSST	17/5
RM/9	Banglar Urmi	Repair	-	BSC	R/A
CUFLJ	BAO JI SHAN	Urea	CAL	ANCL	9/6
KAFCO(U)	Rattana Naree	Rice (P)	Sing	GMBL	8/5

Vessels due at outer anchorage					
Name of vessels	Date of arrival	L port	Local agent	Cargo	Loading port
Ocean-1	14/6	-	SMSL	In Ballast	-
Corali	16/6	Krabi	RML	C Clinker	-
Zoom Ocean	18/6	Sing	ABLE	Cement	-
Shun An (48) 30/5	16/6	-	RML	GI(St Coil)	-
Kota Singa (Cont) 6/6	15/6	Sing	Pil (BD)	Cont	Sing
Bunga Mas Enam (Cont) 6/6	16/6	P Kel	EOSL	Cont	Sing
Star Glory	20/6	-	PSAL	Cement	-
State of Andrapradesh (E/L) 17/6	-	-	SSLL	E/L ANT Dundee	-
Chongryngsan	14/6	-	Rainbow	GI(WT Cement)	-
Revenge	16/6	-	Sunshine	Salt	-
Kota Naga (Cont) 6/6	17/6	Sing	Pil (BD)	Cont	Sing
Jaya Mars (Cont) 8/6	16/6	Sing	Baridhi	Cont	Col
Lesau	18/6	-	Prog	GI	-
Buxmown (Cont) 8/6	17/6	Sing	GCSL	Cont	Sing
Kow-shun (17o/24) 9/6	19/6	-	Ever	Vehi	-
Bangkur Kobi (Cont) 9/6	18/6	Sing	ISC	Cont	Sing
(Cont) 9/6	18/6	Sing	NOL	Cont	Sing
Mary Nour	18/6	-	BSL	Cement	-
APL Violet (Cont) 9/6	21/6	Sing	NOL	Cont	Sing
Green Ace (Roro/24) 27/5	20/6	Jaka	JF	Vehi	-
EDEL WEISS	21/6	-	Prog	GI	-
Bunga Birai (Cont) 10/6	24/6	Sing	BDShip	Cont	Sing