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DCCI to publish reference book on secrets of e-commerce

The Dhaka Chamber of Commerce & Industry (DCCI) has signed an agreement with International Trade Centre (ITC), Geneva, Switzerland, to publish a book titled *Secrets of Electronic Commerce: A Question, Answer, and Reference Book for Small and Medium-Sized Exporters* at its office on Monday, says a press release.

Afajul Islam, President of DCCI, signed the agreement on behalf of the chamber DCCI has signed the accord as a national partner organization of the International Trade Centre to publish the book.

The publication will focus on introductory issues to electronic commerce, developing an e-commerce strategy, on-line market research, on-line marketing techniques for products and services, on-line negotiation and communication techniques, legal issues related to e-commerce, security and encryption, financial issues related to e-commerce, characteristics or successful web sites, technical issues related to e-commerce, policy and country specific issues and on-line procurement.

The publication will be launched on October 18, 2000 along with the launching of trade secrets on export guide titled *Trade Secrets: The Export Answer Book for Small and Medium-Sized Exporters*.

DCCI Vice President and Coordinating Director of the Project Muhammad Golam Mustafa, DCCI Secretary Mirza A. Matin, Additional Secretary Montajul Islam, Economic Consultant Md Hossain Ali and Ferdous Ara Begum, Joint Secretary (R&P), were present at the signing ceremony.

Oil prices fall back

LONDON, Aug 8: Oil prices fell back yesterday, reversing some of the sharp gains made last week when worries reemerged about low fuel inventories in the United States, says Reuters.

London Brent blend futures lost 87 cents to close at \$28.50 a barrel after climbing \$2 last week. US light crude was off \$1.01 at \$28.95.

Dealers attributed the declines to profit taking.

Oil shot up last week after weekly data showed a nine-million-barrel fall in US crude oil stocks, leaving inventories 41 million barrels or 13 per cent lower than a year ago.

Brent hit a peak of \$31.40 in mid-June before easing to less than \$27 a week ago.

Doubts also emerged last week as to whether leading OPEC producer Saudi Arabia would fulfil a promise to supply another 500,000 barrels daily to the 76 million bpd world market.

Riyadh has remained silent since announcing in early July that it would add the extra crude to push prices down towards its target of \$25 a barrel.

Industry sources familiar with Saudi policy said shortly afterwards that another 250,000 bpd was coming in July followed by the same amount again in August.

But some major customers said last week that the kingdom appeared to be curtailing some of the incremental production.

"There's a lot of uncertainty about the exact Saudi position," a senior trader at a large European oil company said on Monday. "There're adding barrels but no one knows for sure by how much."

A Reuters survey of OPEC output put Saudi at 8.44 million barrels a day in July, taking it nearly 200,000 bpd above its official quota for the month.

Overall OPEC output rose 130,000 bpd to 28.3 million with production from 10 members that have official quotas up 210,000 bpd to 25.81 million — 410,000 bpd in excess of the official limit of 25.4 million.

Traders were bracing for more developments from OPEC this week from the sidelines of a tour by Venezuelan President Hugo Chavez in preparation for September's summit of OPEC heads of state in Caracas.

Hotels in Tokyo, New York, London most expensive

PARIS, Aug 8: Hotels in Tokyo, New York and London are the most expensive in the world, according to a survey published here yesterday, while Rome, Paris and Moscow offer a cheaper night's accommodation, reports AFP.

The survey, ordered by the Paris tourist board, showed that after the three most pricey cities came Rome, Moscow, Brussels, Paris, Milan, Florence, Amsterdam, Geneva, Copenhagen, Madrid, Barcelona, Frankfurt, Prague, Vienna, Munich, Berlin and Budapest.

The survey was based on the prices six two-star hotels, seven three-star hotels and seven four-star establishments.

An average night in Tokyo costs around \$24 euros (\$24 dollars) while a night in Rome should come in at around \$30 euros (\$20 dollars), the survey showed.

AmCham against cancelling US GSP over EPZ TU issue

'Move to hurt American businesses in Bangladesh'

Star Business Report

American Chamber of Commerce in Bangladesh (AmCham) said the American businesses would be hurt if the US government cancels GSP facilities to Bangladesh over the issue of trade union rights in the country's Export Processing Zones EPZs.

Addressing a press conference at a city hotel yesterday, AmCham President Forest E. Cookson said that instead of cancelling the GSP privileges, the US government should take steps to improve Bangladesh's market access to the US.

"To ensure that American firms can repatriate profits to their stockholders we want to be sure that Bangladesh can export freely to the US," said

Cookson.

He welcomed Bangladesh's proposal to set up welfare committees in the EPZs and urged the US government and ILO to assist in the formation of the committees. He said the US Embassy in Dhaka should monitor the progress in this direction.

The Trade Policy Committee (TPC) of the US government will hold a hearing on the trade union issue in EPZs and cancellation of GSP facilities to Bangladesh on August 15. The AFL-CIO has told the US government that denial of trade union rights in the EPZs is a violation of the workers' rights.

Cookson said AmCham has already submitted its com-

ments on the issue to the TPC. The TPC will then submit its recommendations to the US government.

Bangladesh Export Processing Zones Authority (BEPZA) has taken the initiative to establish workers' welfare committees to be selected by the authority.

The AmCham president said that trade unions in the country's industrial units, both state-owned enterprises (SOEs) and private ones, had a 'devastating role in undermining profitability'. He termed BEPZA's initiative to set up welfare committees an important step for healthy labour union activities.

He also said that several dis-

cussions were held among the parties concerned on the formation and operation of these committees. "While not everyone is satisfied with BEPZA's final formulation, we believe that this is a worthy first step."

"Freedom of association for workers means that they have the right to freely form association. Such an objective is very difficult to fulfil in Bangladesh due to the history of trade union movement and the high degree of politicisation of the unions," Cookson said.

"The foreign investors experienced considerable amount of pressure from union leaders. Union activities inevitably raised the cost of doing business," Cookson said.

Kibria calls for proper use of NRB expertise

Progressive Life Insurance launched

Star Business Report

Finance Minister Shah AMS Kibria yesterday said the country has not been able to properly utilise the experiences of Bangladeshi expatriates who took higher education abroad and developed expertise in different fields.

"One of the main reasons for this may be that the expatriates did not find favourable environment in the country and were compelled to stay abroad. We have to change the situation immediately," he said while speaking as chief guest at the inaugural function of Progressive Life Insurance Company Limited (PLICL) held at Sheraton Hotel in the city yesterday.

Kibria's comments came as

among the 13 sponsor directors of PLICL, nine are expatriates living in the UK.

Commerce Secretary Ghulam Rahman, Chief Controller of Insurance Shafuddin Ahmed, Acting Editor of the Daily Ittefaq Rahat Khan attended the function as special guests while Chairman of the newly formed insurance company Naser Ali Shah and Managing Director Zafar Halim also spoke on the occasion.

The Finance Minister said the government wants to ensure a healthy environment in the country to allure the expatriates.

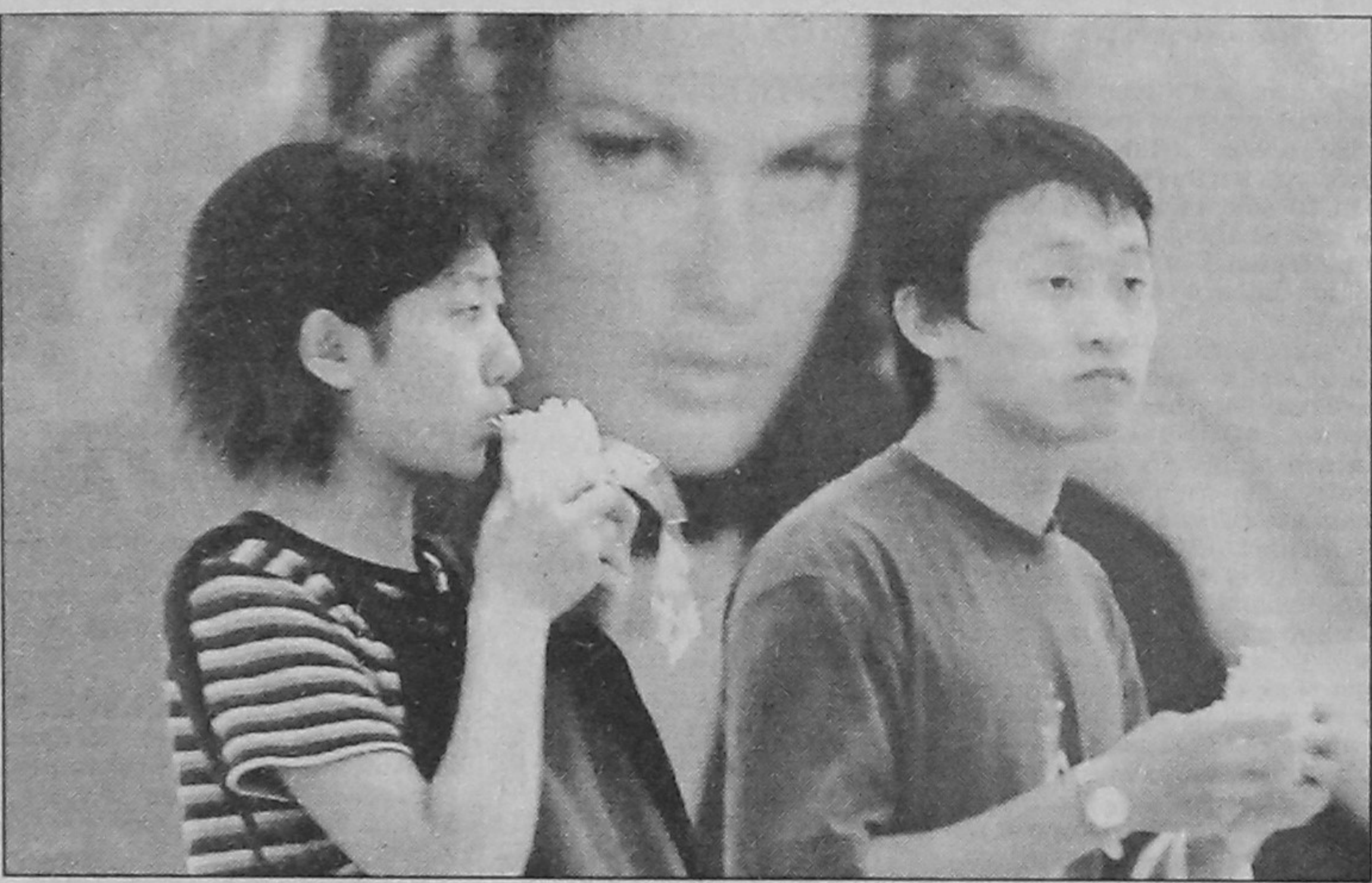
Citing an example, Kibria said the expatriates have to face very bitter experience and ha-

rasment at the air port, against which stern action should be taken.

Speaking at the function, Commerce Secretary Ghulam Rahman mentioned that life insurance coverage in the country is still very low.

He said it is not a good sign for the local companies that a foreign life insurance company enjoys the confidence of the people and has the significant market share.

Shafuddin Ahmed said insurance companies did not provide quality services to the people till now, for which the sector is facing an image problem and the people hesitate to take insurance coverage.



A young Chinese couple eat sweet cakes as they walk past an advertisement for a soon-to-open fashion boutique by a major international designer at one of Beijing's up-market shopping malls Tuesday. Within just the last few years Beijing has gone from having virtually no international designer labels or shops to now boasting shops by almost every major designer and label found in the world's international cities.

—AFP photo

Japan govt steps up pressure on BOJ not to raise rates

TOKYO, Aug 8: Japan's government openly confronted central bank chief Masaru Hayami today, piling pressure on him to keep holding interest rates virtually at zero to support the fragile economic recovery, says Reuters.

The embattled Hayami continued to insist that the economy, gradually emerging from recession, is ready for its first rate hike in 10 years but also indicated that other factors, such as jittery markets, are still weighing on the Bank of Japan's deliberations.

The tide of criticism from government and political leaders, reflecting a long-simmering dispute with Hayami over monetary policy, appeared timed to pressure the BOJ ahead of its next Policy Board meeting on Friday.

"I don't think conditions to lift the zero-rate policy have been met," Economic Planning Minister Taichi Sakaiya told Reuters as he entered a morning economic ministers' meeting. At the meeting, Sakaiya's view was shared by Shizuka Kamei, the policy chief of the ruling Liberal Democratic Party (LDP), and Hideyuki Aizawa, Japan's new chief banking regulator.

"It was almost an overwhelming environment

(against a rate hike)," Finance Minister Kiichi Miyazawa said of cabinet ministers' concerns over monetary policy at the meeting.

But Miyazawa himself stuck to his usual line that it was up to the BOJ's nine-member Policy Board to decide monetary policy.

Despite strong criticism, Hayami continued to advocate ending the central bank's almost 18-month-old policy of guiding key short-term rates virtually to zero, which he calls "abnormal".

Kamei quoted him as "showing a strong desire to end the zero interest rate policy at the August 11 Policy Board meeting," and he was also quoted as saying that some Policy Board members are eager to raise rates soon.

"It is strange to have no interest rate. Some Policy Board members have a strong desire for fine-tuning (of monetary policy) as soon as possible," Hayami was quoted as saying by an EPA official.

But Hayami's comments were interlaced with the need for caution on the timing of a rate rise.

Hayami had said on Monday that concerns about deflation have been dispelled — the central bank's stated condition for ending the unprecedented zero-rate policy — but said on Tuesday that the BOJ could not raise rates simply on the basis of deflation risk.

The flurry of often conflicting comments on rates took its toll on markets with the Nikkei 225 share index losing almost one per cent and the yen inching lower on the dollar and euro.

But bond market participants took the flurry of comments in their stride, saying they still expected no change in monetary policy on Friday.

Speculation had mounted that a July 17 policy meeting would see an end to zero rates, and Hayami was quoted as saying on Tuesday that he had wanted to raise rates at that meeting.

But the bankruptcy of major department store chain Sogo less than a week earlier kept the BOJ to hold amid worries about how the retailer's collapse might affect markets and business sentiment.

US job cuts in July greatest in 17 months

WASHINGTON, Aug 8: The number of US job cuts jumped 270 per cent in July over June, with a total of 63,967, according to figures released yesterday by the labour sector analyst Challenger, Gray and Christmas, says AFP.

The outplacement company said companies had cut 63,967 jobs in July, compared to only 17,241 cuts in June — which had been the lowest figure in 36 months.

The July figure was the highest recorded since March 1999 when 68,984 job cuts were recorded, according to the Northbrook, Illinois-based company.

However, the 287,388 job cuts for the year through July are 34 per cent lower than the 438,257 that were made for the first seven months in 1999, the group added.

"The spike in job cuts may be another strong indication that the economy is coming back down to earth," said company chief executive John Challenger.

"July represents a major reversal following months where employers were essentially hoarding workers," he said.

S'pore Airlines buys 16.7pc stake in Air NZ

SINGAPORE, Aug 8: Singapore Airlines said Tuesday it completed the purchase of a 16.7 per cent stake in Air New Zealand from Brierley Investments for 285 million New Zealand dollars (\$130 million), says AP.

The purchase brings Singapore Airlines' stake in Air New Zealand to 25 per cent, the maximum allowed by New Zealand's guidelines. The purchase was announced in April and was contingent on regulatory approval in New Zealand.

Three Singapore Airlines directors will be appointed to Air New Zealand's board.

Because Air New Zealand owns 100 per cent of Ansett Australia Holdings, Singapore Airlines now has a strategic stake in the Australian carrier as well.

The Air New Zealand stake purchase gives Singapore Airlines a firm foothold in the lucrative Australian market and advances its goal of becoming a global carrier.

In March, Singapore Airlines completed the purchase of a 49 per cent stake in Virgin Atlantic Ltd for 600.25 million British pounds (\$909 million).

China expects 26pc growth in computer sales this yr

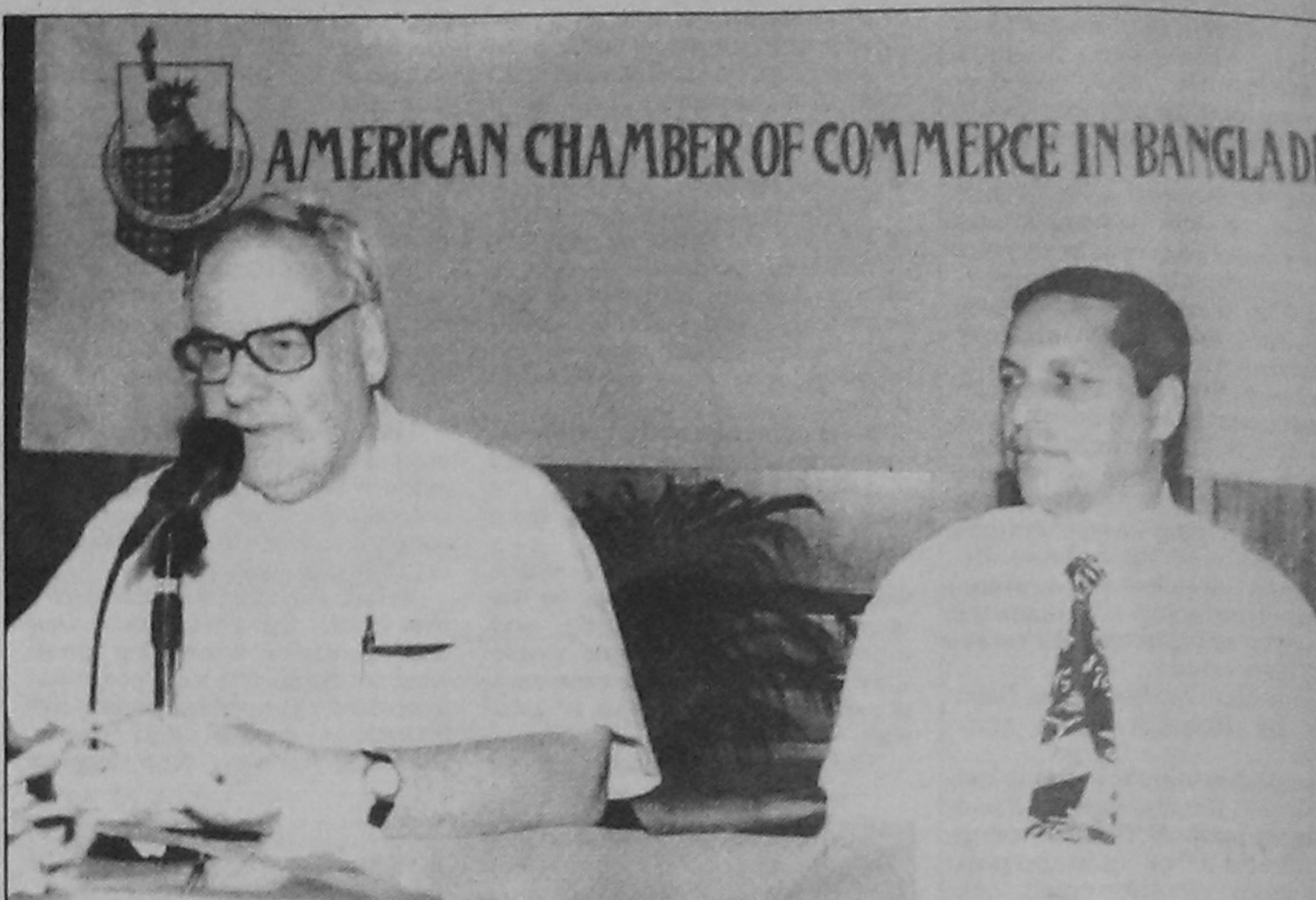
BEIJING, Aug 8: China expects computer sales this year to increase by 26 per cent, unchanged from last year's growth rate, state media reported today, reports AFP.

The information ministry forecasts local and foreign makers will sell a total of 6.2 million computers this year, up from 4.94 million last year, the China Daily said.

Growth in computer sales in the rest of the year will be driven by corporate sales in expectations of China's entry into the World Trade Organisation and by rapidly growing use of the Internet, according to the paper.

The number of Chinese Internet users almost doubled in the first half of the year, to 16.9 million, from 8.9 million at the end of last year.

In the first six months of the year, computer sales totaled 2.8 million units, up 26 per cent from the first six months of 1999.



Forrest E. Cookson, President of American Chamber of Commerce in Bangladesh, makes a point at a press conference held in the city yesterday.

—Star photo

Koehler sees world economic outlook at 10-year high

Rich nations urged not to dictate IMF reform terms

WASHINGTON, Aug 8: The head of the International Monetary Fund yesterday predicted a strong performance for the world economy this year, but told rich nations not to dictate terms for much-needed reforms at the embattled global lender, says Reuters.

In his first major address to a US audience since taking the reins at the IMF in May, Horst Koehler said strong growth in the United States was driving the world economy to new heights.

"The outlook for the world economy is the best we have seen in over a decade," Koehler, a former German finance ministry official, told the National Press Club in Washington. "The IMF staff expects the global economy this year as a whole to grow by about 4-3/4 per cent."

In its last formal forecast, released in April, the IMF said it expected world economic growth of 4.2 per cent in 2000. It releases new projections on Sept. 19. Koehler said the US economy appeared to be slowing from its recent sizzling pace, but there was no room for complacency about economic performances around the world.

The IMF should concentrate on preventing crises and providing countries with "candid" advice. But it was not, and should not, become a global "lender of last resort," printing money for limitless loans to countries in financial trouble.

"My ambition for the fund is not to have more and more programmes for more and more countries," Koehler said. "Instead, the objective should be to identify problems early

through better data and transparency, and prevent problems through the promotion of internationally agreed standards and codes for sound monetary and fiscal policy."

Since taking over at the IMF, Koehler has tried hard to define a vision for the global lender, which put together much-criticised rescue packages worth tens of billions of dollars during the world financial crisis of 1997-99.

Koehler said the main impetus to reform the IMF should come from its member countries, and he was clearly angry that the Group of Seven industrialised countries published its reform proposals after a summit meeting earlier this summer rather than presenting them to the IMF board for discussion.

WHO-WB study says

Higher taxes key to reducing tobacco use

CHICAGO, Aug 8: A 10-per cent hike in cigarette prices caused by a tax increase will result in about 42 million people kicking their smoking habit, according to a new report released here today, says AFP.

The report is the result of a three-year study conducted jointly by the World Health Organisation (WHO) and the World Bank.

"This research shows that the economic measure of a tax increase is the single most important intervention by governments to curb tobacco consumption," said WHO Director-General Gro Harlem Brundtland.

Governments wishing to halt the rising toll of tobacco-related deaths should strongly consider a tobacco tax hike as a matter of priority," she added.

Unless smoking patterns change, as many as one billion people were likely to die from

smoking in the 21st century — 10 times the number of those killed by tobacco in the 20th century, the report concluded.

It also pointed out that industrialised countries spend between six and 15 per cent of their health care budgets on treatment of tobacco-related diseases.

The study concludes that bans on tobacco sales remain unrealistic, while attempts to restrict cigarette sales to minors have been largely unsuccessful.

Therefore, higher taxes are the key to cutting cigarette consumption, especially among the poor and the young, said the study.

Tobacco control is a high priority in our efforts to improve global health," noted World Bank President James Wolfensohn, commenting on the report.

Profit taking pushes Asian stocks down

HONG KONG, Aug 8: Most Asian stock markets closed lower Tuesday, pushed down largely by profit-taking, reports AP.

In Hong Kong, stocks tumbled on the last trading day for Cable and Wireless HKI, Hong Kong's biggest phone company, which is merging with a local Internet group.

The Hang Seng Index, the Hong Kong market's key indicator of blue chips, fell 515.14 points, or 2.9 per cent, closing at 17,211.84, its biggest one-day drop since April 17 when the index fell 1,380 points.

The Japanese benchmark 225-Index Nikkei Stock Average fell 182.60 points, or 1.14 per cent, to close at 15,820.11. On Monday, the average closed up 335.35 points, or 2.14 per cent.

The Nikkei index opened slightly higher with investors cheered by rallies on Wall Street. But it soon moved into negative territory on profit-taking. Bank and auto issues were among the biggest decliners.

In New York, the Dow Jones industrial average rose 99.26 points to 10,867.01 at Monday's close. The Nasdaq composite index gained 75.63 points.

The Bangkok exchange's composite index rose 11.43 points to 318.15.

Elsewhere: Manila: Philippine shares closed lower in light trading as investors cashed in on recent gains. The 30-company Philippine Stock Exchange index fell 11.36 points, or 0.8 per cent, to 1,438.74.

Seoul: Share prices closed lower on selling by local institutions. The Korea Composite Stock Price Index fell 9.51 points, or 1.4 per cent, to 666.08.

Kuala Lumpur: Malaysian shares closed higher on buying by local funds following the guilty verdict on deposed former prime minister Anwar Ibrahim for sodomy earlier in the day. Dealers said. The benchmark Bank and auto issues were among the biggest decliners.

Singapore: Share prices closed lower, led by declines in banking and electronic stocks. The Straits Times index fell 2.045.02, or 0.69 per cent, to 2,945.02.

Taipei: Taiwan shares closed higher as investors snapped up technology stocks following a rally overnight on the US Nasdaq market. The Weighted Price Stock Index rose 81.79 points, or 1.1 per cent, to 7,797.78.

Jakarta: Indonesian shares closed lower as foreign-led selling in select blue chips pushed prices down. The composite index fell 1.1 per cent, or 5.484 points, to 485.080.

Exchange Rates

American Express Bank Ltd to clients foreign exchange rates (indicative) against the Taka to major currencies					
Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Sight Export Bill	Buying OD Transfer
US Dollar	51.2500	51.2800	50.8500	50.8970	50.6250
Pound Stg	77.7411	77.7866	76.5903	76.3598	76.2514
Deuts mark	24.1965	24.2107	23.2199	23.1500	23.1171
Swiss Franc	30.2538	30.2715	29.6588	29.5696	29.5276
Japanese Yen	0.4736	0.4738	0.4651	0.4637	0.4631
Dutch Guilder	21.4748	21.4874	20.6080	20.5460	20.5168
Danish Krona	6.2817	6.2854	6.1536	6.1351	6.1263
Australian \$	30.6475	30.6654	29.3506	29.2623	29.2208
Belgian Franc	1.1731	1.1738	1.1258	1.1224	1.1208
Canadian \$	34.8450	34.8654	33.8594	33.7575	33.7095
French Franc	7.2145	7.2188	6.9233	6.9025	6.8927
Hong Kong \$	6.5845	6.5884	6.5072	6.4876	6.4784
Italian Lira	0.0244	0.0245	0.0235	0.0234	0.0234
Singapore \$	30.0675	30.0831	29.1321	29.0444	29.0032
Euro	47.3243	47.3520	45.4141	45.2775	45.2132
Saudi Riyal	13.7014	13.7092	13.5207	13.4800	13.4609

Bill buying rates					
TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
50.7512	50.4653	50.0025	49.5788	49.1550	48.3075

US dollar London Interbank Offered Rate (LIBOR)					
Buying (\$)	Selling (\$)	Curren	3 Months	6 Months	9 Months
50.0250	51.2500	USD	6.6200	6.8900	6.8403
76.2514	77.7411	GBP	6.0520	6.20625	6.32625
Cash/TC	Cash/TC	EUR	4.4100	4.6375	4.89313

Exchange rates of some Asian currencies against US dollars					
Indian Rupee	Pak Rupee	Thai Baht	Malaysia n Ringgit	Indonesian Rupiah	Korean Won
45.72	53.25	41.05	3.7995	8594	1115.7
45.73	53.33	41.10	3.8006	8614	1116.1

Amex notes Tuesday's market

The USD/BDT market was moderately active on Tuesday. Average USD/BDT rate ranged between 51.1600 and 51.1700. The call money market was active with average call rates ranging between 6.00 and 6.25 per cent.