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Dhaka, Delhi sign MOU on agri co-op

Bangladesh and India have signed a memorandum of understanding (MOU) to institutionalise cooperation between the two neighbours in the field of agriculture, reports BSS.

The MOU, signed at the state Guest House Padma yesterday in the presence of visiting Indian Minister of State for External Affairs Ajit Kumar Panja and Agriculture Minister Begum Motia Chowdhury, will provide cooperation through joint activities, exchange and training of scientists, joint publications and promotion of joint ventures in agro-industries.

The specific areas of cooperation will include fisheries, jute production and cultivation, animal husbandry, bio-technology, agri-research, the salient features of the MOU said.

An official handout said the accord will promote development of cooperation in agricultural science and technology, agricultural production and agro-processing through joint activities, programme, exchange of scientific materials, information and personnel between the two countries.

The MOU, which is valid for

five years, was signed by Mostafa Faruque Mohammad, Bangladesh High Commissioner to India, and Deb Mukherjee, Indian High Commissioner to Bangladesh.

The MOU envisages the setting up of a Joint Agricultural Working Group (JAWG) which will meet alternately in India and Bangladesh.

JAWG will review progress of activities, provide guidance and facilitate cooperation in agriculture, the features mentioned.

The signing was held after Panja had made a call on Agriculture Minister Begum Chowdhury at the State Guest

House Padma where they discussed matters of mutual interest, in particular the cooperation between the two countries in the field of agriculture.

Additional Secretary Agriculture Rafiqul Alam, and Indian High Commissioner Mukherjee were present.

The signing over, Panja said the MOU would give a thrust to the existing cooperation between the two countries whose economy is largely dependent on agriculture. He said cooperation that had been going on so long between the two countries and was being institutionalised. He expressed his happiness to be

present at the signing ceremony.

Begum Motia Chowdhury expressed the hope that the MOU signed yesterday would bring benefits to agriculture and the large number of people dependent on farming in both countries.

The two ministers agreed that the MOU is a great step forward for development of agriculture in the region.

Panja arrived here Thursday on a three-day "goodwill" visit to Bangladesh. He is the first minister of the new Indian government which was sworn in on October last year.



Credit Agricole Indosuez executive arrives in city

Gerard Delaforge, Chief Executive Officer for Credit Agricole Indosuez Asia Pacific operations and Member of the Executive Committee of the bank, arrived in the city Saturday on a three-day visit, says a press release.

During his stay in the city, he will meet the Finance Minister, Governor and other executives of Bangladesh Bank.

Delaforge will also meet with a number of clients of Credit Agricole Indosuez in Dhaka and Chittagong.

Delaforge joined the group in 1971 and has spent 15 years in Asia. He opened the bank's branches in Korea, Sri Lanka and India.

Prior to this current assignment, he held the position of Managing Director of Banque Indosuez Italia, Al Bank Al Saudi Al Fransi, an affiliated bank of Credit Agricole Indosuez in Saudi Arabia, and Senior Country Officer for Switzerland.

Skill, technology application in RMG sector stressed

5-day training course on maintenance of technology in industrial sewing machines begins in city

Speakers at a function in the city yesterday underscored the importance of simultaneous application of skill and technology in the garments sector, the largest foreign exchange earner to boost national economy, reports BSS.

With the evolution of the concept of quality and market economy, the idea of globalisation in this new millennium is spreading fast, the speakers said, adding since training has no substitute to raise quality of products for export, further cooperation of development partners like Japan in this field will be of great help.

State Minister for Foreign Affairs Abul Hasan Chowdhury, addressing the inaugural function of a five-day training course on "Maintenance technology of industrial sewing machines" at Sonargaon hotel as the chief guest, said Japan, from the very beginning, is our valuable, dependable and trusted partner in development.

Bangabandhu Jamuna Bridge is a bright example of Japan's support to nation building activities, he added.

Chowdhury said Japan had extended its tremendous sup-

port to the Liberation War in 1971 when the nation jumped to the war at the call of Bangabandhu Sheikh Mujibur Rahman.

The minister hoped that such efforts by Japan could play a greater role in developing human resources, transferring technology as well as reaching further understanding about with whom the nation's ties are deeply rooted.

The Association overseas Technical Scholarship (AOTS), Japan, organised the course in collaboration with Brother Industries Ltd. Japan, Brother International Singapore, Brother Bangladesh Liaison Office, Bangladesh AOTS Alumni Society (BAAS) and Chittagong AOTS Alumni Society (CAAS).

The opening ceremony was also addressed by Japan External Trade Organisation (JETRO) representative Daisuke Arai, AOTS representative Dr. Moazzem Hussain, Brother Industries representative K. Naganuma, BAAS President and Steering Committee Chairman Md. Anwarul Haq and Member Secretary Jawaharul Ghani.

Three Japanese experts — Yutaka Yamamoto, Akio Soga and Lee, Cheo Tiang — are con-

ducting the five-day-long technical sessions, being joined by 40 participants from different garment industries.

The minister said Bangladesh had already made an impressive stride in the garments sector and hoped that Brother with its commitment to improve would take further entrepreneurial ventures for the development of human resources in Bangladesh.

Daisuke Arai said for a balanced global trade, JETRO encourages imports from Japan and supports strengthening trade and industries with other countries.

Keeping this in view Arai said JETRO has set up 80 offices in almost all over the world. He said since 1973 JETRO Dhaka office is actively involved in supporting the entrepreneurs in various ways so that they can uplift the standard of products to meet the demand of the world market including Japan.

Like the European and American markets, Bangladesh can also penetrate into Japanese markets through maintaining quality and taste of the local people, the JETRO representative said.

Dr. Moazzem Hussain said

AOTS since its establishment in 1959 under the Japanese Ministry of Trade and Industry (MITI) has been continuing world wide human resources development training programme in Japan and overseas.

It has so far trained about 90,000 persons in Japan including 850 from Bangladesh. Besides, it also trained more than 85,000 persons in overseas including about 1,900 in Bangladesh.

The AOTS representative hoped the participants would exploit maximum possible knowledge and skill from this course and utilize the same for their respective organisations.

K. Naganuma said Brother Industries has striven to put ideas into practice by creating imaginative new products for every day life. Brother, he said, is making strenuous efforts in contributing to the world garment industries including Bangladesh through its aggressive sales operation.

Anwarul Haq said BAAS at present is running a Japanese Language School and a Computer Centre here on a regular basis. It has also a plan to set up Bangladesh-Japan Training Centre in Dhaka in near future.



Bangladesh Express Co Ltd, (BANEX), licensee of Federal Express Corporation (FedEx), has introduced mobile trunked radios. The Operations and Customer Service Team of BANEX is now equipped with the advanced technology to enhance FedEx services to the customers on time. Picture shows Managing Director of FedEx-Bangladesh receiving the mobile radio sets from the Managing Director of Bangladesh Telecom Ltd recently. — BANEX photo

LDCs in trouble to keep pace with global economy

Commerce minister says at roundtable on LDCs at MCCI

Commerce Minister M Abdul Jalil yesterday said the present government has formulated effective and dynamic policies to face the challenges of the 21st century and ensure optimum utilisation of the opportunities, reports BSS.

He was speaking as the chief guest at the inaugural session of a round-table conference titled "Integrated infrastructure for providing technical cooperation on trade affairs of the least-developed countries" held in the MCCI auditorium in the city.

He said the least-developed countries (LDCs) were facing continuous problems in linking their economies with the global economy and to get out of this situation there was no alterna-

tive to technical cooperation on trade affairs.

The commerce minister said that the economies of the LDCs were being affected due to the Uruguay Round Agreement and in keeping pace with the globalisation process. He pointed out that the commitments made in the agreement for compensating the LDCs did not materialise.

He urged the donor agencies and countries to undertake necessary steps for removing the institutional and infrastructural weaknesses in the LDCs so that they could reap benefit from the opportunities created in WTO and other forums.

He said as a coordinator and spokesman country of the 48 LDCs, Bangladesh wants to take an overall cooperation pro-

gramme for the development of these countries.

Jalil said that due to the dynamic leadership of Prime Minister Sheikh Hasina, the export growth of Bangladesh was 13.8 per cent and 16.8 per cent in 1997 and 1998 respectively while floods brought it down to 3 per cent in 1999.

Commerce Secretary Golam Rahman, World Bank Resident Representative Frederic T Temple, and MCC President Latifur Rahman also spoke at the inaugural session.

Representatives from different donor agencies and countries including WTO, UNCTAD, IMF, World Bank, UNDP and local economists, experts, business leaders and concerned government officials took part in the conference.

Dhaka Bank's share allotment lottery held

The lottery for Dhaka Bank share allotment was held at its head office on Thursday, says a press release.

Abdul Hai Sarker, Chairman of the Board of Directors, was the chief guest at the function. Advisor, Mirza Abbas Uddin Ahmed, Vice Chairman, ATM Hayatuzzaman Khan, Directors Altaf Hossain Sarker, Khondker Moniruddin, Md Amirullah, Managing Director AIM Iftikar Rahman and Deputy Managing Director Md Mokhlesur Rahman were also present on the occasion.

The representatives of Electrical Engineering Departments of Bangladesh University of Engineering and Technology administered the lottery in presence of the representatives of Dhaka and Chittagong stock exchanges, ICB and private investors.



Abdul Hai Sarker, Chairman of Dhaka Bank Limited, delivers speech on the occasion of the lottery for the bank's share allotment held at its head office on Thursday. Mirza Abbas Uddin Ahmed, Advisor, ATM Hayatuzzaman Khan, Vice Chairman, Directors Altaf Hossain Sarker, Khondker Moniruddin and Md Amirullah, Managing Director AIM Iftikar Rahman and Deputy Managing Director Md Mokhlesur Rahman were also present. —Dhaka Bank photo

Oil hits \$30 a barrel in US

Airlines start adding surcharges to ticket prices, consumers worried about heating bills

CHICAGO, Jan 22: As crude oil prices roared toward \$30 a barrel this week, reaching levels last seen on the brink of the Gulf War, airlines were adding surcharges to ticket prices and consumers were worrying about heating bills, reports AP.

Yet inflation remains tame and the US economy has barely blinked.

The reason: Oil simply doesn't lubricate the new, tech-savvy economy the way it once did.

"Oil's overall impact on the economy is vastly reduced" from years past, said William Cheney, chief economist for John Hancock Financial Services. That's due to the increased energy efficiency of companies that use oil heavily and the increased importance of industries that are not heavily dependent on it.

Prices for crude have jumped nearly \$5 a barrel in the past week. Heating oil, spurred not only by oil's surge but a North-eastern cold snap, has risen 50 per cent in two weeks.

But even with energy products pushing to a series of new nine-year highs, many Americans keep shelling out undaunted for gasoline and other petroleum products.

"It doesn't deter me," motorist Chip Tuttle said at a Boston gas station Friday as he paid \$43 to fill his sport-utility vehicle, despite gas prices that are the highest they've been there since Christmas 1990.

The economy is good.

The era of cheap oil began ending last March when the Organization of the Petroleum Exporting Countries cut production by 4.3 million barrels a day. The oil producers were determined to end a world oil glut and push up prices that fell as low as \$11.37 a barrel in February.

OPEC, an often undisciplined cartel, was able to hold down production.

US oil supplies now are at their lowest level in several years and the International Energy Agency warned Thursday that markets "are tight and getting tighter."

Since March, crude prices have more than doubled, reaching a nine-year high in November that was smashed again this week. Oil for February delivery rose as high as \$9.95 during trading Thursday before the contract expired. In trading Friday, the March contract briefly rose above \$29 before giving up some ground. The new

near-term contract still managed to finish the day with a gain of 23 cents to close at \$28.20 a barrel on the New York Merchant Exchange.

Two decades ago, a similarly huge spike in oil prices caused gas lines and sent the US economy into shock. But in 1999, while fuel oil and gasoline prices climbed sharply, the "core" rate of inflation excluding the volatile energy and food sectors — rose at its smallest rate in 34 years, just 1.9 per cent.

What happened to inflation? Where's the recession?

Some economists are still warning of dire consequences, especially if oil's rise continues unabated. Phil Verleger, economist for the Brattle Group, a consulting firm in Cambridge, Massachusetts, sees oil headed to \$40 by year's end, prompting several interest rate increases and a recession before the year is out.

"If it went to \$40 a barrel, it would be disruptive," said Bruce Steinberg, chief economist for Merrill Lynch. "You can't keep going up and less without having an effect."

But America has built up a much better resistance to energy shocks. The oil price ex-

ADB to provide Tk 250cr for CHT development

BANDARBAN, Jan 22: The Asian Development Bank (ADB) will provide Tk 250 crore assistance for rural infrastructure development of the three hill districts, says UNB.

ADB Consultant Yusuf Ali informed this at a workshop at the district Town Hall here today.

The ADB funds will be used for development of agriculture, land management, water supply and management, micro credit, physical infrastructure, communication network and socio-economic development of the hill residents.

The workshop aimed at gathering views of the hill people was presided by Vice-chairman of CHT Development Board Taracharan Chakma and attended by representatives drawn from various sections.

Bomang King Aung Shwe Prue Chowdhury and member of CHT Development Board Shaifuk Azim Khan Siddique were also present.

Similar workshops were held in Rangamati on January 19 and another on January 24 in Khagrachhari.

Scientists develop int'l standard pH meter

Scientists of Atomic Energy Research Establishments (AERE) at Savar have perfected development of an international standard Digital pH meter used for determining the acidity and alkalinity of aqueous solutions, reports BSS.

Digital pH meter is widely used in all research laboratories, chemical, pharmaceuticals and process industries for proper measurement of pH to ensure quality of industrial products and processes where aqueous solutions are used.

Developed and fabricated at the Institute of Electronics and Computer Science at AERE, the quality, reliability and preci-

sion of the instruments were of international standard, and compatible with the imported ones from Japan and European countries, Chief Engineer and Director of the Institute Quamruzzaman told BSS.

The term pH is defined as the concentration of hydrogen ion (H+) per liter of an aqueous solution. It is a measure of acidity and alkalinity of a solution. If the value of pH is 7 then the solution is neutral, eg water. If the value of pH is less than 7 then the solution is acidic and if more than 7 then the solution is alkaline.

Quamruzzaman said they have already manufactured 40

pieces of the instrument and 20 of them were supplied to different research institutes, universities and private companies.

He said the annual demand of pH meters in Bangladesh is about 500 pieces while the Institute at AERE is capable of manufacturing 200 pieces. The cost of each pH meter manufactured at AERE is Taka 18,000 (including overhead costs).

While the cost of an imported one of the same standard is at least Tk 60,000, he added.

The Institute has also developed a digital Soil pH meter which can determine the acidity and alkalinity of soil.

Metal: Weekly Roundup

Gold inches up on rising oil, base metal prices

LONDON, Jan 22: Gold prices ticked upwards this week, sustained by the rising oil price and firmer base metals complex as well as by technical factors, as investors braced for the next Bank of England auction due next week, reports AFP.

The spot price on the London market rose to 287.70 dollars per ounce from 284.15 dollars last week.

"The main aspect is fund short-covering and technical moves, but the strong oil price is a supportive factor as well," said Lawrence Eagles, an analyst with the GNI brokerage.

"Higher oil prices don't necessarily mean inflation, but if you get higher oil prices and you get strong economic growth and tight labour markets the rise in inflation will come," he said.

Virtual Gold brokerage analyst Tony Warwick-Ching noted however that inflation was still muted compared with the double-digit levels of the 1970s.

Moreover, he added that the prospect of higher interest rates to counter incipient inflation should bear down on the gold price. Higher interest rates often depress gold prices because

they increase the attraction of investing in cash and fixed income instruments, hence raising the opportunity cost of holding gold.

Analysts also said that another British auction of gold due to take place next week was in the back of investors' minds.

"People are reluctant to take positions ahead of that, though the auctions do tend to shake out some of the short positions and that helps the price a bit," said Warwick-Ching.

Silver: Silver prices nudged up this week, in the slipstream of gold.

The spot price on the London Bullion Market rose to 5.13 dollars an ounce from 5.09 dollars.

Platinum and Palladium: Rise and shine. The prices of the sister metals rose again in a market optimistically anticipating strong global demand, and shaking off a resumption of Russian exports.

Platinum prices rose to 444 dollars an ounce from 423 dollars last week, while palladium was going for 445 dollars from 440 a week earlier.

Base Metals: Hot. Aluminium prices rose to their

highest level for almost 2-1/2 years as global supplies of alumina, the oxidised form of the metal which is refined into pure metal, ran short.

The gains made by the light metal pulled other base metals, including copper, nickel and tin, higher.

The base metals complex has also gained from the strength of the gold price, analysts said.

The alumina shortage buoyed aluminum prices in spite of an announcement from Alcoa, the US metals giant, that it planned to increase its production levels by 200,000 tonnes from next month.

Three-month aluminum prices on the London Metal Exchange (LME) rose by 65.5 dollars to 1,725.5 dollars per tonne.

Nickel prices gained 350 dollars to 8,600 dollars per tonne.

Copper gained 41 dollars to 1,925 dollars per tonne.

Tin surged by 115 dollars to 6,030 dollars per tonne.

Zinc lost nine dollars to 1,203 dollars per tonne.

Lead lost 10.5 dollars to 480 dollars per tonne.

IMF overhauling need growing more urgent

TOKYO, Jan 22: The need to overhaul the International Monetary Fund is growing more urgent and its operations will come under increasing scrutiny in coming months, the US treasury secretary said Saturday, reports AP.

The way the IMF provides long-term financing, the repeat use of financing, and the way it prices credit lines are all aspects of the IMF that will be looked at, Lawrence Summers told reporters.