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# The Daily Star BUSINESS

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DHAKA, SUNDAY, DECEMBER 12, 1999

## Motia leaves for Manila to visit IRR

Food and Agriculture Minister Begum Motia Chowdhury left Dhaka yesterday for Manila on a four-day official visit to International Rice Research Institute (IRRI), reports UNB.

During her visit, Motia will visit different establishments of IRRI and its research activities. She will have a meeting with IRRI officials and researchers and discuss areas of cooperation.

The minister, in a meeting with high officials of the Philippines government, will also discuss about economic cooperation between Manila and Dhaka. She is expected to return home on Dec 15.

## 2 Dell Computer executives due in city today

Two senior executives of renowned computer manufacturers Dell arrive in the capital today to review performance of the region and meet clientele, reports UNB.

Managing director (South Asia) of Dell Computer Asia Pte. Ltd., Jimmy Yam and Director Sales Kelvin Lee will also have talks with the users.

On the occasion, Systematic Computing Ltd. (SYSCOM) will arrange a briefing session and customer reception at Sheraton Hotel Monday afternoon, said a press release.

## Agrani Bank confce held in Jessore

Agrani Bank organised a conference of the zonal heads and branch managers of Jessore, Kusthia, Jhenidah and Chuadanga zones in Jessore recently, says a press release.

M. Maitur Rahman, Chairman, Board of Directors of the bank, was present as the chief guest while Md Enamul Haq Choudhury, Managing Director of the bank, was present as special guest in the conference. A T Shamsuddin, General Manager, Khulna circle, presided over the conference.

Maitur Rahman advised the bankers to upgrade customer service with a view to contributing to the socio-economic development of the country. The Managing Director, laid emphasis on the qualitative improvement of the overall activities at branch level by developing pragmatic and realistic.

## Cherry Blossom's new market winning mission

After a thorough research, Cherry Blossom, the Reckitt and Colman shoe polish, gave away free merchandising products to 100 hand-picked shoe-shine boys recently.

The give-aways included branded shoe-shine boxes, caps, T-shirts, polishing boxes, umbrellas, and buffing cloth materials, says a press release.

Cherry Blossom, which has already made its mark in the market, is now communicating to a captive audience from the pavements.

Cherry Blossom, which re-entered the Bangladeshi Market a few years ago, is owned by one of the largest multinationals in the country Reckitt and Colman.

## Russia repaying IMF loans

WASHINGTON, Dec 11: New figures from the International Monetary Fund show that Russia is still repaying old IMF loans, despite persistent delays in winning money from its latest credit, reports Reuters.

The IMF figures, published on the fund's website on Thursday, show that Russia repaid a net \$3.14 billion to the IMF in the last 12 months, including \$308 million in November.

Russia's debts to the IMF totalled \$15.92 billion on Nov 30, down from a July 1998 peak of \$19.44 billion.

Troubled Russia is the IMF's largest single borrower. But it has a poor track record of meeting structural and economic conditions agreed in successive loan agreements with the fund and it has infuriated major IMF member states with a violent bombing campaign in Chechnya.

Some IMF member countries want the fund to halt the loans until the Russian guns are silent. Russia says its actions are targeted against terrorists in the region, which is located on Russia's volatile southern rim.

But the latest loan IMF loan to Russia, a \$4.5 billion credit approved in July, has been frozen since before the bombing started and the fund insists it cannot pay until Russia meets a string of economic promises centering on driving barter out of the economy and improving bank-upties laws.

The IMF, stressing that it had economic reasons to delay payments from the loan, this week took the unusual step of listing exactly what Russia needed to do to win the cash.

## Failure to hold AGMs for two to three years SEC to audit financial conditions of 25 cos

Star Business Report

The Securities and Exchange Commission (SEC) will carry out special audits to evaluate the financial conditions and overall performances of 25 listed companies, which did not hold their annual general meetings (AGMs) for the last two to three years.

The SEC will appoint special audit teams for this purpose. The capital market watchdog will also take actions against companies found to have diverted funds raised through initial public offerings (IPOs).

A SEC meeting on Thursday discussed the audit issue and observed that fund diversion was a serious offence which must be checked in the greater interest of the investors. SEC Chairman MA Syed presided over the meeting.

The companies which will

come under the audit are: AB Biscuit Co Ltd, Padma Printers and Colour, Sonal Paper and Board Mills, Mac Enterprise Ltd, Dynamic Textile Industries, Mark Bangladesh Shilpa and Engineering Ltd, Tamjuddin Textile, HR Textile, IFIC Bank, UCBL, National Polymer Industries, Tripti Industries, Olympic Industries, Rasipit Incorporation, GEM Knitwear, Bangladesh Autocars, Tulip Dairy and Food Products, Metalex Corporation, Kohinoor Chemical, M. Hossain Garments, Bangladesh Luggage Industries, Orton Infusion, Bangladesh Dyeing and Finishing Mills, Dhaka Vegetable Oil Industries and Texpick Industries.

The SEC meeting also decided that the defaulting companies would shoulder the fee

for special audits. If a company declines to pay the fee, the Commission will bear the expenses and make arrangements for its recovery from the concerned company at a future stage.

The terms of reference for the audit will be prepared by the SEC and the auditors will be picked from a list approved by the Commission on July 2, 1997.

In another move, the SEC has slapped a penalty of Tk 50,000 on Dynamic Textile Industries Ltd for non-submission of its half-yearly report to the regulatory body.

The SEC action will come into effect today. Dynamic Textile will also face a further penalty of Tk 10,000 for each day default.

## Inaugural meeting next week G-20 to focus on financial matters

OTTAWA, Dec 11: The Group of 20, a new global forum created to safeguard the world from financial crises, will focus on exchange rate regimes and financial transparency at its inaugural meeting next week, officials said yesterday, reports Reuters.

Canadian Finance Minister Paul Martin, who will chair the group for its first two years, will convene the meeting on December 15 and 16 in Berlin.

Officials in Ottawa said Martin — known for frank and unscripted discussion — will try to shed the "all talk, no action" reputation of past groups who have tackled the huge task of global financial restructuring.

The ministerial meeting will be informal, the group will remain small and goals will be limited to what is immediately achievable, officials told a media briefing in Ottawa.

The role of the group, made up of the seven leading industrial countries plus key emerging economies, will top the agenda in Berlin.

The mandate of the group is

to propose reforms that stabilise the world economy after last year's economic storms that began in emerging markets but quickly spread to the industrialised world.

Pressure on the group has been building since it was formed in September, with hopes growing that its size and composition will make it a better tool than the array of other forums — including the G7, G8, G10, G24 and ad hoc groups like the G33. Bundesbank President Ernst Welteke suggested last month that group could replace the G7 as the leading global discussion group.

The G20 is comprised of the G7 nations plus Argentina, Australia, Brazil, China, India, Mexico, Russia, Saudi Arabia, South Africa, South Korea and Turkey. It also includes one representative from the European Union and one from the International Monetary Fund (IMF) and World Bank.

Canadian officials hope quick, if small, accomplishments in Berlin will win the group early credibility.

## China raises tax rebate quota for exporters

BEIJING, Dec 11: China has raised its tax rebate quota for exporters to accelerate exports, state media said today, reports AFP.

The state administration of Taxation has raised the quota by 6.6 billion yuan (795 million dollars) over the previous quota of 57 billion yuan (6.9 billion dollars), according to the China Daily.

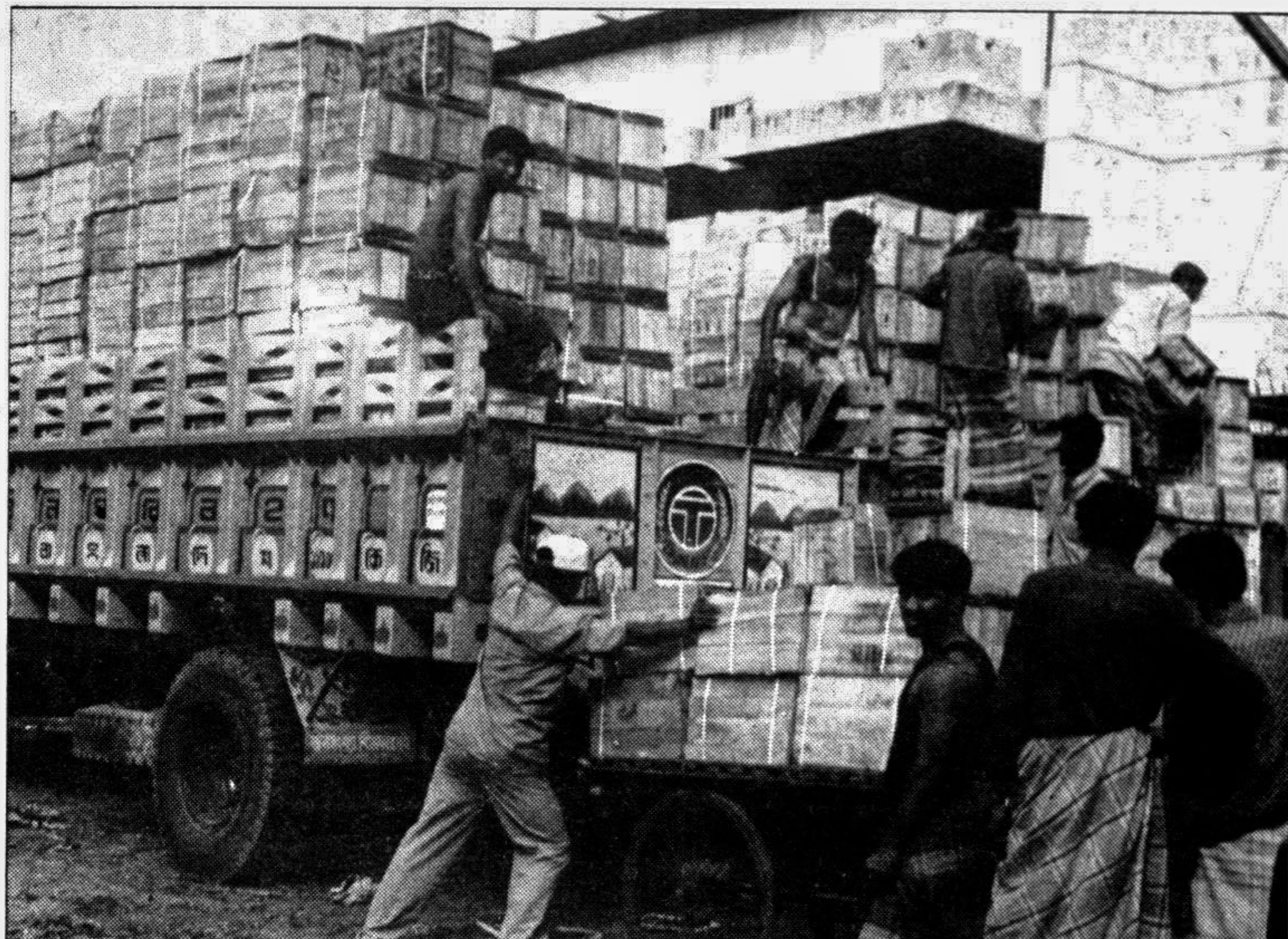
The move is intended to further support exporters who are doing more business and meet the requirements of the export tax rebate work at present," the tax administration was cited by China Daily as saying.

Provinces and municipalities involved in major trading have been requesting the extra rebates.

The government has relied on tax rebates to jumpstart commodities that slowed during the 1997-98 Asian financial crisis.

In June, the tax administration raised the average tax rebate rate by nearly three percentage points, following five similar surges in 1998 and early 1999.

But the tax rebate hikes did not lead exports to do much better, the China Daily said.



Tomatoes sell for Tk 40 per kg in the city markets despite huge supply from India. The picture shows some labourers unloading Indian tomatoes from a truck at the city's Badamtoli wholesale market.

— Star photo by AKM Mohsin

## BB agrees to set up savings bank

Star Business Report

The Bangladesh Bank has agreed in principle to form a savings bank.

Earlier, the National Savings Directorate (NSD) had sent a proposal to the Finance Ministry seeking its permission for setting up a savings bank so that it could mobilise funds across the country. It mainly aims at bringing the postal savings schemes and other similar small savings instruments under its wing.

Accordingly, the Finance

Ministry sent the proposal to the central bank for its approval.

A committee will be formed to prepare the terms of reference for the proposed bank. The terms of reference will include, among other things, the running procedure of the bank, its field of investment and the sponsors.

After the preparation of the terms of reference by the committee, the Bangladesh Bank will finally okay the proposal.

## US consumer inflation seen remaining tame

NEW YORK, Dec 11: US consumer price inflation will remain tame for November despite steamrolling economic growth and high energy prices, economists said yesterday.

A Reuters poll of US economists showed the Consumer Price Index (CPI), a closely watched gauge of consumer inflation, is expected to have increased 0.2 per cent in November, the same increase as October.

The real drivers behind CPI over the past year have been oil prices and tobacco. Without those, we're seeing a much more benign inflation picture," said Brian Wesbury, chief economist at Griffin Kubik, Stephens & Thompson Inc. "The rise in commodity prices that we have seen this year has not flowed through into finished goods or consumer items at all."

Crude oil prices have more than doubled since February, hitting a high of \$27.15 a barrel on November 22. On Friday, NYMEX crude for January delivery slipped to \$24.90 a barrel on news the United Nations would renew the "oil-for-food" programme with Iraq six months into the future.

While market participants are watching intently for signs of inflation as the US economy continues to expand, they do not expect next week's CPI data to shed much light on whether the Federal Reserve is likely to raise interest rates again soon.

The Federal Open Market Committee (FOMC), the Fed's policy-setting body, last raised rates at its November 16 meeting by one quarter-percentage point to 5.50 per cent.

None of the US primary dealers — the firms that deal directly with the New York Fed — in a recent Reuters poll said they expect the FOMC to raise rates when it meets Dec. 21.

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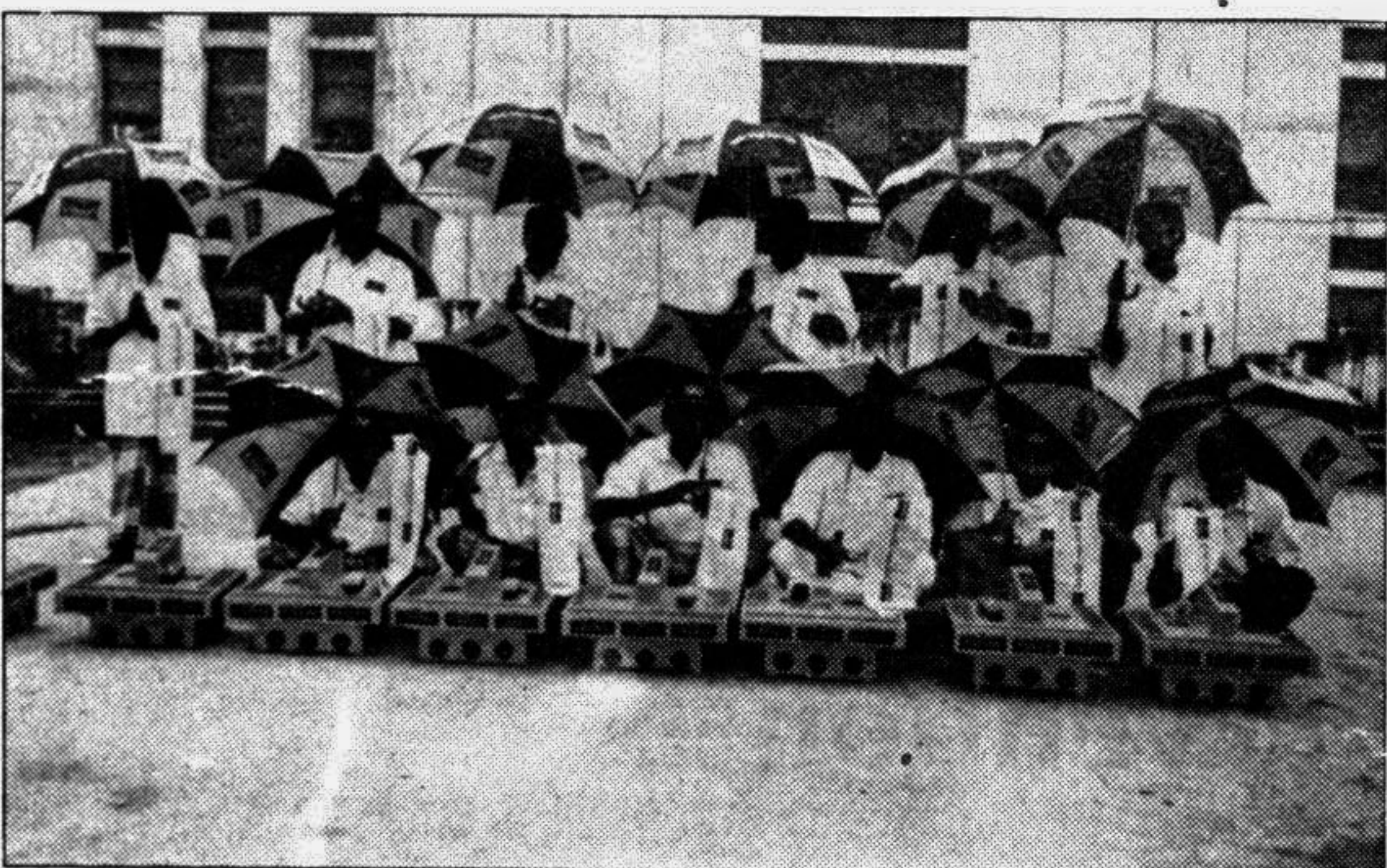
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Hand-picked shoe-shine boys pose with the free merchandising products given away by Cherry Blossom with a view to communicating to the audience on the pavements.

— Unintend photo

## Weekly commodity

# Oil slips, cotton shrinks, sugar sweetens

LONDON, Dec 11: Crude oil prices fell this week as the market braced for a resumption of exports from Iraq, which was thought likely to win a fresh extension to its oil-for-food deal brokered with the United Nations, says AFP.

**OIL:** decline. Oil prices fell as dealers braced for a resumption of exports from Iraq, as the United Nations prepared to meet for discussions on a possible lifting of trade sanctions against Baghdad.

Brent North Sea crude oil was being traded at 24.78 dollars a barrel on the International Petroleum Exchange, from 24.95 dollars one week earlier.

On the New York Mercantile Exchange (NYMEX), "light sweet crude" for January delivery rose to 26.15 dollars from 25.82 dollars a barrel.

Dealers said that the UN was likely to renew for six months the so-called oil-for-food deal allowing limited Iraqi crude exports to finance humanitarian relief to the Iraqi people.

Baghdad suspended exports last month after the UN signalled a mere two-week rollover of the deal.

The UN Security Council began discussing a draft resolu-

tion Thursday which offers to suspend the trade embargo on Iraq in exchange for its full cooperation with a new arms control body.

Officials said that the UN would vote on the wider sanctions against Iraq on Saturday.

Meanwhile, the oil deal was thought likely to be renewed late Friday.

An analyst at the Centre for Global Energy Studies, Leo Dollars, predicted that Iraqi crude would flow again within one week.

He said that the additional supplies would have little detrimental impact on global market prices because of the current low level of inventories.

"Prices will not collapse because we're still very short of oil," he said.

US data showed earlier this week that gasoline stocks surged by 8.7 million barrels during the week to last Friday, while oil stocks marked time around the 300-million-barrel level.

The oil price slip came despite figures from the International Energy Agency (IEA) released on Wednesday that showed world oil output averaging 73.9 million barrels per day in November, 250,000 barrels

per day fewer than in October.

World oil output has contracted sharply this year under a production squeeze of some 2.1 million barrels per day co-ordinated by the Organisation of Petroleum Exporting Countries. The pact, supported by several key non-OPEC producers, has helped prices more than double from low points hit in February.

Non-OPEC Norway said on Wednesday that it would extend until April its own commitment under the output cutback to rein in production by 200,000 barrels per day. But the announcement had little positive effect on prices, which remained firmly focused on the US stocks levels.

**RUBBER:** flat. Rubber prices were flat amid quiet trade.

The London rubber index fell to 487 pounds per tonne (for January) from 492 pounds and to 492 pounds (for February delivery) from 497 pounds.

In Kuala Lumpur, the RSS1 index rose to 2.63 ringgit per kilo from 2.6 ringgit.

**COFFEE:** chilled. Coffee prices fell in the wake of rainfall that came to quench drought-stricken regions of Brazil.

In London, Robusta (for May

delivery) fell by 79 dollars to 1,270 dollars a tonne.

In New York, Arabica (for March) fell to 122.25 cents a pound from 135.95 cents.

Weathermen predicted that the heavy rains would last into next week in Brazil, the world's leading producer of Arabica beans.

But some market watchers said that the rains would not be enough to counter the effects of drought that had already harmed this year's harvest.

**TEA:** col. Top quality teas continued to rise in price, while other brews had lower demand and thus prices.

PF1 (Pekoe Fannings) rose by up to 10 cents a kilo, while lower quality PDust fell by four cents.

**GRAINS:** low. US wheat prices fell further as favourable weather returned to growing regions in the United States.

In Chicago, wheat fell to 226.00 cents a bushel (9f 27.2 kg, for December) from 232.25 cents.

Maize also fell by three cents to 189 cents a bushel (of 25.4 kg, for December).

**COTTON:** shrink. Cotton prices fell further on technical trades amid thin market volume as dealers awaited data from the US agriculture department.

Cash prices covered by the Cotton Outlook index fell to 44.25 cents a pound from 45.35 cents.

March contracts in New York rose slightly to 49.90 cents a pound from 48.95 cents.

**WOOL:** warm. Australian wool prices gained from strong demand in the auction houses.

The Eastern index rose by five cents to 576 cents per kilo.

The Woottops index fell by seven pence to 273 pence per kilo in the absence of auctions here.

**SUGAR:** sweet. Sugar prices won back some lost ground this week on technical trades in the absence of widespread producer selling.

In London, May contracts rose to 1792 dollars a tonne from 1773 dollars.

### Tender Notice

University of Dhaka: (1) Sealed tenders in Dhaka University "Tender for works" are hereby invited from the enlisted contractors (civil) of Dhaka University for the undermentioned works and will be received by the undersigned up to 12 Noon on 15th December 1999 and will be opened on the same day at 12.15 PM in presence of the contractors who may remain present.

- Name of works : Repairing the bath room of University Library, DU.
- Estimated cost : Tk 1,74,400/=
- Earnest money : Tk 3488/= in the form of Bank Draft or Pay Order from any scheduled bank of Bangladesh.
- Time allowed for 30 (thirty) days from the date of issue of work order.

Tender forms, schedule of items of work, special terms and conditions may also be had from the office of the undersigned on all working days except on the date fixed for submitting the tender on payment of Tk 100/= (non-refundable) to the Janata Bank, TSC Branch, DU area after showing the necessary enlistment papers endorsed by the undersigned. Contractors should write the name of the works and their firms name on the envelope clearly.

**Md Abdul Mannan**  
 Executive Engineer  
 University of Dhaka.

GD-1182

### RHD Notice Inviting Tender

- Tender Notice No : 22/1999-2000
- Name of works : Repair, painting & bituminous carpeting of truckway, counterweight of pontoon No PI 086 at Jawkura Ferry ghat, Repair of prop unit of 110 HRP (right side) of ferry No Ut-type-2-008/89 at Kazirtek ferry ghat, Overhauling of 110 HP DAF Engine (right side) Model-DT-615 of ut-2-08/79 at Mollahat ferry ghat and supply of spare parts for 75 HP Ford Engine and 150 HP Volvo Engine of different ferry ghats in 6 (six) groups (as per schedule) under Ferry Sub-Division Faridpur during the year 1999-2000. Ch-to-168-RBF-2-repair.
- Estimated cost : As per schedule.
- Earnest money : 2% of the estimated cost.
- Time allowed : As per mentioned in the schedule.
- Entitled contractors : A to C general categories of contractor under RHD, 'D' general category contractors under Mechi Ferry Circle, Dhaka and 'E' general category contractors under Ferry Construction Divn, Dhaka.
- Name of offices for selling tender documents : Executive Engineer, RHD, Ferry Construction Divn., Dhaka/Ferry Maintenance Divn., Dhaka/Ferry Divn., Sylhet/SDF, RHD, Ferry Construction Sub-Divn, Dhaka & SDE RHD, Ferry Sub-Divn, Faridpur.
- Name of office for receiving tender documents : Superintendent Engineer, RHD, Mechi Ferry Circle, Dhaka/Executive Engineer, RHD, Ferry Construction Divn, Dhaka/Ferry Maintenance Divn, Dhaka/Ferry Divn, Sylhet.
- Last date of selling tender documents during office hours : 21-12-99Eng/8-9-1406Bang up to 12:00 Noon.
- Last date & time of receiving tenders : 27-12-99Eng/13-9-1406Bang at 12:45 PM.
- Date & time of opening all the tenders by the undersigned : 28-12-99Eng/14-9-1406Bang at 11:30 AM. (if applicable)
- Date & time of : 28-12-99Eng/14-9-1406Bang at 11:30 AM. (if applicable)

Sealed tenders are hereby invited from entitled contractors mentioned above in prescribed schedule along with the BD Form No 2908/2911. Tender if received after the fixed time will be treated as rejected. Tender will be opened and lottery (if applicable) will be drawn in the fixed date & time in presence of the interested contractors (if any). The undersigned reserves the right to reject any or all the tenders without assigning any reason.

**Executive Engineer, RHD**  
 Ferry Construction Divn  
 House No 536, Rd No 11,  
 DOHS, Bairdhara, Dhaka.

DFP-27423-7/12  
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