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Benapole port activities hinge on crane dearth

BENAPOLE, Jan 7: Loading and unloading at Benapole land port are being hampered as most of its cranes remain out of order for long, reports UNB.

Official sources said five out of six cranes remained inoper-ative due to technical problems and those could not be repaired for lack of spare parts.

When contacted a senior port official said that they had procured necessary spare parts to repair the cranes.

Vietnam receives \$1.1b overseas remittance in 1999

HANOI, Jan 7: Overseas Vietnamese sent an estimated \$1.1 billion to Vietnam last year, \$150 million more than in 1998, an official from Hanoi's Central Overseas Vietnamese Committee said Friday, reports AP.

The increase was due to new government policies that encourage overseas Vietnamese to invest in the country by allowing some - generally those who still hold Vietnamese passports - to buy property and travel visa-free, the official told Dow

Jones Newswires. There are an estimated 2.5 million Viet kiew, or Vietnamese living overseas, the majority of whom left after the Vietnam War ended in 1975. Of those who left, some still hold Vietnamese passports but many hold foreign passports and are subject to the same higher pricing system and complex visa and investment rules as other foreigners who visit in Vietnam.

In recent years, the government ha tried to liberalise the rules that govern investment and tour n and has seen an increase i hard-currency remittances as a result.

In response to slowly growing investment from Viet kiew, Hanoi late last year allowed the establishment in Ho Chi Minh City of an independent Viet Kieu Chamber of Commerce.

According to the official, around 60 per cent of all remittances made last year were sent to bank accounts in Ho Chi Minh City. He added that 60 per cent of the total was sent from Viet kieu in the US and Canada.

Taiwanese forex reserves hit another record

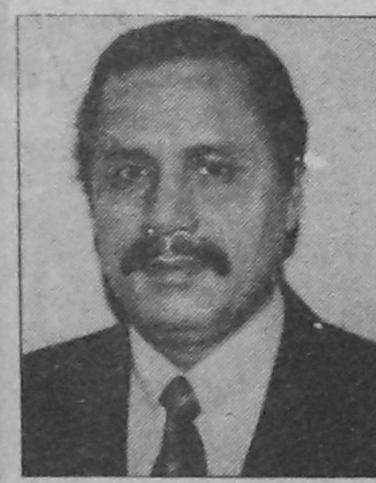
TAIPEI, Jan 7: Taiwan's foreign exchange reserves at the end of December hit another record high of 106.2 billion US dollars, their fourth consecutive monthly record, the central bank said today, reports AFP.

The reserves, which rose 2.66 billion dollars over the previous month, are the world's fourth largest after those of the 11-member euro area, Japan and China.

The increase came primarily from higher a trade surplus, stronger foreign remittance for stock investment and the central bank's purchase of US dollars to slow down the Taiwan

dollar's surge. About 70 per cent of Taiwan's reserves are denominated in US dollars, 20 per cent in the euro and 10 per cent in the yen and other currencies.

New MD of Janata Bank



Sirajuddin Ahmed Chowdhury joined Janata Bank as Managing Director on Thurs-

day, says press release. Before joining Janata Bank, he worked as the Managing Director of investment Corporation of bangladesh (ICB), Bangladesh Krishi Bank (BKB) and Bangladesh Shilpa Rin Sangstha (ESRS).

A senior banker, having more than 30 years of service experience in different banks and financial institutions, he worked as DMD of Agrani Bank, General Manager of Bangladesh Krishi Bank (BKB)

and other banking institutions. He worked as thefirst Chairman of the South Asian Devel-

opment Fund (SADF) created under the Umbrella of SAARC. He represented ICB in the boards of different national and multinational companies, DFIS including BOC, BATBC. Glaxo, NTC, BSRS, and others.

He worked as the Chairman of Aramit Group of Companies. Chowdhury, a freedom fighter, has been associated with human resources development and training activities of different national institutions including BIBM, BIM, PATC. IBA and other banking training institutions.

Institute of Int'l Finance report says

Emerging world still suffering from Asian financial crisis

WASHINGTON: Jan 7: Investment in emerging market economies is still suffering as a result of the Asian financial crisis and the International Monetary Fund has made matters worse, according to a new report released yesterday, reports Reuter.

But transparency in emerging economies, such as Argentina and Mexico, has improved in the past two years. something that could help give investors warnings before a new crisis took hold, the Institute of International Finance

"There is still a good bit of lingering damage to the robustness of emerging markets' financials as a result of the crisis in Asia," said Charles Dallara, managing director of the IIF, who's members include hundreds of commercial banks

around the world. The Asian financial crisis started in Thailand in July

1997 before spreading through the region and beyond. The crisis resulted in billions of dollars of capital flooding out of emerging economies, making many investors' wary of further investment and leading to calls for greater transparency and more stringent reporting of economic data.

Dallara noted that the level of investment in emerging economies, through bank loans and investment in bond offerings, remains well below the \$200 billion record set in 1996 and placed some of the blame at the door of the IMF.

The group will release its latest estimates of capital flows to emerging economies later this month.

Dallara said that invest-

ment in emerging economies was being stifled, in part, "as a result of official policies over the last year which have raised important questions ... regarding IMF interference of bond contracts.

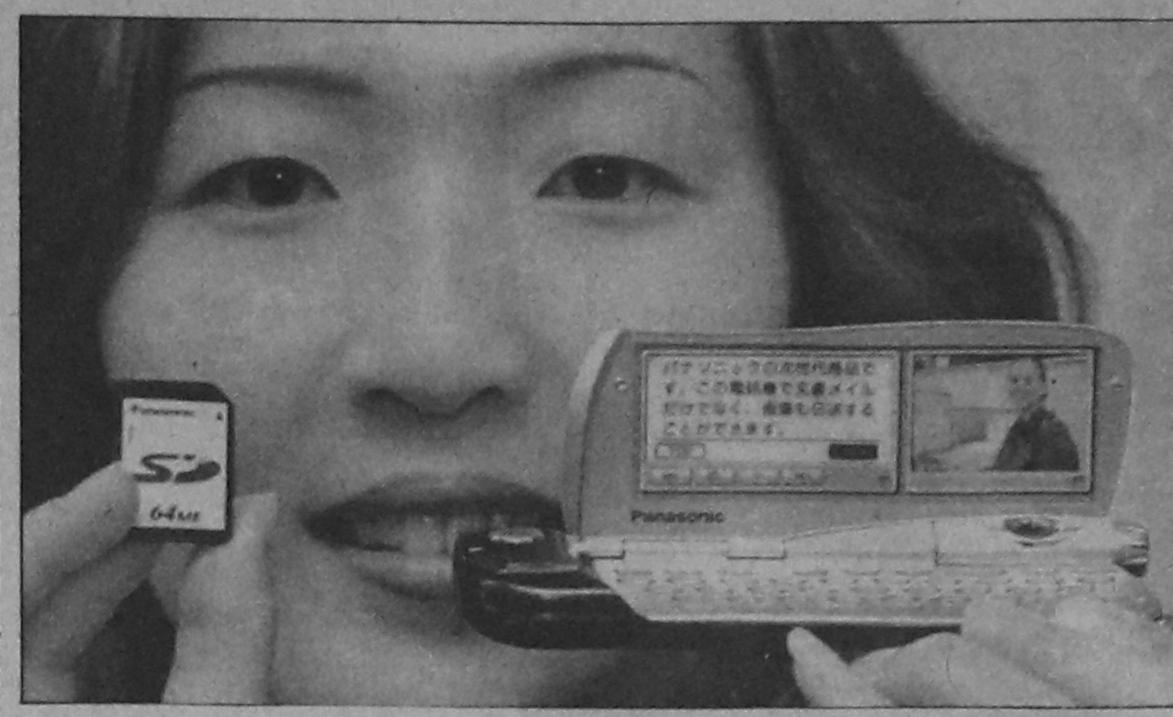
He was referring to IMF recommendations that emerging economies adopt British-style bond contracts that make it harder for individual creditors to sue a foreign borrower something critics claim make investors less likely to make fresh capital available.

Dallara noted that current investment levels in emerging economies were below what would be required for such countries to sustain growth rates of between 3 and 4 per

The group's report, which focused on assessing the data release practice of emerging economies, showed some positive signs. The report tracked how 27 countries reported economic data, from economic output to external debt, and found that many countries had made significant improvements.

Argentina, Hong Kong, Malaysia, the Philippines, Poland and Thailand were singled out in the report for making the best advances in transparency. The report noted that much improvement had been made in Asian countries.

Other countries, such as China, Egypt, Kuwait, Morocco, Saudi Arabia, and Tunisia. recorded poor records in meeting the desired standards in reporting economic data. But even among those which fared badly in the report, such as China, improvements were seen since the group's 1997 survey.



Employee Kazumi Tamamoto of Japan's electronics giant Matsushita Electric displays a prototype model of a next generation personal digital assistance (PDA) gadget with digital video camera which enables to record datas and images on the 64-MB Secure Digiatal (SD) memory card at the company's head office in Tokyo on Friday. Matsushita, Toshiba and SanDisk announced a new industry-wide association, named SDA, to set industry standards for SD memory card and promote its wide acceptance in digital applications. Initial SDA membership is expected to include some 100 companies in the world.

- AFP photo



Rubi Rahman, who heads Rubi's Ad, the organiser of the 15-day Millennium Fair at Dhaka Sheraton Hotel, gives away the Best Stall and Sales Award to Sonargaon Jamdani - Star photo

WB plans first global online bond offering

WASHINGTON, Jan 7: The World Bank said Thursday It plans to launch its first global electronic bond offering, a \$3 billion issue that will be offered, distributed and traded on-line, reports AP.

An announcement said the firms of Goldman Sachs and Lehman Brothers would be the lead managers on the offering. It gave no date for the launch nor how long it would take for the bond to mature.

"We designed this first comprehensive, end-to-end global Internet offering to set a new standard in the market in terms of reach, liquidity and transparency," said Afsaneh Mashyekhi Bescholoss, the bank's vice president and trea-

The World Bank has been issuing debt securities in international capital markets for more than 50 years. These securities have provided funds for financing more than 4,000 development projects worth dirs 300 billion in 130 countries.

Vietnamese oil sector needs \$17b investment by 2010

HANOI, Jan 7: Vietnam requires investment of \$17 billion to develop the country's oil and gas industry over the next 10 years, official media reported today, reports Reuters.

The Vietnam News Agency carried an interview with Ngo Thuong San, general director of state oil monopoly Petrovientam, who said \$5 billion of that would come from domestic capital sources.

He did not say where the rest of the investment would come from, but Vietnam has long encouraged foreign businesses to participate in the sector.

San also said a proposed project to build a \$400 million pipeline from offshore gas fields faced obstacles because the foreign consortium involved in the deal had sought a high level of commitment and guarantees from the govern-

He gave no more details, but Vietnam and an alliance of BP Amoco BPA.L and Norway's Statoil STAT.CN initialled a contract to build that pipeline last October. Formal signing of the

pipeline deal, which is part of a \$1.5 billion integrated gas development off Vietnam's southern coast also being negotiated by BP and Statoil, is expected to take place this year. Government guarantees be-

ing sought by the foreign consortium on the overall integrated gas project include the right to convert dong revenues into hard currency.

San said Petrovietnam had set a target of pumping 16-17 million tonnes (117.3-124.6 million barrels) of crude oil this year.

Vietnam pumped an estimated 15 million tonnes of crude in 1999, up 19 per cent from the previous year,

Russian currency rules variety of measures to deal with it." Fischer told a news conference. "But the 100 per cent sur-

WASHINGTON, Jan 7: The International Monetary Fund complained about Russia's planned currency rules yesterday in an early sign that ties with the new Russian government might make an inauspicious start, says Reuters. IMF First Deputy Managing

Director Stanley Fischer told a news conference that new proposals to make exporters swap 100 per cent of their export earnings were not in line with IMF thinking, and he admitted that the lending institution had only reluctantly acceded to earlier rules for a 75 per cent swap. He said IMF members had

expressed "distaste" about Russia's war in breakaway Chechnya, although Moscow's inability to meet structural promises behind an IMF loan meant Chechnya had not been a factor in IMF assessments on whether or not to lend.

"We have to recognise that capital flight is a huge issue for Russia, and we have supported a render (of export earnings) is not one of them." New Russian acting Presi-

IMF critical of planned

dent Vladimir Putin, catapulted into office when Borls Yeltsin stepped down on New Year's Eve, was quoted on Thursday as saying he backed the central bank's new currency plan A final decision is due in mid-Jan-A compulsory swap would

force exporters to trade all their hard currency earnings for roubles on official exchanges. The extra revenues would boost Russian reserves and give the cash strapped country additional funds to pay its debts. The IMF has loaned Russia

more than \$20 billion in the last 8 years, despite a dismal Russian track record in meeting the terms of successive IMF

Payments from the most recent loan, a \$4.5 billion credit approved last July, have been stalled for months while the IMF waits for Russia to increase cash payments for key utilities and complete other structural reforms.

Fischer, repeating previous comments, said several structural issues were still outstand-

But he conceded that Russia's inability to meet these promises meant the fund did not have to wrestle with the politically sensitive question lending to Russia while Putin's forces are conducting a military campaign in rebel Chechnya, an independence-minded region on Russia's volatile southern rim.

The Chechnya case is obviously more complicated for our membership; there's greater distaste for the way the war is being fought." Fischer said. comparing events in the Russian province with bloodshed in Indonesia's breakaway East

Wheat farming

World stocks take heart from Wall Street rally

New York, Jan 7: World stocks took heart yesterday day from a blue-chip rally on Wall Street but the high tech Nasdaq composite index took another battering, says AFP.

The tech-heavy index plunged nearly four per cent for its second worst single-day points drop ending just shy of a 10 per cent correction over the past three

After a heavy points plunge Tuesday, the Dow Jones Industrial Average staged a modest rally, up 130.61 points (1.17 per cent) to 11,253.26 points while the Standard and Poor's 500 was up 1.34 points (0.10 per cent) to 1,403.45.

The Nasdaq is still far above of where it was a year ago after gaining 85 per cent in 1999 and analysts see the tumble as a normal correction. On the bond market, yield

on the benchmark 30-year Treasury bond stood at 6.572 per cent against 6.631 at Wednesday's close.

European share prices lurched lower after another grim session in Asia, which has taken its cue from a bad week on Wall Street.

In London, the FT-SE 100 index of leading shares closed down 88.7 points, 1.4 per cent, at 6,447.2 points. In Paris, the CAC 40 index lost another clude a visit to the European quarter results of 2000 would 29.59 points, 0.5 per cent, to 5.450.11 points. The Frankfurt market followed the trend with the DAX index falling 0.4 per cent to 6,474.92 points.

Dealers said the fear of higher interest rates on both sides of the Atlantic was still spooking investors, but added that the selling was also a healthy correction from exuberant gains racked up late last

"We have lost 500 points on the market since last Thursday but that is a healthy correction and certainly not a panic," said London dealer David Butler of the Teather and Greenwood

Brokerage. . Britain is expected to kick off a round of interest rate hikes next week, particularly as the latest property market snap-

shot showed that house prices

Chinese official to visit EU states to

talk WTO bid BEIJING, Jan 7: Chinese Vice Premier Wu Bangguo wil! discuss China's bid to enter the World Trade Organization when he visits Britain, Belgium and Switzerland this month, a grivernment spokesman said Fri.

day, reports AP. Wu's trip Jan 18-31 will in- the markets closed that its first Commission headquarters and the annual meeting of the World Economic Forum in Davos, Switzerland, said Foreign Ministry spokesman Zhu Bangzao.

soared by almost 14 per cent

Economists expect the US Federal Reserve to tighten monetary policy next month, and some are predicting that equity markets will continue to flounder until the US economy shows signs of cooling down.

US traders are awaiting Friday's December unemployment figures for clues about the size of an anticipated interest rate

The consensus forecast of analysts was for unemployment of around 4.1 per cent, said Merrill Lynch economist Stan

A lower figure would send bond yields and stock prices down because it would suggest a more active intervention of Fed policymakers at their February

Volume was high on the New York Stock Exchange with 1.082 billion issues changing hands with gainers outnumbering losers 1,963 to 1,132 with 429 unchanged. Near record volume of 1.596 billion trades was recorded on the Nasdaq.

After Wednesday's reverses for Gateway computer makers. Thursday saw Lucent Technologies under the hammer. The firm announced after

fall below expectations. Preliminary estimates put the per-share earnings at 36 to 39 cents, against analysts expectations of 48 cents.

tives played a large role in GM's

you saw GM's market share

sliding down. They became

alarmed and piled incentives

"In October and November,

"Our efforts were to address

some areas of the market where



Fireworks explode over the northwestern Cambodian temples of Angkor Wat, Siem Reap, January 1, 2000, the scene of the country's flagship millennium celebrations aimed at luring more tourists to Cambodia. Direct international flights are set to increase to the area in the coming months with the government hoping to capitalise on the Angkor Wat temples as the main attraction to package tourists. - AFP photo

in Kushtia may exceed target KUSHTIA, Jan 7: Wheat cultivation may exceed the target

in six thanas of the district in the current rabi season, says The target was 40 thousand

hectares but it may exceed up to 50 thousand beclares, sources It was reported that wheat cultivation increased this year

because of high price of onion Tk 7.41 cr BKB

loan for Bandarban farmers

BANDARBAN. Jan 7: Bangladesh Krishi Bank's (BKB) Bandarban regional office has taken up a programme to disburse Tk 7.41 crore as agricultural loan among the farmers of seven thanas by nine BKB branches of the district in the current fiscal, reports BSS.

BKB Bandarban Regional Manager Md Ali Hossain told the news agency that the bank would give the loan as per the decision of the government. It will also distribute agricultural implements among the farmers.

A total of Tk 3.86 crore has already been disbursed among the farmers of the seven thanas during July to December last year, while Tk 2.43 crore outstanding loans have been realised from them during the

China not ready to convert its currency for at least a decade

TOKYO, Jan 7: China will not be ready to launch a totally convertible currency for at least a decade, a leading American economist said at a Tokyo economic conference, says AFP.

"China has a very long way to go - the check list of the conditions will give us at least a decade before China can liberalize fully," said Paul Krugman. economics professor at the Massachusetts Institute of Technology at the conference

on emerging currencies. ' The conference was jointly organised by the Asian Development Bank Institute (ADBI). the CEPH (French Institute for International Economics) and KIEP (Korean Institute for International Economic Policy.

China has experimented with a partially convertible vuan under the current account but has maintained strict controls on the movement of the currency related to capital ac-

US auto industry sales hit record 16.9m in 1999 other companies had changed said that December sales were

DETROIT, Jan 7: American consumers flush with the rewards of a high-reviving economy set a new record for auto sales in 1999, buying 16.9 million new passenger cars, pickups, minivans and sport utility vehicles, reports AP.

Every major automakers. from giant General Motors Corp to South Korea's Daewoo Motor Co, sold more vehicles this year in the United States than they did in 1998, as industry sales went up 9 per cent. The year also ended on a high note, with overall sales for December up 4 per cent, helped by a stronger demand for trucks.

However, some automakers had reasons to be concerned. GM ended the year with about 29 per cent of the market — the first time it has ended a year free of strikes with less than 30 per cent market share since the

1920s. Ford Motor Co saw its sales up 4 per cent for the year. though its slice of the market shrunk more than any other manufacturer.

And while GM, Ford and the Chrysler division of Daimler-Chrysler AG still sold more than two-thirds of all the new vehicles in the United States in 1999, European and Asian Automakers added buyers at a fast

For December, GM's sales were up 6 per cent, with a surprising 21 per cent jump in light truck sales — pickups, vans, minivans and SUVs - more than compensating for a 7 per cent decline in car sales. GM's results do not include the Saab brand, of which it owns 50 per cent.

(from a week November) was be-

cause we had the correct prod-

back on." Lache said. "What's unclear is what is the cost and whether its sustainable." Ballew acknowledged that

special incentives for company employees that expired at the end of the month did help sales; many of GM's truck and SUV models that had blockbuster months had also been the target of several incentives. "Our recovery in December

try analysis.

sales increases.

uct, sufficient inventory and the equation on us, and those the right value," said Paul efforts we took in December 1 Ballew, GM's director of induswould view as a normal response to the marketplace," he But Rod Lache, an analyst with Deutsche Bank Alex. Many GM car lines posted Brown, suspected that incen-

big losses for the month; Oldsmobile was down 25 per cent. Buick was down 19 per cent and Cadillac was down 13 per cent. Cadillac ended the year with a small decline, a result Ballew said was due to the launch of a new DeVille and a highly competitive market for luxury cars.

GM said Tuesday it would bring back its "loyalty coupons." a \$500 incentive for millions of GM vehicle owners. Bi Bal w said the coupons were not an attempt to start a rebate or incentive war with other automakers.

Also on Wednesday, Ford

down slightly from last year. due to strong December 1998 sales of its Ranger pickup, Explorer and Expedition SUVs and Windstar minivan. Ford's car sales, excluding Volvo and Jaguar, were up 5.5 per cent, thanks in large part to

again claimed the title of bestselling truck and best-selling vehicle, selling 869,001 F-Series pickups. For the year, GM, Ford and Chrysler saw sales rise 6 per cent. Asian automakers posted a 13 per cent gain, and European automakers had a 27 per

strong demand for its Focus

compact. And Ford also once

Much of those increases came at the extreme ends of the market. Asian automakers Kia and Hyundai, along with German automaker Volkswagen,

cent sales increase.

made huge gains in markets for smaller cars. And continued prosperity drove demand for Mercedes-Benz, BMW and other luxury automakers to new sales heights. Lache said part of the shift

could be pinned on better vehicles from foreign manufactur-"Over the long-term, if you don't have innovative products.

you won't be gaining share, Lache said. Looking to next year's lineups. "I think Ford is in a reasonably good situation." Lache said. "GM and DaimlerChrysler might have to tap the incentive

can a little more." While some industry observers had been forecasting a moderate slowdown next year. the sales estimates for 2000 have been creeping closer to this year's totals.