

Bangladesh to buy 7 ships from China

Bangladesh will purchase two ro-ro ferries, a kind of coastal passenger ship, and four sea trucks from China at a cost of about Tk 50 crore under an agreement signed in Beijing on August 23. A Shipping Ministry press release said in city yesterday, reports BSS.

Acting Chairman of Bangladesh Inland Water Transport Corporation (BIWTC) A K M Shamsul Huq and General Manager of the CMC High-rise Building Company Lee Bin signed the agreement under the Bangladesh-China framework agreement that was inked on September 12, 1996.

A loan agreement was signed on August 26 with the Export-Import Bank of China to finance the construction of the ships, the press release said.

The ship purchase agreement was signed during the visit to China of a five-member delegation headed by Secretary of the Shipping Ministry M Saiful Islam.

Bank holiday on Thursday

Bangladesh Bank and all scheduled banks will remain close on September 2 (Thursday) to mark the Janmashtomi the birth day of Sri Krishna, a central bank press release said yesterday, reports BSS.

Strong yen may undermine Asian recovery: Japan

SINGAPORE, Aug 30: A senior Japanese official reiterated Monday that his country remains concerned about the damaging impact of the strong yen, adding that the currency's strength could also undermine Asia's recovery, says AP.

But Takatoshi Ito, deputy vice finance minister for international affairs in Japan's Finance Ministry, also said that the question of coordinated intervention with other nations to weaken the currency wasn't discussed at a two-day meeting of Asia-Pacific finance officials in Singapore.

Japan reiterated our position that the premature appreciation of the yen is counterproductive to the Japanese recovery and to that extent probably to the region, and probably to the world, "Ito said.

There was no serious challenge to that statement, he added.

Separately, an American official said that the US favours a strong dollar.

The US view on the dollar is well-known: a strong dollar is in the US interest, and that remains the case, said Edwin Truman, assistant secretary for international affairs of the US Treasury Department.

The officials were speaking at the end of a two-day gathering of finance officials as part of the "Manila Framework" talks.

The regular meetings include officials from the United States, Japan, China, Canada, Australia, Hong Kong, Indonesia, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand, and Brunei.

Senior officials from the International Monetary Fund, the World Bank, the Asian Development Bank and the Bank of International Settlements also take part.

E-books get lukewarm reception in US market

SAN JOSE (California), Aug 3: Americans just aren't opting to relax with an electronic book these days.

Less than a year after the first two of the portable devices arrived on the market, sales are slow, funding is tough to find and potential competitors are dropping out, reports AP.

"These e-reader companies now have a pretty sober understanding that this market is going to take some time," said Gleen Sanders, a founder of eBooknet.com, an online site with information about electronic books.

Electronic books are about the same size as a regular book, but can hold more than 10 conventional books, magazines or newspapers at a time. New texts can be downloaded, and stories can be annotated and searched for words or phrases. Pages are turned with a push of a button.

As many as a dozen companies have tried to bring some form of electronic book to market for years. Only two have made it: Rocket eBook, now selling for \$349, and SoftBook, which costs \$599.

Neither SoftBook nor NuvoMedia will disclose actual figures, but Sanders estimates that only a few thousand of the devices have sold so far.

"It's been disappointing, but we think this market is going to take off, and when it does, we'll still be here," said Martin Eberhard, co-founder and CEO of NuvoMedia, the company making Rocket eBooks.

It's not that people don't want to read. US sales of conventional books rose 6.4 per cent to \$23 billion in 1998, according to the Association of American Publishers.

BCWMA member-secretary says at press confce

Imported, smuggled ceramic ware whack local industry

Star Business Report

The country's ceramic industry is facing a tough competition from cheaper imported and smuggled products, especially from China.

"We are faced with an uneven competition as Chinese manufacturers are dumping their products in the local market," said Rashed Mowdud Khan, Member-Secretary of the Bangladesh Ceramic Ware Manufacturers' Association (BCWMA) at a press conference Monday.

The market is also flooded with cheap low-quality glassware from Indonesia and Malaysia, he added.

The press conference organised at a city hotel was addressed, among others, by Rashed Maksud Khan, Deputy Managing Director of Bengal Fine Ceramics, and Gobinda Lal Ghosh, Deputy General Manager of Fu-Wang Ceramic Industry. Representatives from dif-

ferent ceramic industries were also present on the occasion.

Bangladesh opened its ceramics market to foreign goods after an agreement with the World Trade Organisation (WTO).

"But it is surprising that the wholesalers and retailers are still selling imported products at previous rates," he said.

He urged the government to take effective measures for saving the country's export-earning ceramic sector from the aggression of smuggled goods.

Bangladeshi ceramic industries exported tableware and kitchenware worth Tk 250 crore in last fiscal year and their local sales volume too during the period was more or less the same.

But, Khan said, competition was becoming acute because of the continuous inflow of cheaper, low-quality Chinese products through under-invoicing and smuggling.

Following talks with the country's ceramics manufac-

turers, the government imposed a 30 per cent import duty on all finished ceramic products in this year's budget, he said.

"But it is surprising that the wholesalers and retailers are still selling imported products at previous rates," he said.

He said duty on raw materials has been reduced by five per cent this year, which is certainly a welcome move. But the government at the same time imposed a 10 per cent supplementary duty on some raw materials.

He also alleged that during a meeting with the National Board of Revenue (NBR), the BCWMA leaders were told that the pre-shipment inspection (PSI) costs would be borne by the government. "But the commercial banks have been notified to charge one per cent of import value after September 1 from importers."

He said: "PSI would severely hamper the growth of the country's manufacturing sector as the measure is extremely time-consuming and complicated."

"We are totally dependent on imported raw materials of ceramic products. But our competitors - China, India, Thailand, Indonesia and Malaysia - have their own sources of raw materials, expertise, and above all, sophisticated technologies."

"Particularly, China and Thailand are coming in a bigger way to capture the global market, which poses a serious threat to us. Under such circumstances, we will face dire consequences unless we are given the minimum government support," he said.

There is a huge demand for Bangladeshi ceramic tableware in the European and American markets, and also in India, Nepal and Myanmar, officials said.

EPB vice-chairman at CCIFB luncheon meet

Product diversification, market exploration can raise exports

Star Business Report

figure," he said.

Focusing on the country's export market, Chowdhury said: "We export to 141 destinations, but more than 80 per cent of our total export earnings comes from only nine markets."

We have been experiencing a 13 to 14 per cent export growth for the last four years. But during the last financial year, export growth was only three per cent," he added.

Chowdhury pointed out a number of reasons for which the country's export growth in the 1998-99 fiscal year slipped compared to the performance in the last few years.

Pointing to Bangladesh's narrow export base, the EPB Vice-Chairman said the country has 120 exportable items of which only six products fetch more than 90 per cent of the total export earnings.

"Of these six products, readymade garment and knitwear alone account for 74 per cent of the total earnings

val countries and last year's devastating floods as the main reasons for the poor export performance.

The EPB vice-chairman mentioned that prices of leather and leather goods declined by around 40 per cent in the international markets. Prices of frozen food decreased by 14 per cent, raw jute 30 per cent, chemical products 31 per cent and tea by five per cent in the last financial year, he added.

Policy supports, improvement of the institutional framework and infrastructural facilities are needed for better export performance, he mentioned.

The EPB vice-chairman said that during last fiscal, the country earned US\$ 10 million from the information technology (IT) sector. The amount is expected to double this fiscal year, he hoped.

On the issue of giving cash incentives to the exporters, Chowdhury said "it cannot be a permanent solution to making products competitive in the export market as it does not increase efficiency."

He, however, informed the French entrepreneurs that as part of the bid to promote the country's exports, EPB was going to send a trade delegation comprising garments, leather and frozen food sector exporters to the USA to directly contact with buyers.

Speaking at the function, FBCCI President Francis Dubus said that the cost of investment in Bangladesh was very high. "Foreign investment is important for the country to increase its export," he added.

Two-day BASC workshop on ISO-9000 ends

A two-day training workshop on ISO 9000 Internal Quality Audit organised by Business Advisory Services Centre (BASC) ended on Sunday, says a press release.

The training was conducted by ISO Consultant Samarendra Sur who is associated with BASC in providing training and consultancy services to different organisations in ISO-9000, ISO-14000, TQM, cGMP and pharmaceutical technology etc.

The training workshop was a truly participatory one and dominated by experience sharing, practical exercises, case studies and open house discussions.

The workshop was participated by the representatives of Bangladesh Navy and the country's leading enterprises including FedEx Bangladesh, Renata Limited, Rone-Poulen Rorer Bangladesh Limited, Partex Group, AVSC International, and Multi-drive Limited.

The closing ceremony was addressed by Eng Md Lutful Kabir, Executive Director of BASC.

Asian economies bettering, say int'l bankers

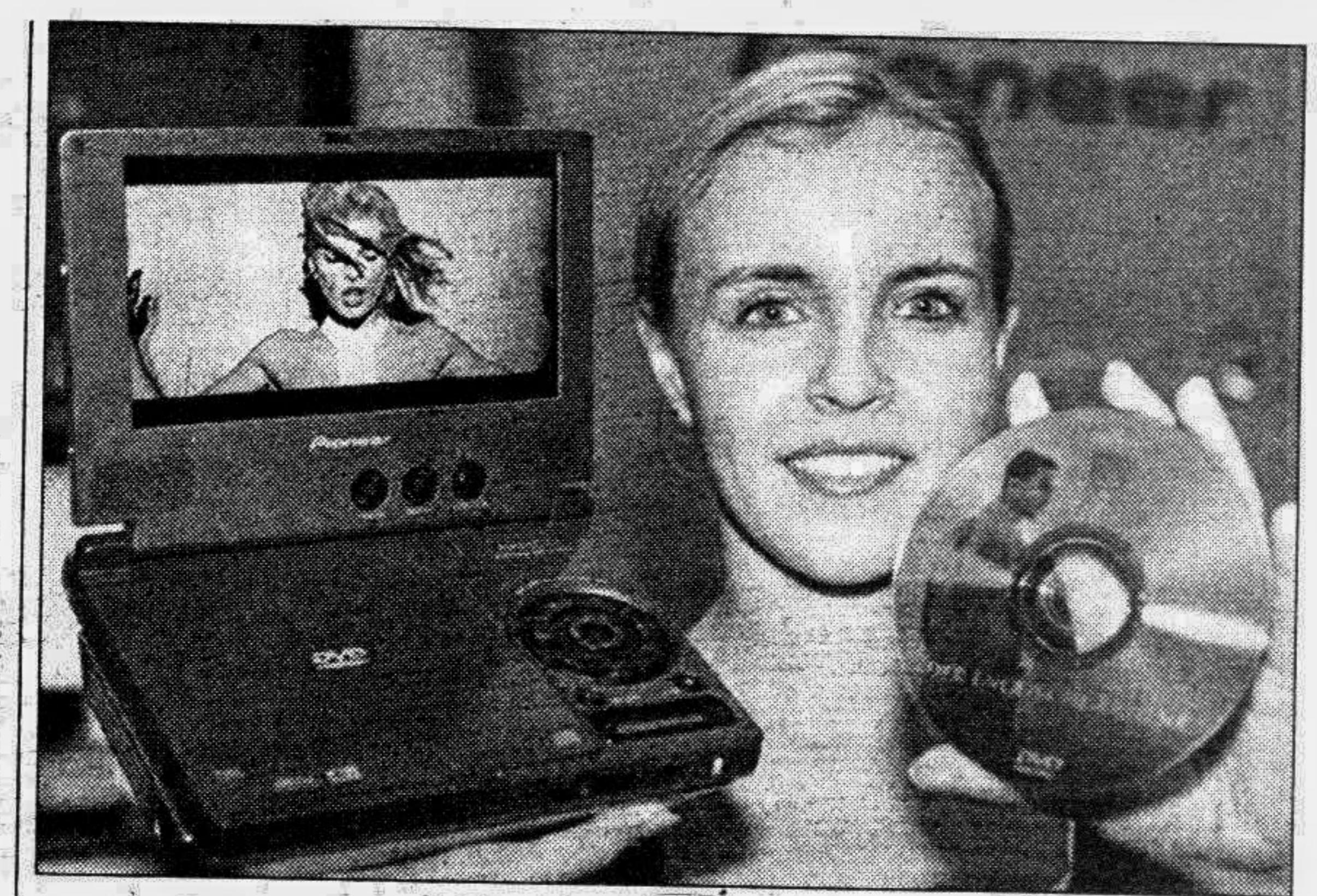
SINGAPORE, Aug 30: There has been a "marked improvement" in the growth performance of Asian economies, a group of international finance officials said Monday, reports AP.

But the region still needs to continue with structural reforms in order to achieve a lasting recovery from the economic crisis, said a statement issued by the Manila framework, a group of finance officials set up in 1997 to tackle the Asian crisis.

Japan has exhibited "clearer signs" of recovery in certain sectors, the group said. But it warned Japan needs to continue fiscal stimulus measures until private demand strengthens further, in order for its recovery to take hold.

The group also agreed that China needs to pursue a more proactive fiscal policy through more investment in fixed assets.

The Manila framework group includes several Asian countries, the US, Canada, and the International Monetary Fund.



Hostess Tanja presents a Pioneer DVD (Digital Video Disk) player during the International radio and television exhibition in Berlin Saturday. The DVD player weighing only 690 grams is equipped with the world's smallest drive and will be put on the domestic market in October for the price of 3399 Deutschmarks (1780 USD).

— AFP photo

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to major currencies

Currency	Selling TT & OD	Selling BC	Buying T.T.	Buying OD	Buying OD Clean	Buying OD Export Bill	Buying OD Transfer
US Dollar	49.7300	49.7700	49.3200	49.1570	49.0850		
Pound Sig	79.2696	79.3334	78.0982	77.8401	77.7261		
Deutsche Mark	27.0208	27.0425	26.0321	25.9303	25.8923		
Swiss Franc	32.6227	32.6488	32.1387	32.0325	31.9855		
Japanese Yen	0.4502	0.4505	0.4421	0.4406	0.4399		
Dutch Guilder	23.9814	24.0007	23.1039	23.0136	22.9799		
Danish Krone	7.0568	7.0625	6.8978	6.8750	6.8649		
Australian \$	31.8670	31.8926	30.5932	30.4921	30.4474		
Belgian Franc	1.3101	1.3111	1.2621	1.2572	1.2564		
Canadian \$	33.7094	33.7355	32.7534	32.6451	32.5973		
French Franc	8.0566	8.0631	7.7618	7.7315	7.7202		
Hong Kong \$	6.4170	6.4222	6.3392	6.3182	6.3090		
Italian Lira	0.0273	0.0273	0.0263	0.0262	0.0262		
Norway Krone	6.2918	6.2968	6.1890	6.1685	6.1595		
Singapore \$	29.8302	29.8542	28.8742	28.7788	28.7366		
Saudi Rial	13.2982	13.3089	13.1153	13.0719	13.0528		
UAE Dirham	13.5778	13.5887	13.3909	13.3466	13.3271		
Swedish Krone	5.9887	5.9935	5.9144	5.8948	5.8862		
Qatar Riyal	13.7016	13.7126	13.5086	13.4443	13.4443		
Kuwaiti Dinar	168.8053	168.9409	156.3729	155.8661	155.6278		
Thai Baht	1.3000	1.3010	1.2872	1.2830	1.2811		
Euro	52.8481	52.8906	50.9144	50.7153	50.6410		

Bill buying rates

IT Doc 30 Days 60 Days 90 Days 120 Days 180 Days

49.2112 48.9090 48.4990 48.0870 47.6760 46.8540

US dollar London Interbank Offered Rate (LIBOR)

Buying (\$) Selling (\$) Currency 1 Month 3 Months 6 Months 9 Months 12 Months