

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-Tranship 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 closed on September 2 (Thursday) to mark the Janmashanti 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.

E-books get lukewarm reception in US market

SAN JOSE (California), Aug 30: Americans just aren't ready to read 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 be here," said Martin Eberhard, co-founder and CEO of NuvoMedia, the company making Rocket eBook.

"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 Mowdud 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).

"We urge the government to take effective measures for saving the country's export-earning ceramic sector from the aggression of smuggled goods," Khan said.

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

Vice-Chairman of the Export Promotion Bureau (EPB) Anwarul Bar Chowdhury yesterday underscored the need for exploring new markets side by side diversifying products to increase the country's exports and widen its export base.

Chowdhury was speaking at the monthly luncheon meeting of France-Bangladesh Chamber of Commerce and Industry (CCIFB), chaired by its President Francis Dubus at Sheraton Hotel in the city.

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

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.

He listed global economic slowdown, fall in commodity prices in the international market, Southeast Asian financial crisis, series of currency depreciation by some ri-

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.

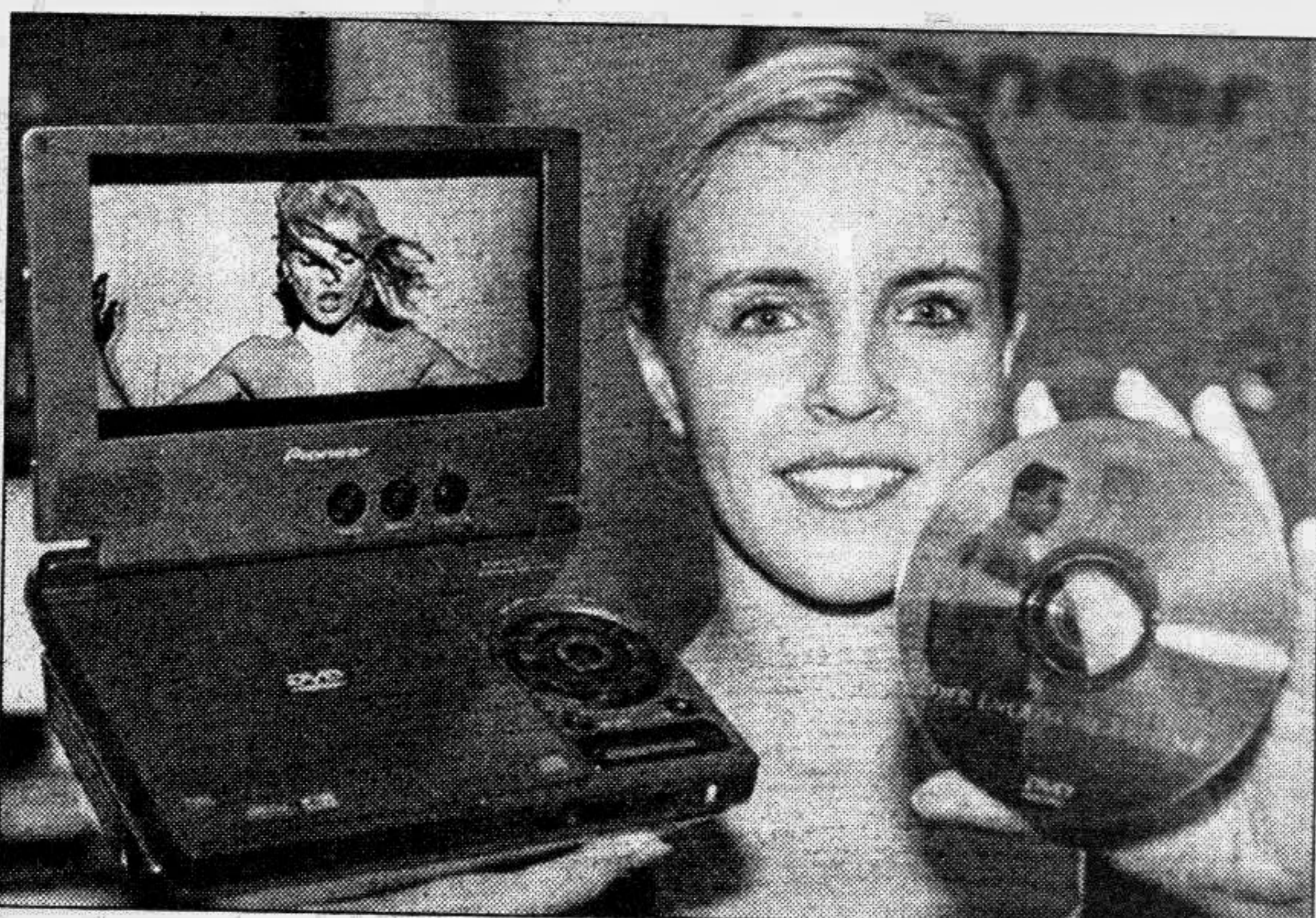
The EPB vice-chairman said that during last fiscal, the country earned US\$ 10 million from the information technology (IT)

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.



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. Clean	Buying OD Sight	Buying OD Transfer
US Dollar	49.7300	49.7700	49.3200	49.1570	49.0850
Pound Stg	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	32.6489	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 Krona	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	1.2554
Canadian \$	33.7084	33.7355	32.7534	32.6451	32.5973
French Franc	8.0566	8.0631	7.7518	7.7315	7.7202
Hong Kong \$	6.4170	6.4222	6.3392	6.3182	6.3090
Italian Lira	0.0218	0.0223	0.0263	0.0262	0.0262
Norway Kroner	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 Krona	5.9887	5.9935	5.9144	5.8948	5.8862
Qatari Riyal	13.7016	13.7126	13.5086	13.4640	13.4443
Kuwaiti Dinar	168.8052	168.9409	156.3729	155.8561	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

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
49.2112	48.9090	48.4980	48.0870	47.6780	46.8540

US dollar London Interbank Offered Rate (LIBOR)

Buying (\$)	Selling (\$)	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
49.0850	49.7300	USD	5.3703	5.5250	5.8950	5.9215	6.0100
77.7261	79.2696	GBP	5.0615	5.2088	5.5057	5.6944	5.8750
Cash/TC	Cash/TC	Euro	2.8018	2.8900	3.0600	3.1270	3.2398

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
43.492/43.497	51.810/51.845	38.260/37.999/38.310	3.7999/3.8001	7675/7695	1183.9/1184.5

Amex notes on Monday's market

The USD/BDT rates held its position in 49.50/49.55 level and are expected to stay in this level for the remaining days of the week. Market is still liquid in USD. Unless someone dumps the dollar in the market, no drastic change is expected. Call rates today ranged in the 6.00-6.25 per cent level as market settled down. Market is expected to be stable in this level in the afternoon.

The dollar stayed in a narrow range against the yen by the afternoon in Tokyo on Monday, but was kept under pressure amid optimism over Japan's economy stemming from firmness in Tokyo stocks. The dollar took an early spill due to unease in US asset markets in the wake of Greenspan's cautionary comments on equities. But market nervousness about any comments on the yen's strength at a meeting of G7 deputy finance ministers, supported the dollar near 110.80 yen US Treasury Assistant Secretary for International Affairs Edwin Truman said that a strong dollar is in the best interests of the United States. Takatoshi to Japan's new deputy vice finance minister for international affairs, said that premature strength in the yen will be 'counter productive' to recovery in the region. Market makers said the currency market reacted little to these comments, as they were not convincing enough to give clearer direction to dollar/yen trade. Market was waiting for more specific remarks or action from the US side. The yen maintained an upper hand against other major currencies early in Europe on Monday, buoyed by growing hopes of a Japanese economic recovery and lingering concerns over US asset markets and European budget debates. Trading was light and cautious due to a market holiday in London and a two-day Group of Seven deputy finance ministers' meeting in Berlin due to end on Tuesday. With US asset markets appearing vulnerable again after comments by Alan Greenspan, global investment flows continued to favour the yen. The yen is a bit stronger due to the strength of the Nikkei, market assumes that Japanese authorities might not intervene in the current dollar/yen range above 110 yen also depressed the greenback. At around 0835 GMT the exchange rates of major currencies against USD were GBP/USD 1.5871/79, USD/CHF 1.5315/18, USD/JPY 111.03/08, EUR/USD 1.0454/58.

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 Samresh Sur who is associated with BASC in providing training and consultancy services to different organisations in ISO-9000, ISO-14000, TQM, GMP 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.

and the workshop was participated by the representatives of Bangladesh Navy and the country's leading enterprises including FedEx Bangladesh, Renata Limited, Rhone-Poulenc 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.



F Garcia, Managing Director of Bata Shoe Company (Bangladesh) Limited, inaugurated the Station Road Agency in Chittagong recently. M A Quader, Retail Marketing Manager, and other senior executives of the company were present on the occasion. — Bata photo

New formula brings dynamism in cottage industry

Banana leaf-made Shital Pati gaining popularity

NATORE, Aug 30: Shital Pati, a popular mat mainly produced in Sylhet from rattans, is now being made of banana leaves and gaining popularity all over the country, says UNB.

Experts of "Chhatiangachha Dusha O Bhumihin Samajik Sangstha (CDBSS), a local NGO, have innovated the new formula of making mats from banana leaves.

"The mats which are being made of banana leaves are similar in both quality and comfort to those which are produced from rattans," said CDBSS president M Mahbub Hossain.

He said the new formula has brought dynamism in the country's cottage industries and poor people would largely be benefited from it as one does not need to buy banana leaves. As per the new formula, long

tissues of banana leaves are separated from sticks and then boiled in water. Two chemical substances are also mixed with the water for longevity and brightness of the tissues. Finally, the leaves are dried up in the sun.

CDBSS, in collaboration with Pabna, Natore and Sirajganj Integrated Rural Development (PANASI) Pogramme and BADC, launched a training programme in June this year and has so far imparted training to 80 women on the new formula.

CDBSS general secretary Osman said all the 3,400 CDBSS women members would be imparted training in phases on the formula in a bid to make the new mats available across the country.

He said a 6x8 size mat made of banana leaves is now selling at Tk 300-400 against the production cost of Tk 150 each

while the Sylhet-made Shital Pati is selling at Tk 1200-1500.

The new formula of making mats from banana leaves has already changed the daily life of many poor people.

It was a dream for poor Rubina and Mithila to appear in SSC examination. But the days are not far away when their dream will come true. They have collected the money they need to sit for the examination by making Shital Pati from banana leaves.

"We are preparing to appear in the SSC examination next year... we hope we will be able to materialise our dream," said a beaming Rubina.

Rubina and Mithila are no exceptions. Aklima Bewa, Bulwara, Ajman Ara, Anwara and Jolly are also among the girls who are making mats from banana leaves and determined to change their lots.

Moore to start term as WTO chief tomorrow

GENEVA, Aug 30: New Zealander Mike Moore officially takes the reins of the World Trade Organisation on Wednesday, a job he will share with Supachai Panitchpakdi of Thailand in a victory for the body's prized tenet of consensus, says AFP.

In a first for the international trade organisation, Moore, the former prime minister of New Zealand, will head the WTO until September 1, 2002, when former Thai vice premier Supachai will take over for three years.

The race for the top job bordered on acrimonious at times. Each man claimed to have enough support to win the post by consensus — the preferred WTO procedure — resulting in a 'face-off' that dragged on until the compromise deal was struck.

Since both candidates had similar, free-trade stances on commerce, the battle was fought along the lines of personality and geography.

While Moore quickly won the support of the United States and most European countries, Asia — including Japan — put its weight behind Supachai.

Moore, 50, is known as a tough-talking, no-nonsense negotiator who hauled himself up the political ladder from a menial background as a mason.

Supachai, 52, known to Thais as "Dr. Sup", has cultivated a reputation as a free-trade advocate after studies in Britain — one of the few European nations to back him for the WTO job — and the Netherlands.

Moore, a left-wing politician who in 1972 became New Zealand's youngest-ever MP, advocated including more developing countries in the organization.

21st AGM held BLTC directors recommend 30pc dividend

Star Business Report
The directors of Bangladesh Leaf Tobacco Co Ltd (BLTC) have recommended a 30 per cent dividend for the shareholders of the company for the year ending on December 31, 1998.

This was revealed by the Chairman of BLTC A M Agha Yusuf while addressing the company's 21st annual general meeting, according to a press release issued in city yesterday.

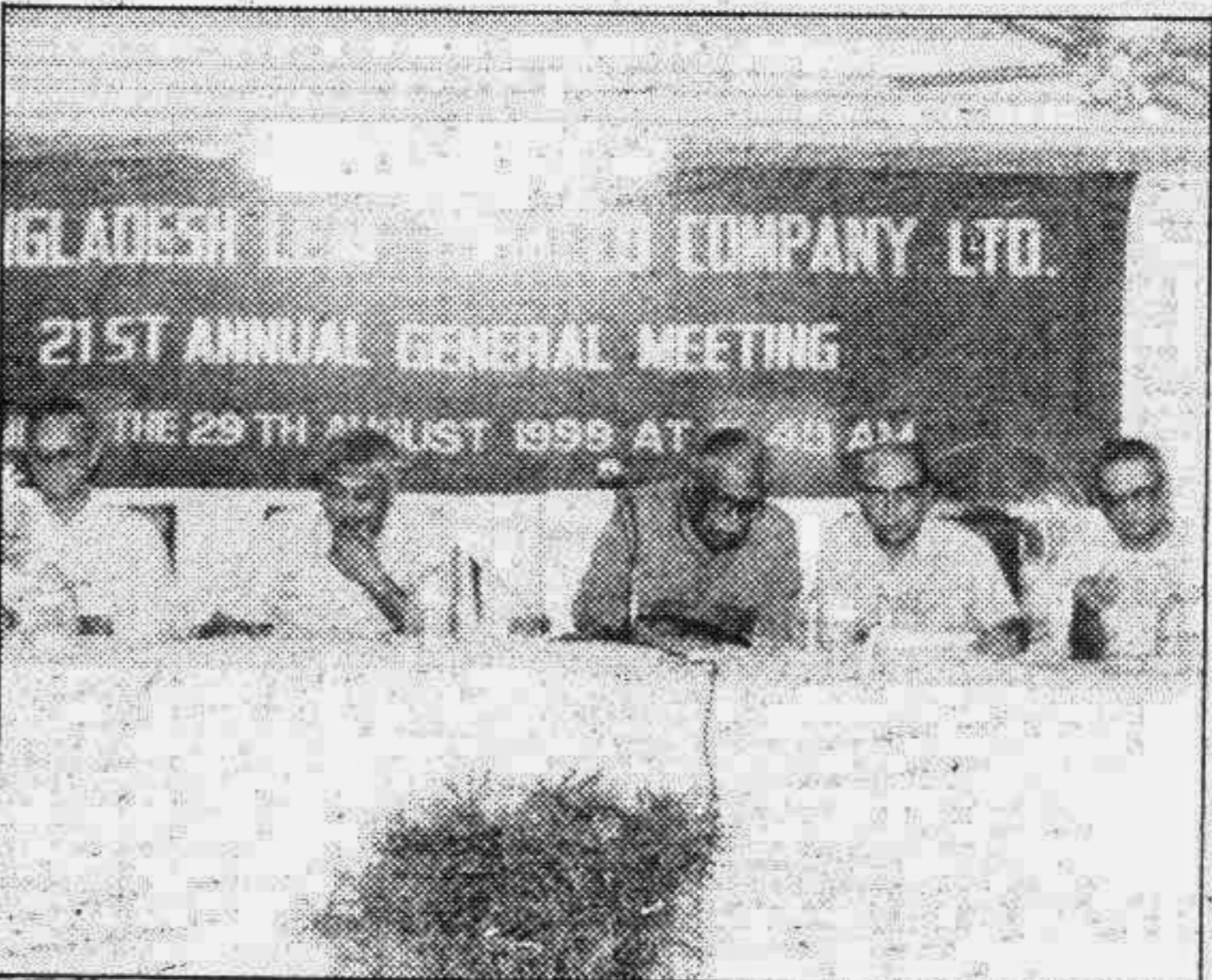
The chairman informed the shareholders that in 1998, the company exported 2,91,800 kilograms of tobacco worth US\$ 7,00,360.00 (Taka three crore and twenty four thousand).

"BLTC has already developed a high-quality variety of tobacco grown in Rangpur. This Maldivan variety of tobacco will add to the country's export," said A M Agha Yusuf.

He said that BLTC had expanded its factory operations by increasing the production capacity of the company's redrying and threshing plants. It has also set up a modern laboratory for analysing and controlling the quality of tobacco and its maintenance along with a very latest and well-equipped sampling room, where buyers can inspect different grades of tobacco to meet their import needs, he added.

The chairman thanked various agencies of the government for the co-operation and help they have extended to BLTC from time to time.

He thanked the shareholders for attending the AGM and hoped they would also see satisfactory dividends in the years to come.



(From right to left) Bangladesh Leaf Tobacco Company directors Atiqur Rahaman and A K Habibul Huq, Chairman A M Agha Yusuf, directors A Ahmed Yusuf and Major General M Nurul Huq (Retd) are seen at the 21st annual general meeting of the company. — BLTC photo