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Sony Hi-Fi Promotion Campaign launched

The Sony Hi-Fi Promotion 2000 Campaign was launched at the Rangas Electronics' Airport Road sales centre yesterday, says a press release.

Kirk Lim, Senior Manager of Market Development Division of Sony Singapore, inaugurated the campaign as chief guest.

Lim Kian Huat Eddy of Market Development Division of Sony Singapore, Ahtar Hussain, Managing Director, Sabur Ahmed, General Manager, and other senior officers of Rangas Electronics Ltd were present on the occasion.

Speaking on the occasion, Kirk Lim hoped that Sony Hi-Fi Promotion 2000 Campaign will be able to popularise various new models of Sony Hi-Fi which are considered matchless in many ways specially for the listening pleasure they provide.

Kirk Lim along with Kim Kian Huat Eddy is currently visiting Bangladesh to study the electronics market here.

Ahtar Hussain, Managing Director of Rangas Electronics Ltd., spoke about the special features of the 8 new models of Sony Hi-Fi which include super high output 6000W FMPO.

The 8 new models are Video CD Hi-Fi VX 99, VX 88, VX 77, VX 55, VX 33 and LBT-V-60 and Audio CD Hi-Fi DX 3 and DX 5.

All these models are now available at special prices in all the 44 of Rangas Electronics own outlets and also with its more than 150 dealers covering the entire country.

India's MTNL cuts Internet access charges

NEW DELHI, June 10: Indian state-owned telephone company Mahanagar Telephone Nigam Ltd (MTNL) yesterday cut its Internet access charges by up to 80 per cent, its chairman and managing director said, reports AFP.

"Our new rates are very competitive. We decided to reduce the rates at a MTNL board meeting. It will give domestic Internet usage a big boost and MTNL increase its customer base," Srinivas Rajagopalan told reporters.

MTNL had earlier said it would follow a strategy of lowering tariffs every three months to eventually reduce the tariffs to a level comparable to what consumers pay for cable television.

MTNL, which offers phone and Internet services in Bombay and New Delhi, reduced its Internet access rates to 500 rupees (11.49 dollars) from 1600 for a 100-hour usage plan, and to 1,500 rupees from 5,500 for a 500-hour slab.

The reduction was greater for unlimited-usage plans, Rajagopalan said.

"For a month's unlimited usage plan, we have dropped rates from 1,000 rupees to 200 rupees for a month and to 2,000 rupees from 6,000 in the case of a year's package," Rajagopalan said.

On June 5, India's oldest and biggest Internet service provider, the state telecom company Videsh Sanchar Nigam Ltd (VSNL), halved its rates from 1,500 rupees (39 dollars) for 100 hours to fight increasing competition.

MTNL said the price cutting was not in reaction to the VSNL package and that it had been drawing up a fresh package for some time.

It said it was looking at "coming out strongly with high bandwidth Internet access packages that could be provided and supported through leased lines."

WB okays central African oil pipeline despite warnings

WASHINGTON, June 10: The World Bank rejected warnings from environmental and human rights groups and approved nearly 200 million dollars for an oil pipeline in Chad and Cameroon that critics say threatens the local population, reports AFP.

The bank said in a statement that its board of directors agreed "overwhelmingly" to lend 39.5 million dollars to Chad and 53.4 million dollars to Cameroon to help build a 1,070 kilometre (667 mile) pipeline to carry oil from the Doba field in southern Chad to loading facilities off Cameroon's Atlantic Coast.

The International Finance Corporation, the bank unit making loans to the private sector, will lend 100 million dollars to the joint venture pipeline and mobilise up to 300 million dollars from commercial banks.

Participating oil companies, banks and export credit agencies would provide the remaining 3.2 billion dollars.

The total cost of the project has been estimated at 3.7 billion dollars to develop the Doba fields and build the pipeline. US firms ExxonMobil and Chevron are participating with respect to stakes of 40 and 25 per cent, as is Malaysia's Petronas, with 35 per cent.

Incentives seen restoring investor confidence: DSE

Budget to help revive ailing capital market

Star Business Report

The Dhaka Stock Exchange (DSE) has hailed the proposed budget for 2000-2001 fiscal year.

In a press statement issued in the yesterday, DSE said the proposed budget has suggested tax incentives for both the primary as well as the secondary markets which will help channel unutilised funds to the country's stock market.

To boost the ailing capital market, the finance minister

has proposed four sorts of tax incentives.

The proposed budget offers tax rebate at a rate of 10 per cent to listed companies, which will declare dividends of at least 25 per cent.

The exemption ceiling for dividend income has been proposed to be raised to Tk 40,000 from the current Tk 30,000.

In the budget, the minister also made investment in secondary market shares eligible

for tax discount and raised the vestment allowance to Tk 225,000 from the existing Tk 200,000 for investment in initial public offerings (IPOs).

The bourse also hoped that the budget offerings for the country's capital market would create a positive impact on the investment scenario, energise the private sector and encourage more domestic and foreign investors to come in a bigger way.



Kirk Lim, Senior Manager-Market Development Division of Sony Singapore, inaugurates the Sony Hi-Fi Promotion 2000 Campaign at Rangas Electronics' Airport Road sales centre in the city yesterday.

— Sony photo

Plan to rein in WB, IMF to damage US interests

WASHINGTON, June 10: Radical plans by a Congressional commission to rein in the World Bank and International Monetary Fund would damage US interests and rob the global lenders of their ability to respond to crises, the United States said yesterday, reports Reuters.

Treasury Secretary Lawrence Summers, presenting Treasury's formal response to the report, criticised the commission's plans to limit the number of countries which could borrow from the two lenders.

"While we have sympathy with a number of the broad aspirations, we believe that the core recommendations would, if implemented, weaken the IMF, the World Bank and the other regional development banks to the point where vital US interests would be compromised," Summers told reporters.

The plan, signed by a majority of a bipartisan commission headed by conservative economist Allan Meltzer, won a hostile reception from the IMF and from many of its member states.

But it won some backing in

Congress, where many lawmakers dislike the IMF intensely. Some of them want to make additional US funding for debt relief for poor countries conditional on the IMF adopting Meltzer-style reforms, although Summers said he hoped the extra debt relief cash would be approved soon.

The IMF says the Meltzer report suggestions would make it harder for the fund to set conditions to ensure that its money is used correctly. Developing countries are angry at the report's proposals that the IMF stop lending to poor countries and that the World Bank stop lending to middle-income countries which can tap world capital markets.

"These institutions played an important role in our country," Mexican President Ernesto Zedillo said on Friday at a meeting attended by the heads of the IMF, the World Bank and the Inter-American Development Bank. "This role has been a positive and constructive one."

The IMF and the United States put together a \$40 billion rescue package for Mexico in early 1995 and the IMF lead-managed three big bailouts in

Asia and then new deals in Russia and in Brazil in 1997 and 1998.

"The message I got from developing countries in Latin America and in Asia is that the fund is an important institution which should be strengthened not weakened," IMF Managing Director Horst Koehler told the meeting with Zedillo.

Koehler toured countries in the two regions as part of a get-to-know you start to his term in office. He has already put forward a subtly different agenda to that from his predecessor, Michel Camdessus, and Summers said he welcomed Koehler's emphasis on transparency and crisis prevention.

The IMF, under pressure from the United States and other major member countries, is already making much more information available about its policies and its loans.

Summers also made clear he thought the IMF, which currently provides low-interest loans to poor countries, should remain involved in assisting these nations. But the main focus of this work should be on macroeconomic issues like inflation or monetary policy, he said.

S America seeks European-style economic treaty

BUENOS AIRES, June 10: Economy ministers and central bankers from six South American nations met yesterday to define common debt, deficit and inflation targets and to move toward integrating their financial service sectors, says Reuters.

Brazil and Argentina, South America's two largest economies, agreed to begin sharing standardised macroeconomic statistics and invited their Mercosur partners and associates to join them. Brazil and Argentina also agreed to begin setting common macroeconomic goals next March.

Primary and net government income, net debt, net consolidated public sector debt and inflation were earmarked for convergence, a document obtained by Reuters shows.

"We're making advances on this plan and examining the realities of macroeconomic convergence," Argentine President Fernando de la Rúa told reporters.

Central bankers and ministers from the world's third largest trade bloc, Mercosur — Brazil, Argentina, Paraguay and Uruguay along with associates Chile and Bolivia — met to flesh out details of the plan announced in April. Mercosur's four member nations represent 210 million people who produce \$1 trillion in goods and services.

India says its foreign debt in firm control

NEW DELHI, June 10: India said yesterday that its external debt situation had improved steadily with volatile short-term debt flows declining and the debt service ratio getting better, reports Reuters.

A government statement said that total external debt rose to \$99,005 billion at the end of December 1999 from \$97,677 billion at the end of March that year.

But the external debt to GDP (gross domestic product) ratio, which indicates the level of external indebtedness, declined to 22.3 per cent from 23.5 per cent in the same period.

There has been a sustained improvement in key debt indicators showing considerable improvement in the external indebtedness position of the country," the statement said.

Short-term external debt was \$4,657 billion at end-December 1999 against \$4,387 billion at end-March, while long-term debt was \$94,348 billion compared with \$93,290 billion, it said.

A lower level of short-term debt is said to be desirable because it reduces volatility on the external account.

Budget dubbed a 'realistic one'

Sylhet Chamber calls for lifting of PSI provision for small imports

From Staff Correspondent

SYLHET, June 10: The Sylhet Chamber of Commerce and Industry (SCCI) welcomed the proposed budget for 2000-2001 fiscal and hailed the government for different steps aimed at boosting the drive for the country's economic development and poverty alleviation.

Acting President of the Chamber M Shaokat Ali in a written statement issued to the press today, however, suggested some amendments like withdrawal of the PSI provision for the small-scale imports and others.

The statement said that despite various bottlenecks, the GDP growth achieved in the 1999-2000 fiscal was pretty appreciable. Reiterating the new budget a 'realistic one,' the Chamber said highest allocation

for the education sector, raising of the tax-free income ceiling to take one lakh, reduction of import duty on powder milk and increase of allocation to the communication sector are some of the laudable measures which will directly benefit the people.

The SCCL, however, said the mandatory PSI provision is a good measure for earning revenue, but it is hard to enforce the same in the case of small-scale import of goods through land custom stations due to lack of infrastructural problems.

Weekly ReadyCash Prize Winners

Thayne Whipple, Director of American International Bangladesh Ltd (ReadyCash), announced amidst loud applause and the slogan "Jhotpot, Nirapod (Fast and Secure)," the names of ReadyCash cardholders who won prizes of the ongoing ReadyCash prize campaign at Dhanmondi in the city yesterday, says a press release.

ReadyCash executives, existing and potential cardholders were present on the occasion.

Prizes for new cardholders.

Prizes	Winners	Card No
Konica Film	Shahanaz	3990
Hertz Rent-a-Car	M. Ruhul Amin Khan	3986
Lunch at Asparagus Restaurant	Joy Nelson	3933
IMART gift box	SM Tanveer	3988
Prizes for card use		
Canon Printer IMART (IDB Bhaban)	Md. Hedaitul Islam	2430
15 Piece Tea Cup Set (BFCL)	Syed Mazharul Haq	2705
15 Piece Tea Cup Set (BFCL)	Md. Shahidul Islam	3485
15 Piece Tea Cup Set (BFCL)	Noor-E-Elahi	3877
FedEx free shipment	Md. Kamrul Hossain	1232
FedEx free shipment	Md. Tarik Aziz	2228
FedEx free shipment	Md. Arif U Nishu	3377
Stop N' Shop free gift box	ASM Mustafa Haider	1501
Stop N' Shop free gift box	Wahidul Islam Biddut	3523
Stop N' Shop free gift box	Md. Salim Bhuiyan	3190
Meal in the Box Lunch for two	Md. Ishak Mony	1956
Meal in the Box Lunch for two	Md. Sakib Alam	0176
Meal in the Box Lunch for two	Md. Mizanur Rahman	1604

ReadyCash wants its cardholders to read The Daily Star every week for a new list of prizes and listen to Radio Metrowave at 2.30 PM on every Saturday for the special "ReadyCash news (ReadyCash Sangbad)" prize programme.

Novartis launches Ovaltine in Chittagong

From Staff Correspondent

CHITTAGONG, June 10: Novartis (Bangladesh) Ltd., a multinational company, organised an 'Ovaltine launch meeting' at a local hotel today to mark the introduction of the product in Chittagong.

President of Bangladesh Medical Association (BMA), Chittagong unit, Prof Dr Shahadat Hossain attended the function as the chief guest.

The launching ceremony was also addressed by Managing Director of Novartis (Bangladesh) Ltd, Gerhard G. Doege, and other company officials including M. Khairul Anam, Business Development Manager, and Shariful Islam, Brand Manager.

Speaking on the occasion the chief guest stressed the need for nutrition for the normal growth of children.

He also spoke of breast feeding to help the children grow properly.

The managing director of Novartis said that with the launching of Ovaltine, the company has further strengthened its business operation in Bangladesh.

China records strong growth in industrial production

BEIJING, June 10: China's industrial output grew 11.5 per cent year-on-year in May, a report said Saturday, indicating the economy continues to recover despite the drag of persistent structural problems, says AP.

The better-than-expected growth curbed fears that ongoing economic reforms will create major disruptions in the near term.

"It's a very strong number," Huang Yiping, an economist with Salomon Smith Barney in Hong Kong, told Dow Jones Newswires. "It basically confirms our prediction of a strong economy."

The State Statistical Bureau said value-added industrial output, China's benchmark production figure, rose 11 per cent in the first five months of 2000 to 890.4 billion yuan (\$107.5 billion), according to the official People's Daily. Output in May totalled 195.3 billion yuan (\$23.7 billion).

China's economy has outperformed most expectations so far this year. Gross domestic product rose 8.1 per cent in the first quarter, compared with a 7.1 per cent rise last year.

Many China economists expect deflation to ease this year and the economy to surpass last year's overall 7.1 per cent expansion, halting seven years of declining growth.

China has reported strong economic figures so far. Exports surged 39 per cent in the first four months of 2000, leaving a trade surplus of \$7.4 billion. Along with the growth in output, investment has risen strongly and corporate profits more than doubled.

Accelerated growth in production of steel and cement helped boost the overall figure, while output of colour televisions, refrigerators and air conditioners also maintained breakneck growth in May, the report quoted the bureau as saying.

Accord on greater protection for working mothers

GENEVA, June 10: Steps to improve an international convention on greater protection for working mothers were agreed here yesterday by employers, trade unions and governments from the International Labour Office's 175 members, reports AFP.

The text, which revises a 1952 ILO convention on maternity protection, will be voted on by ILO members at next Thursday's plenary session of the International Labour Conference.

Among its provisions are extending maternity leave from 12 to 14 weeks, a reinforced guarantee that mothers can return to the same job or its equivalent after the leave and the continued right to an obligatory postnatal leave of six weeks.

Improved conditions to allow working mothers to breast feed are also included in the drafted convention.

While generally welcoming the new text, the workers' group at the ILO complained Friday that it did not include the maintenance of an absolute ban on the dismissal of expectant mothers.

Such dismissals will remain possible if employers can prove they are unrelated to maternity.

"We think that it is an excellent text that will reconcile the workers' concerns for strong prescriptive provisions with employers' concerns for very realistic and implementable provisions," said ILO spokesman John Doonan.

Some trade unions and non-governmental organisations had feared a revision of the convention, so far ratified by 37 of the 175 ILO member states, would lead to a reduction in the level of maternity protection.

Commodity: Weekly Roundup

Oil surges on OPEC indecision on opening up taps

LONDON, June 10: Crude oil prices continued to rise, briefly topping 29 dollars in London and 30 dollars in New York, as OPEC failed to deliver on promises that it would open up the taps if prices rose substantially, reports AFP.

Brent North Sea crude on the International Petroleum Exchange (for July delivery) rose to 29.03 dollars a barrel from 28.88 dollars.

Prices have not been this high for three months, since before OPEC members and other countries agreed to increase output to cool overheated international markets.

Although the New York market rose sharply mid-week, prices slipped slightly at the end of the week to 29.78 dollars from 30.14 dollars a week earlier. OPEC said last March that it would increase or reduce output by up to 500,000 barrels per day if certain reference prices rose above 28 dollars for a 20-day period or fell below 22 dollars a barrel.

By Wednesday, composite crude prices had been trading at an average 28.08 dollars for the previous 20 days.

Some OPEC officials hinted that the cartel would take no decision on output levels ahead of its next ministerial meeting on June 21.

Saudi officials have given conflicting signals on future output pretensions in recent days.

On Monday, the Saudi oil minister Ali bin Ibrahim al-Nouai said that the current price rise was due to limited refining capacity in the United States, not a lack of crude supplies.

However, later this week he said that the price rise was because of strong demand in Asia and a fall in US reserves, which might indeed merit a rise in production.

Rubber: Soft. Rubber prices fell slightly amid light demand. In Kuala Lumpur, the RSS1 index slipped to 2.61 ringgit per

kilo from 2.69 ringgit. The SMR20 index, for rubber used in tyre manufacture, stood at 2.23 ringgit.

Cocoa: Cool. Cocoa prices slipped on technical factors. In London, September contracts fell to 648 pounds a tonne from 659 pounds.

Dealers continued to pay close attention to developments in Cote d'Ivoire, the world's leading producer country.

Coffee: Cool. Coffee prices fell as element weather continued to bear down on plantations in Brazil, raising expectations of a bumper crop to add to the global supply surplus.

In London, Robusta prices fell to 947 dollars a tonne from 966 dollars.

Prices slipped to 915 dollars mid-week, not far from the seven-year lows of 911 dollars seen in May.

In New York, Arabica (for September delivery) fell to 95.85 cents a pound from 97.75 cents.

Warm weather pressed on in Brazil, easing fears that plantations may be damaged by frost in the southern hemisphere's winter.

Prior fears that Brazilian plantations had been damaged by earlier drought were also seen to be unfounded.

And a rise in US coffee stocks to their highest level for six years also hit prices. Reserves on the US market rose to 2.26 million sacs this week.

Dealers were waiting to see just what action the leading producer countries, notably Brazil, would take in the face of such low prices.

Member countries of the Association of Coffee Producing Countries and observer countries Mexico, Guatemala, Nicaragua, Vietnam and Honduras agreed last month to the plan under which they would hold back up to 20 per cent of exports in a bid to keep prices above an average of 95 cents per pound.

Tea: Strong. High quality

BP1 (Broken Pekoe) leaves rose by up to 12 cents a pound, and PDust leaves, used in tea bags, rose by up to seven cents.

Sugar: Shine. Sugar prices continued to rise as dealers anticipated a fall in supplies as the Brazilian harvest is expected to be lower than last year's crop.

In London, October contracts rose to 230 dollars a tonne from 220.2 dollars.

In New York, white sugar for July delivery rose to 8.23 cents a pound from 7.79 cents.

Vegetable Oils: Stable. US soy prices remained unchanged amid continued forecasts of rain in plantations in the US Midwest.

On the Chicago Board of Trade (CBOT), a bushel of soy for July remained unchanged at 5.22 dollars.

Grains: Crushed. US wheat prices continued to fall as more rainfall was expected in US growing regions. On the Chicago market a

bushel of wheat (27.2 kg. for July delivery) fell to 266.50 cents from 270.50 cents.

A bushel of maize (25.4 kg. for July) fell to 219 cents from 225.50 cents.

In London, a tonne of wheat rose to 71.50 pounds (for July) from 69.50 pounds.

Cotton: Light. Cotton prices continued to fall amid light demand.

July contracts on the New York market fell to 58.19 cents a pound from 60.25 cents.

Cash prices covered by the Cotton Outlook index fell to 60 cents a pound from 60.85 cents.

Wool: Cold. Wool prices slipped in spite of relatively strong demand in the auction houses.

The Eastern index lost 13 Australian cents to 711 cents per kilo. The Woottops index fell by three pence to 312 pence despite the fact that 90 per cent of lots in the British auctions found buyers.