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DHAKA, TUESDAY, DECEMBER 28, 1999

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Cosmos taxi cab service launched

Cosmos Cab Pvt Ltd yesterday entered the city's taxi cab service business with yet another new fleet of Toyota 1500cc luxury cars, says a press release.

Initially, 25 such yellow cabs will ply the city roads while 100 more cars of the kind will join the Cosmos fleet within three months.

The new Cosmos Taxi Cab service further opens up a platform for any private entrepreneurs to invest and earn from the service. Anyone can be a member of this cab service by making 50 per cent down payment of the price of a car and get 50 per cent bank loan facility to be arranged by the management company.

The CNG-fitted reconditioned cabs of 1996 and the above models will cost around Tk 5 lakh each.

The AC cabs will charge its passengers at the government fixed rate of Tk 20 for the first two kilometers and Tk eight each for the next kilometers.

The service will be networked through radio control.

Arikul Islam, Director of the Cosmos Cab Pvt Ltd, said: "The CNG-fitted cars will help keep Dhaka city's air clean. The government's decision to allow reconditioned cabs will help growth of the service sector."

Bangladesh Gas Field earns Tk 40.85cr profit

The 44th annual general meeting of Bangladesh Gas Fields Company Limited was held in the city on Sunday with Md Mosharraf Hossain, Chairman of Petrobangla presiding, says a press release.

The meeting disclosed the company earned Tk 871.08 crore from sales of gas, petroleum products and other sources and paid Tk 830.34 crore to the government exchequer in the form of VAT SD corporate tax, DSI and dividend during the financial year under review.

The company earned a pre-tax profit of Tk 68.09 crore and after tax net profit of Tk 40.85 crore.

Bangladesh Gas Fields Company Limited, a company under Petrobangla, started gas production on commercial basis in 1968 from 2 fields - Titra and Habiganj. A maximum of 542.68 million cubic feet of gas and 452 barrel of condensate are being produced daily from its 6 gas fields - Titra, Habiganj, Bakhrabad, Narsingdi, Meghna and Shaldanadi.

The company, one of the largest government-controlled commercial enterprises, is meeting 66 per cent of the total gas demand of the country, it said.

Taiwan's major economic indicators rise

TAIPEI, Dec 27: Taiwan's leading economic indicators rose 0.1 per cent in November to 104.9, a sign that the island's economic growth is stable, the government said Monday. The increase was the second straight monthly gain, reports AP.

The rising economic indicators included manufacturing orders, wholesale prices and building permit applications, the Council for Economic Planning and Development said. However, workers' hours and the stock market level dropped, the council said.

In October, leading economic indicators rose 2.2 per cent to 104.8.

Taiwan's economic growth rate should reach 6.1 per cent in 2000, said CY H, director of the economic research department at the Cabinet-level Council.

Hu said the council expects global economic growth to be between 2.9 per cent and 3.5 per cent next year as demand picks up and Asian countries continue their economic recovery.

The latest figure follows the 18.6 per cent rise in November export orders, the highest level ever recorded at \$11.6 billion. Industrial production also rose 11.4 per cent last month, the ninth straight monthly advance.

Next year, domestic demand will rise as reconstruction efforts, public infrastructure projects such as the island's planned high-speed rail and semiconductor companies' expansion plans get underway, Hu said.

Iran declares Jan 1 holiday over Y2K fear

TEHRAN, Dec 27: Iran on Sunday declared January 1, 2000 a public holiday because of concerns about the possible impact of the so-called Y2K computer problem, reports Reuters.

The official news agency IRNA said the cabinet took the decision in order to prevent possible disruptions that may be caused by the millennium computer bug problem.

Iranian officials had previously warned of possible disruptions in some public sectors including energy, communications and water if computers widely read only the last two digits of the date mistake 2000 for 1900.

But they said contingency plans were in place.

Prof Chowdhury at PC Quest launching

Slow data transmission, high price hinder software export

Star Business Report

Prof. Jamilur Reza Chowdhury, Advisor of the National Standing Committee on Software Export, yesterday said the slow data transmission speed and high price of internet service act as the main hindrance for the country's software export.

He also underscored the need for focusing on the local IT industry in the media.

"The IT training institutes need to be independently assessed," Prof Chowdhury said at the launching ceremony of PC Quest Bangladesh, an international standard bilingual monthly IT magazine, in the city yesterday.

Techno Vista Ltd, a local

software solutions firm, in collaboration with Cyber Media India Ltd has launched the magazine in the country.

"We are experiencing a new turn in the field of technology. The IT publication is here to help us explore the possibilities that the change of technology offers," said Annisul Haq, publisher of the magazine, at a press conference at the city's Sheraton Hotel.

Speaking at the function, Pradeep Gupta, Managing Director of Cyber Media India Ltd, said: "We entered into an alliance with Techno Vista Limited because of the rapid growth of IT industry in Bangladesh."

IT will be the most impor-

tant tool of economic growth for Bangladesh and PC Quest Bangladesh will always be a part of that process, he observed.

Speaking at the function as special guest, Mahfuz Anam, Editor of The Daily Star, said the country can jump a step forward by exploring the IT potentials.

Prof Abdullah Abu Syeed, Chairman of the Biswa Shahittya Kendra, said that IT industry has huge potential in Bangladesh because the commonly experienced setbacks such as political crises or port congestions would not affect the IT sector.

TIM Nurul Kabir, Editor of

the magazine, said that its readers would get free CDs containing games, utilities, patches, software, shareware, screensavers, wallpapers, desktop themes with each issue.

PC Quest covers the latest products, technologies and applications, assisting readers to stay in touch with the current developments in the world of computing, he said.

PC Quest also presented crests and certificates to the students of BUET and Dhaka University who participated in the ACM International Collegiate Programming Contest, 1999, Asian Round, held at IIT Kanpur, India and became champion and runner up.

Govt waives registration fees for AIMS First Mutual Fund

By M Shamsur Rahman

With a view facilitating private mutual funds for improving the country's ailing capital market, the government yesterday formally waived the registration fees for the mutual fund launched by Asset and Investment Management Services of Bangladesh Ltd (AIMS) of Bangladesh.

To encourage and make the first mutual fund profitable, the National Board of Revenue (NBR) had earlier okayed income tax exemption for the fund.

The moves are expected to save this very first private mutual fund of the country Tk 12.5 lakh.

AIMS First Guaranteed Mutual Fund was launched on August 29 this year with the signing of a trust deed between the sponsors and the trustee of the fund.

The sponsors of the fund are: IPDC, Sandhani Life Insurance, Pangea Partners, IDLC, South-east Bank Ltd, Uttara Finance Limited, Sandhani Credit Co-operative Society Ltd and

Bangladesh Industrial Finance Company Ltd. The trustee of the fund is Bangladesh General Insurance Company Ltd.

Agreements were also struck with the Standard Chartered Bank to provide custodian services to the fund.

AIMS First Mutual Fund is expected to invite public subscriptions shortly. The fund will be raised and managed by Asset and Investment Management Services (AIMS) of Bangladesh, a fund manager.

AIMS of Bangladesh is coming up with the fund years after the promulgation of the Securities and Exchange Commission (SEC) Mutual Fund Regulation, 1997.

Talking to The Daily Star, AIMS officials said that the proposed public flotation of the fund was awaiting "resolution of technicalities involved."

"The incentives from the government is expected to go a long way in the development of the overall capital market of the country," AIMS Managing

Director Yawer Sayeed said.

The size of the new mutual fund will be Tk five crore. Of the total amount, Tk two crore will be provided by the fund sponsors, while the rest will be raised through private placement and public offerings.

The fund, which is meant to enjoy a five-year tenure, will be liquidated on its maturity at the end of the fifth year. An annual general meeting (AGM) of the shareholders will decide the extension of the fund's life on the last year.

The fund will be a guaranteed one, meaning that investors will be assured of getting his or her money back, at least in the form of the face value, on its maturity or redemption.

The face value of each unit of the fund will be Tk one with 2,500 units making a lot.

Unlike the traditional mutual funds in Bangladesh, AIMS First Guaranteed Mutual Fund will be invested in both equity and fixed income securities.

Philips aims to up Asia-Pacific market share

SINGAPORE, Dec 27: Philips Consumer Electronics aims to increase its market share in Asia Pacific by investing heavily in its brand image and introducing new products faster in the region, reports AFP.

Frans van Houten, managing director of Philips in Singapore, said in an interview with The Business Times published Monday that the company was planning to increase its share to about 10 to 15 per cent from below 10 per cent level currently.

"One of our aims is to bring our share of the consumer electronics market in the Asia Pacific to the same level as we have globally, at least to among the top three market positions with an average market share of 10 to 15 per cent," he said.

"Although we're doing quite well in the areas of digital video disc players and computer monitors, we still have significant improvements to make," he said.

The managing director said its market share currently stood around 15 per cent in the United States and Europe.

He said Philips would be launching new products, such as compact disc players with recording capabilities, in the region in the new millennium.

"We need to bring the latest products to the Asia Pacific, and to engineer them specifically to the desires and tastes of consumers in this region," he said.

Philips has regional facilities in several countries in the region including Singapore, Malaysia, Thailand, Indonesia, Hong Kong, China, Taiwan, South Korea and Japan.

Matsushita mulls over closing key plant

TOKYO, Dec 27: Japanese electronics giant Matsushita Electric Industrial Co Ltd said today it was considering closing a plant in central Japan to boost the firm's competitiveness against rival makers in Asia, reports AFP.

Matsushita, which markets its products under brands including Panasonic, Technics and National, could close the electronic device factory in Kiyose by early next year, a company spokesman said.

"We are considering closing the Kiyose plant in the spring of next year as we want to strengthen our competitiveness in the area of electronic devices against Asian makers," the spokesman said.

The Kiyose plant, built in 1969, produces mobile telephone handsets and is installed in audio and video equipment worth 30 billion yen (294 million dollars) annually, he said.

It employs about 1,000 workers, but the spokesman stressed there would be no sackings.

SET to conduct simulation ahead of 2000 opening

BANGKOK, Dec 27: The Stock Exchange of Thailand (SET) said today it would conduct a full day of simulated trade ahead of opening in the New Year to ensure no ill effects from the Y2K computer bug, reports AFP.

The exchange said it planned "The Big Test" for January 1, ahead of the first day of trade for 2000 on January 4, as part of a drive to allay investor's fears.

"A full-scale simulation of trading and clearing and settlement will be carried out covering every process as if it was a normal trading day," said SET senior vice-president Somkid Jiranuntarat, who also heads the bourse's Y2K Operations Team.

In a statement he said all staff were now on "full alert" and were preparing to make two back-up copies of trade on December 30 and conduct "roll-over" tests from midnight on December 31 onwards to make sure all systems were showing the correct day, month and year.



Jordana Color Cosmetics, USA, yesterday opened its sales and display centre at Rapa Plaza at Dhanmondi in the city. The picture shows Pushpindor Dhillon, Economic and Commercial Officer of the US Embassy in Dhaka, having a look at the products after opening the centre. MA Gafur, Executive Director of AmCham in Bangladesh, and Towheed Chowdhury, MD of T-Mart Group, are also seen with him.

— Star photo

Country's first-ever fashion institute opens in Jan

The country's first-ever fashion institute under private sector initiative will be launched in the second week of January, says UNB.

Bangladesh Garment Manufacturers and Exporters Association (BGMEA) with some initial assistance from the World Bank's Matching Grant Fund (MGF) will open the institute at a rented house at city's Uttara just after the Eid holidays.

BGMEA sources expect Prime Minister Sheikh Hasina to inaugurate the institute being established to sustain and further boost the country's ready-made garment export in the coming days through an infusion of more professionalism into different tiers of manufacturing the products.

Ministers for finance, commerce and industries and education are also expected to attend the inaugural ceremony as special guests.

Chairman of the Standing Committee on BGMEA Institute of Fashion and Technology (BIFT) Harun-ar-Rashid told BSS Sunday that the opening of

the institute would be a humble journey for a great task of achieving creativity and development of design and fashion to win buyer's confidence in the highly-competitive future global markets.

The institute will greatly contribute to producing skilled fashion and design personnel to make more value added items compatible to the upcoming market challenges by the time Bangladesh will enter the post-MFA (multi-fibre agreement) era after 2004, Harun said.

Harun said, "we are happy that with the opening of BIFT, one more commitment of the present BGMEA leadership will be fulfilled."

He said the institute is expected to initially work with a teaching staff of 21 with four expert teachers including the principal from abroad.

Prof Ena Brown, an eminent textile design scholar of the University of Nottingham, Trent, UK, has agreed to work as the principal. Two more fashion and manufacturing technology experts from Phoenix

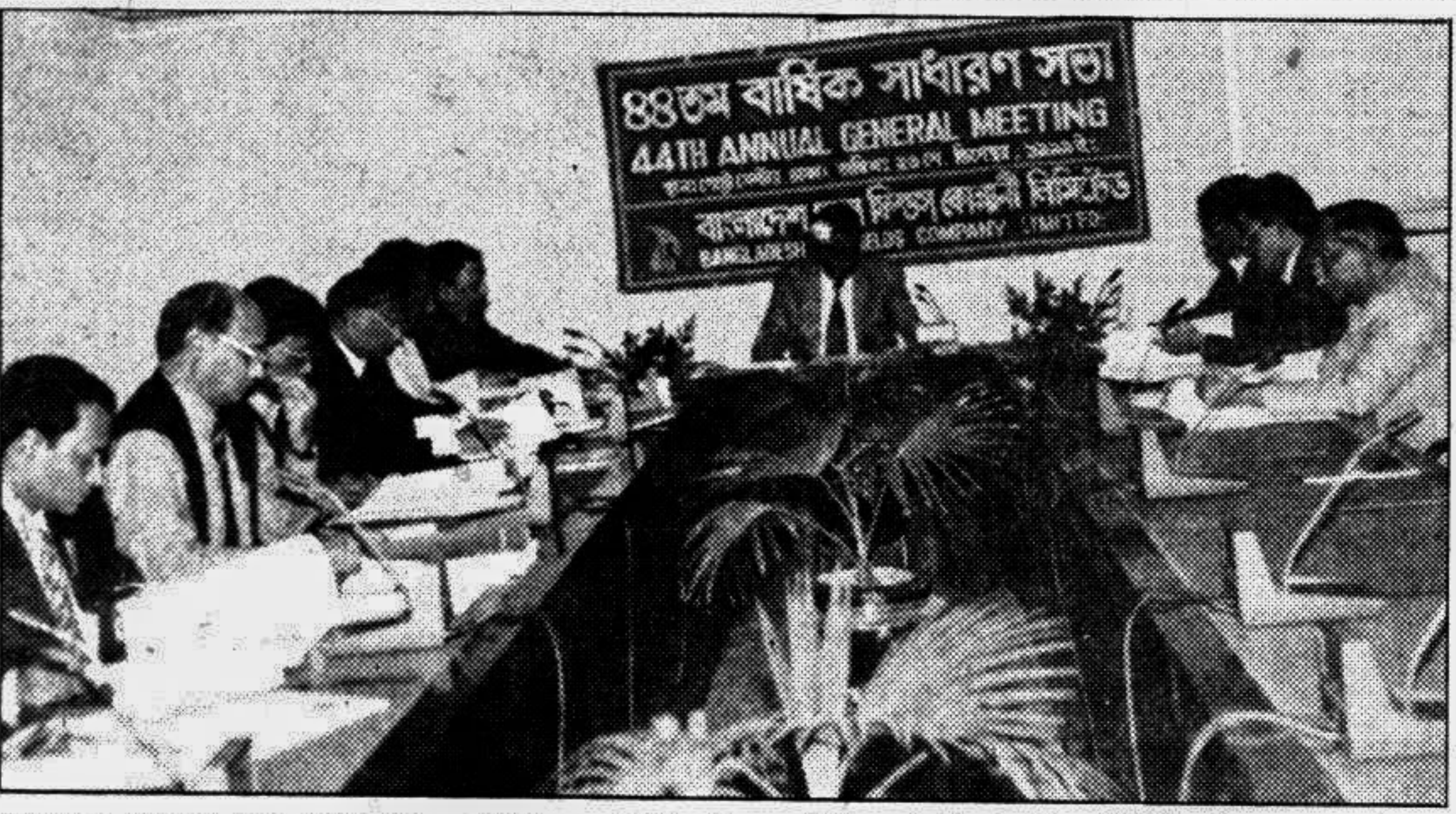
Clothing Technology College of Sri Lanka and one from the National Institute of Fashion and Technology of India (NIFT) are expected to join as teachers of the institute, he said.

The institute will offer as many as nine courses ranging from 15 days to two years in different disciplines including fashion, design, quality control, manufacturing and management. Both undergraduate and diploma courses are being designed by the University of Nottingham Trent and Phoenix College.

The courses have been designed for graduates, undergraduates, mid-level management personnel, top executives, mechanics and machine operators in the garment sector.

The Standing Committee chairman, who is also a director of the BGMEA, said, "Though a bit late, with the setting up of the institute, we want to help the sector stand the challenges of the new century."

Neighbouring India and Sri Lanka have at least five such institutes, the sources said.



Picture shows the 44th Annual General Meeting of Bangladesh Gas Fields Company Limited (BGFCL) held at Petrobangla's Board Room in the Sunday under the Chairmanship of Md Mosharraf Hossain, Chairman of Petrobangla and BGFCL Board.

— BGFCL photo

Japan's 2000 ODA focuses on humanitarian aid, efficiency

TOKYO, Dec 27: Japan is set to raise its spending on overseas humanitarian aid next year, shifting the focus of its aid policy away from big infrastructure projects amid criticism over their efficiency, reports Reuters.

In its 84.99 trillion yen (\$833.24 billion) draft budget for fiscal 2000/01 approved by the cabinet on Friday, the government allocated a total of 1.0466 trillion yen for overseas development aid (ODA), down 0.2 per cent from the current fiscal year's initial budget.

But in dollar terms this was a rise of about 14 per cent, as the budget assumed an exchange rate of 105 yen to the dollar, compared with 120 yen in the current fiscal year's budget the Ministry of Finance said.

Japan is the World's largest provider of ODA, with around 90 per cent of its bilateral loans directed at Asian countries.

In the draft budget, spending for assisting developing nations in their environmental protection and social development policies was boosted by 33 per cent to 12 billion yen from a year ago.

It also allowed a 15 per cent increase to 6.0 billion yen in child welfare grants and a 23 per cent rise to 2.7 billion yen in grant aid for removing anti-personnel mines.

There is also spending to beef up the efficiency of ODA projects by introducing a new system of assessing projects before they start and during their implementation.

"This ODA budget would enable Japan, as the host of next year's summit meeting (of the Group of Eight nations), to send a positive message to Asian countries recuperating from the economic crisis," a Foreign Ministry official said.

ODA no longer a sacred cow

ODA spending for the current fiscal year ending in March 2000 rose by 0.3 per cent year-on-year, as Tokyo aggressively funnelled aid money to Asian nations hit by the region-wide financial crisis.

But with Asian economies now on the road to recovery, Japan will concentrate next year's aid efforts on technical assistance and poverty reduction rather than big-spending infrastructure projects, government officials said.

ODA used to win strong backing from ruling party politicians, who were eager to convey to the world Japan's efforts at international cooperation," said one official.

"But that's history. Overseas aid at a time of tight fiscal conditions at home has become quite unpopular," he said. "Humanitarian aid is relatively easier to win support for than conventional infrastructure projects."

Government official said the latest draft budget basically followed principles laid out in the government's medium-term

policy outline on ODA announced in August, which called for increased aid to combat poverty in developing countries.

Previous medium-term policies had set numerical targets for ODA, but the latest one marked a clear departure from the emphasis on quantity by not setting a numerical target for the first time.

The outline was also the first to explicitly call for an ODA policy that was in line with Japan's national interest so that recipient countries would not take Japanese aid for granted.

Members of the Development Assistance Committee of the Paris-based Organisation for Economic Cooperation and Development have been debating the question of whether to increase the ratio of untied aid to Least Developed Countries (LDCs).

Britain and Scandinavian countries have called for increase untied aid, which does not require aid recipients to procure goods and services from donor countries.

They argue that untied aid helps developing countries to better manage aid money themselves, but France and Japan are opposed to the idea.

"In order to win support for ODA at home, we need to make sure that developing countries know where the aid money is coming from. So the idea of further increasing the ratio of untied aid is very difficult to accept," said one government official.



The 19th annual general meeting of Aftab Automobiles Ltd held at the Shishu Academy auditorium in the city Thursday.

— Aftab Auto photo

Aftab Automobiles declares 16pc dividend

The 19th Annual General Meeting of Aftab Automobiles Ltd was held at Bangladesh Shishu Academy Auditorium Thursday with its Chairman Shafiqul Islam presiding, says a press release of the company.

The meeting unanimously approved 16 per cent dividend for the shareholders for the year 1998-99.

Monwarul Islam and Saiful Islam, Directors of the Company, were present in the meeting, which was attended by a large number of shareholders.

The Chairman replied to different questions raised by the shareholders.

ROK eases stance against foreign creditors over Daewoo

SEOUL, Dec 27: South Korean banks were asked by the country's financial regulator today to resume talks with foreign banks, delaying a decision to place key Daewoo Group units under court receivership, financial officials said, reports AFP.

The request came at talks between Financial Supervisory Commission (FSC) head Lee Hun-Jai and local bank chiefs, and FSC spokesman said.

Negotiations with foreign creditors must go ahead. We need a careful decision taking various matters into consideration," the spokesman quoted Lee as saying.

He did not say how long the government's year-end deadline would be extended, although FSC officials said local creditors would need at least three weeks to place Daewoo units under court receivership.

South Korean financial officials have warned foreign creditors if they do not agree to the buy-out proposal by the end of this year, key Daewoo units could be put into receivership, causing them even greater losses.

Foreign creditors last week rejected the proposal to buy 34 per cent of loan claims against Daewoo. Instead, they called for a debt recovery ratio of 59 per cent.

The rehabilitation proposal includes the sale of Daewoo Motor Co through an auction open only to creditors would need at least three weeks to place Daewoo units under court receivership.

US giant General Motors Corp, has proposed taking over Daewoo Motor and demanded the government renew its exclusive negotiator status, which expired last month.

The Daewoo Group is being dismantled after it collapsed in August under the weight of about 77 billion dollars in debt.

Exchange Rates

Following are yesterday's Standard Chartered Bank rates of major currencies against Taka:

Central Bank USD/BDT rate: Buying-BDT 50.85/Selling-BDT 51.15

Selling		Currency	Buying	
TT/OD	BC		TT Clean	OD Sight
51.2300	51.2700	USD	50.8200	50.6516
0.5206	0.5210	JPY	0.4863	0.4847
32.6514	32.6769	CHF	31.7625	31.6572
31.5068	31.5314	SGD	29.7715	29.6729
35.7128	35.7407	CAD	33.5335	33.4224
6.0634	6.0682	SEK	5.9550	5.9353
34.0526	34.0792	AUD	31.2136	31.1102
13.6268	13.6375	MYR	13.2327	13.1888
6.6462	6.6514	HKD	6.4911	6.4696
13.7708	13.7815	SAR	13.4220	13.3974
14.0634	14.0743	AED	13.7210	13.6756
0.0455	0.0456	KRW	0.0447	0.0446
83.1975	83.2625	GBP	80.9563	80.8880
52.5261	52.5671	EUR	50.5303	50.3629

Usance Export Bills

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
50.7152	50.4023	49.9846	49.5042	48.9821	47.8126

Exchange rates of some Asian currencies against US dollar

Indian Rupee	Pak Rupee	Thai Baht	Mal Ringit	Indo Rupiah	Sing. Dollar
43.50	51.88	37.45	3.7995	7075	1.6660
43.51	51.90	37.55	0.05	7095	1.6670

Market Commentary

On Monday, the demand for US dollar was low in the interbank market. In the call money market, the call rate ranged between 5.5 and 6.5 per cent.

In the international markets, dollar remained soft against yen with sentiment undermined by its inability to sustain gains after the spike up late last week on the Bank of Japan's surprise yen-selling intervention. Activity was subdued amid a little interest at this point of the year to pick a bottom in Dollar/Yen, which had yet to convince the market that it had halted its long-term downturn.

The market players commented that BOJ intervention was done in really thin conditions.

Still, the lingering wariness about Bank of Japan action kept dollar eroding below 102.50 yen. The dollar could not make anything of the BOJ's decision to leave a huge 4.5 trillion yen