The Baily Star

DHAKA, THURSDAY, AUGUST 17, 2000

Line MatrixPrinter * 500 Line Per Minute Tel: 8116215, 9119861

Somatec strikes deal for LED ERP software

LED (Bangladesh) Co. Ltd. -- a Swiss software developing company, which is promoted by the Board of Investment -- has entered into a contract with Somatec Pharmaceuticals Ltd for providing Enterprise Resource Planning (ERP) software, says a press release.

Somatec is a fast-growing medicine manufacturer in Bangladesh. "Computerised automation will speed up our activities,' said the Somatec management.

LED has been doing business with ERP software in Bangladesh for about three years. The software integrates the entire business operations.

Local and foreign experts are in LED's team, which produces high-quality products that are reliable and cost-effective. LED ERP software is reasonably priced even for small and medium-size enterprises.

LED follows the ISO 9000 standards to achieve its main goal to provide 100 per cent failure-free ERP software.

Due to liberalisation of the economy, end to trade barriers, gradual integration of the local market into global environment, the internationalisation of engineering activities, global access to knowledge and information, LED does be ve that there is no alternative to computerised automation. ERP speeds up the processes of an organisation, reduces costs, restrains wastage, gives timely and accurate information to the management, monitors the activities and increases overall competitiveness.

Asset Dev, DBH sign MOU

Asset Developments & Holdings Ltd, one of the reputed developers in the real estate sector of the country, has signed a memorandum of understanding (MOU) with Delta Brac Housing Finance Corporation Ltd (DBH), says a press release.

The signing ceremony was held at the corporate office of Asset Developments recently.

This deal will help the discerning clients of Asset Developments to avail themselves of fast and easy housing loans from DBH, to the extent of up to 70 per cent of the purchase price of flats. DBH provides individual housing loans up to Tk. 40 lakh.

DBH, an international joint venture non-banking financial company, has registered commendable growth in performance by sanctioning more than Tk. 130 crore housing loans to more than 1400 clients so far.

Asset Developments & Holdings Ltd, one of the leading developers in the Dhaka Metropolis, is aimed at providing quality home accommodation for the middle class people.

Butterfly team visits Thailand

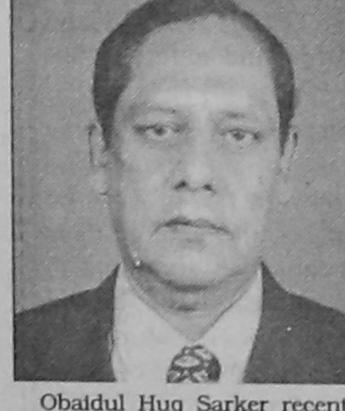
A 22-member team of the Branch Managers of Butterfly Marketing Limited is now in Bangkok on an excursion and good will visit, says a press

release issued yesterday. The team led by Chairman and Managing Director of the Company MA Mannan left for Bangkok on the 10th of August.

During its week-long stay in Thailand, the team was also expected to visit Phuket besides Bangkok.

It may be mentioned here that the excursion has been organised in recognition of the sale performance of Butterfly and LG products under the 'Scratch and Win' commercial programme of Butterfly Marketing Limited over the past two months.

New Water Management chief of WDB



Obaidul Huq Sarker recently joined Bangladesh Water Devel opment Board as Chief of Water Management, says a press

release. He was Chief Scientific Officer of Water Resource Planning Organisation (WARPO). An agriculture graduate, Sarker joined WAPDA in 1967 as an agriculture

officer. He obtained his post-graduate degree from A.I.T. Thailand, and took part in training courses on irrigation development and water management held in the Philippines, Indonesia, Korea and the Netherlands.

Taka devaluation sans suiting policies may shoot inflation

IMF country chief, CPD executive director caution

Star Business Report

International Monetary Fund (IMF) country chief and a leading local economist yesterday warned that the recent devaluation of Taka may trigger higher inflation unless more prudent fiscal, monetary and trade policies are taken to boost export.

'The outcome of the recent devaluation may only be higher inflation without lasting benefits for competitiveness and external performance, unless the action is quickly complemented by prudent fiscal and monetary policies," said Ronald P Hicks, the Fund's Resident Representative

in Dhaka. Ronald P Hicks and Dr Debapriya Bhattacharya, Executive Director of the Centre for Policy Dialogue (CPD), were the panelists at the monthly luncheon meeting on 'Bangladesh's

macroeconomic situation and challenges' organised by the American Chamber of Commerce in Bangladesh (AmCham) at Dhaka Sheraton Hotel yesterday.

Hicks termed the rapidlyexpanding fiscal deficit as the principal culprit and suggested immediate measures for boosting revenues by increasing the prices of petroleum products, natural

gas, electricity and fertiliser. Currently, the monetary expansion rate is almost 20 per cent, which not only threatens inflation ignition, but also reduction of the country's external

competitiveness, he stated. The IMF chief said low inflation coupled with high and rising monetary expansion are somehow, and rather uniquely, learnt to be coexisting in Bangladesh, which is a very risky presump-

Dr Bhattacharya stressed the need for institutional reforms and said that addressing the pricerelated issues alone would not help change the private investment and domestic savings sce-

Issues which were of major concerns last fiscal are still there. he observed, adding that early signals during the first two months of the current fiscal year calls for cautious management.

Bhattacharya mentioned lack of fiscal equilibrium, faltering manufacturing sector growth, stagnating domestic savings and private investment and dampened export growth as major problems facing the country. He pointed out that revenue collection in July this fiscal was less than expected. This is a vital

signal for the economy, he said. Bhattacharya was also of the view that devaluation will fail to serve the purpose unless appropriate monetary and fiscal poli-

cies are taken. "Unless the situation in some other areas including port, customs and law and order is improved, devaluation may prove to be self-defeating. Pragmatic approach may yield results although this is an election year." Bhattacharva observed.

Earlier, the IMF chief mentioned that a clearly articulated and comprehensive policy of macroeconomic stabilisation and structural reforms is needed

without delay. He said the present low inflation rate reflects in part the general slack in non-agricultural activities and delays in adjusting the artificially low administered prices. It would also seem that widespread smuggling has significantly augmented food and other supplies, thereby depressing

The present low rate of inflation can therefore hardly be viewed as reflecting broad-based macroeconomic equilibrium.

With sustained pressure on expenditures in an election year and likely undershooting in the optimistic revenue projections, the deficit could surge significantly over the budgeted target.

Expenditure and revenue reforms are essential if the fiscal position is to be improved on a sound structural basis. Effective fiscal policy needs to be coordinated with appropriate and comprehensive structural reforms, he stated.

Aldo Siegrist (in the middle), Managing Director of Nestlé Bangladesh Limited, addresses the launching ceremony of "Crack-a-Snack" at IDB Building Wednesday. Ashraf-Bin-Taj, Regional Sales Manager, Central, and Yadat Hossain, Brand Manager-Food, are also seen in the picture. Nestlé launches

Nestle Bangladesh Ltd launched a new snack, Crack-a-Snack, at a special programme held at IDB Building in the city yesterday, says a press release.

Unavailable anywhere else in the world, Crack-a-Snack is the bold and tasty cousin to Maggi noodles, which is known to families all over the world. Maggi has been appreciated for its versatility and value, quality and conve-

On opening up the bright pocke-size packet, the consumers will see something that they might find familiar. But the snack inside is something completely different. They're crispy-crunchy and ready to eat straight away. This is just because they come in four mouth-watering flavours, which are hard to resist: Tangy Tomato, Crunchy Chicken Magic

Masala and Sweet & Sour. The handy stay-fresh packaging means that they will have the same Crack-a-Snack appeal whenever or wherever someone munches them. Ideal for packing along with the books when children head off to school or college, Crack-a-Snack comes at an ideal price too, just Tk 6 per pack.

Maggi Crack-a-Snack was developed with the extensive know-how of Nestle's Research & Snack will guarantee an enjoyable experience for the consum-

S'pore non-oil exports seen up 11.1pc

SINGAPORE, Aug 16: Singatoday, reports Reuter.

omists produced an average

Singapore posted a 10.5 per

Oil hits 10-yr high on supply fears

LONDON, Aug 16: Oil prices vaulted to their highest for a decade yesterday on fears about low petroleum stockpiles and a frank admission by Venezuela about OPEC's perennial thirst for petrodollars, reports Reuters.

Benchmark Brent crude blazed ahead by \$1.32 or four per cent to a session peak of \$32.80 a barrel before falling back to finish at \$32.15 for a gain of 67 cents.

The increase put Brent above a previous peak of \$31.95 hit on March 7, at that time the highest level since 1990. US light crude softened 34 cents for a last trade of \$31.60.

Traders have lifted the price of the North Sea grade by a fifth since August 1 on worries about low oil inventories in the United States, the world's largest energy market.

Another spur has been tough talk by OPEC's Venezuela about the need of the Organisation of the Petroleum Exporting Countries for oil revenues to boost its members' economies.

'We don't want prices to drop below the present level," Chavez said on Monday on a tour of OPEC countries. "If that happens we would be passing a death sentence on ourselves and our peo-

On Tuesday Chavez said Saudi compliance with its OPEC production ceiling and what he called US energy problems lay behind the rally.

He said he was committed to a price stability mechanism that stipulates a cartel output hike if the price of a basket of OPEC crudes stays above \$28 for 20 consecutive working days.

The 11-nation group, which pumps most internationally traded oil, suffered a savage drop in earnings from a price slump in 1997-98 that was rescued only by painful OPEC output cuts.

"It's a silly price. It's an extraordinary price. But you can explain this largely in terms of the trauma of 1997-98," said John Toalster, director of oil and gas research at SG Securities.



A 22-member team led by MA Mannan, Chairman and Managing Director of Butterfly Marketing Limited, is seen at the Zia International Airport prior to their departure for Bangkok and Phuket on an excursion and good will tour. The tour has been arranged in recognition of the outstanding sale performance of LG and Butterfly products.

--Butterfly photo

cover-up scam widens

a cover-up of customer complaints by Mitsubishi Motors Corp widened on Wednesday as media reported it hid documents from the government for 30 years, far longer than the eight years it previously acknowledged, reports

The mass-circulation daily Yomiuri Shimbun reported that Mitsubishi, Japan's fourthlargest automaker, had systematically hidden complaints from the government since it began its recall system in 1969, in order to avoid costly recalls.

Mitsubishi said on July 18 it would recall more than half a million cars in Japan at a cost of five billion yen (\$45.84 million) after acknowledging it hid complaints from the Transport Ministry for eight years.

It plans to report to the ministry next week on the results of an internal investigation of the incident. Kawasoe told the Nihon Keizai the report would eventually be made public.

The cover-up has smudged Kawasoe's "Mr Clean" image, the president's post in late 1997 complaints.

TOKYO, Aug 16: A scandal over to restore the company's reputation after his predecessor resigned amid a racketeer payoff scandal. Kawasoe had received high marks for openness from the media and financial analysts.

> Kawasoe on Wednesday as say ing: "My salary and those of other officials in charge will be cut, and we are also considering holding responsible former staff involved in the cases."

Ministry officials said they nurtured since he was elevated to report up to 10,000 customer

The Nihon Keizai quoted

Over a two-day period after the scandal broke in July Mitsubishi's shares tumbled nearly 20 per cent to an intraday low of 388 yen, although they later recovered to close at 482 on Monday. The shares have since weakened once more, ending Wednesday trade at 458 yen down 1.5 per cent on the day.

Japan's Transport Ministry said on July 18 it had searched Mitsubishi Motors' headquarters and found unreported customer complaints hidden in a locker room and other areas.

Mitsubishi Motors US govt urges Supreme Court Exchange Rates to hear Microsoft appeal questions raised by Microsoft,

WASHINGTON, Aug 16: The US government yesterday urged the Supreme Court to consider Microsoft Corp's MSFT.O appeal of antitrust violations on an expedited basis, rather than have the case go first to a lower appeals court, reports Reuter.

The Justice Department said in a filing that the case had "immense importance to our national economy," meeting the standard of a law providing for high court review of major government antitrust cases directly after decision by a trial court.

"If this case does not qualify for direct review under the Expediting Act, it is difficult to imagine what future case would," argued the government, invoking the act for only the third time in 26 years.

District Judge Thomas Penfield Jackson found in June that Microsoft had used its monopoly power in personal computer operating systems to compete illegally, and said the software giant should be split in two to prevent future violations.

Jackson's order takes effect only after all appeals are exhausted.

the Supreme Court to let the case Appeals a court that ruled for the the right one. company in a related 1998 gov-

ernment-initiated antitrust case. The Justice Department says that route would add a year or more to the appeals process. "Microsoft, which has the benefit of a stay, apparently sees value in delay," the Justice Department

told the Supreme Court. In a short statement Tuesday, Microsoft said it still believed the Supreme Court would benefit from an initial review of the complex and technical matters by the Court of Appeals. 'We look forward to responding more fully in our filing on Aug. 22, it said.

appeal raises 19 issues that the high court would have to resolve, but the Justice Department said the issues could be narrowed to three-judge panel.

They are: whether Microsoft tried to exclude others from its markets to preserve its own monopoly, whether it tried to monopolise the market for Web browsers such as Internet Explorer and Netscape, whether the firm unlawfully conditioned the use of Windows on the use of its own browser, whether the judge moved the case along too Last month, Microsoft asked quickly and allowed inappropriate evidence and whether the believed Mitsubishi had failed to be heard first by the US Court of decision to break up Microsoft is

such as whether it was appropriate for the judge to give press interviews, "are not substantial questions that would warrant any significant expenditure of a reviewing court's time.' Even Microsoft itself acknowl-

edged the case met the test of national importance, the government said, noting that in earlier appeals papers Microsoft said "the district court's judgement may cause 'the entire United States economy' to ... suffer.'

The appeals court has shown The company has said its it is eager to take the case, announcing on June 13 it would have its full bench consider the matter rather than the usual

At one time all government antitrust cases went directly to the Supreme Court, but in 1974 Congress passed a law giving the high court some discretion. That slashed direct appeals from as many as four annually to only two in the years since the law was enacted. In both those cases, both parties wanted a direct

The law says governmentinitiated antitrust cases of "general public importance" in "the administration of justice" should get direct consideration by the The government said other Supreme Court.

Crack-a-Snack Development Centre and international culinary experts. By following the very strict quality norms of Nestle, every bite of Crack-a-

pore's non-oil domestic exports (NODX) for July are expected to post double-digit growth over a year earlier on a strong global electronics sector and intra-Asian demand, analysts said A Reuters poll of 10 local econ-

forecast of 11.1 per cent, with a range of 4.2 per cent to 15.0 per cent for July. However, nine of the forecasts were 9.0 per cent.

cent year-on-year rise in June to S\$9.38 billion. July export data are due on Thursday. "Demand for telecommunica-

tion and semiconductor components remains very healthy," said GK Goh chief economist Song

Currency		Selling	Selling	B	Buying TT Clean		Buying OD Sight Export Bill		Buying
		TT & OD	BC	I					OD Transfe
US Dollar		54.2500	54.2800	COLUMN TWO IS NOT	53.8500		53.6970		53.6250
Pound Stg		81.8958	81.9411	1 8	80.7104		80.4811		80.3732
Deuts mark		25.7183	25.7325	5 2	24.6917		24.6215		24.5885
Swiss Franc		31.8387	31.8563	3 3	31.2228		31.1341		31.0924
Japanese Yen		0.5000	0.5003	0.	0.4915		0.4901		0.4894
Dutch Guilder		22.8254	22.8380	2	21,9143		21.8520		21.8227
Danish Krona		6.6744	6.6781	6.	6.5423		6.5237		6.5149
Australian \$		32.3710	32.3889	3	31.0284		f30.9402		30.8987
Belgian Franc		1.2469	1.2476	1.	1.1971		1.1937		1.192
Canadians		36.9828	37.0032	35	35.9503		35.8482		35.8001
French Franc		7.6683	7.6725	7.	7.3622		7.3413		7.3314
Hong Kong \$		6.9692	6.9730	6.	6.8908		6.8712		6.8620
Italian Lira		0.0260	0.0260	0.	0.0249		0.0249		0.0248
Singapore \$		31.9606	31.9783	30	30.9768		30.8887		30.8473
Euro		50.3006	50.3284	48	48.2927		48.1555		48.0909
Saudi Riyal		14.5034	14.5114	14	14.3188		14.2781		14.2589
4 Ph (%)		10000	Bill buy	ying ra	ates		19		
TT Doc		30 Days	PERSONAL DESCRIPTION OF THE PERSON NAMED IN COLUMN 1	ays	100000000000000000000000000000000000000	Days	28	120 Days	180 Days
53.7512		ACCUSION AND A MARKET SERVICE OF THE PARTY O	52.9	THE STREET, SHARES	MCPC TATALON SHOW IN THE REAL PROPERTY AND A PROPERTY OF THE P		The second line	52.0550	51.1575
	The second secon	S dollar Lone		Market Street		red Ra	te (L	LIBOR)	
Buying (\$)	Selling (\$)	Currency	1 Month		Months 6 Mar		Months		12 Months
53.6250	54.2500	USD	6.62000	6 68	6 68750		25	6.90125	6.97188
80.3732	81.8958	GBP	6.08453	6.210	6.21078 6.3		19	6.40078	6.48000
Cash/ TC	Cash/ TC	EURO	4.55438	4.78	4.78750 5.1		0063 5.1465		5.25000

1115.2 Amex notes on Wednesday's market The interbank USD/BDT market remained very quiet on Wednesday. Transaction volume of USD/BDT was very low. Average USD/BDT rate ranged between 54.0900 and 54.1400. The call money market was active and the call rates ranged between 6.00 and 6.50 per cent.

40.78/40.81

Filipino trade surplus triples in 6 months

MANILA, Aug 16: The Philippines' trade surplus more than tripled in the first six months of the year and economists said today pessimism over the country's economic prospects may be

overdone, reports Reuter. The trade surplus surged to \$2.28 billion in the first six months from \$686 million in the same period last year, the National Statistics office said.

In June alone, the surplus increased almost five-fold from a year earlier to \$916 million, behind a 19.4 per cent surge in exports, the strongest growth rate since October.

In the first six months, exports increased 11.5 per cent to \$17.62 billion, serving as the driving

force for the country's patchy recovery from the 1997-98 Asian economic crisis.

The strong June increase in exports followed a 10 per cent decline in May, raising concern over the durability of the recovery in the face of deterioration in

Closely watched imports fell 6.5 per cent in June from the previous year, exceeding economists expectations ranging from no change to a 3 per cent drop, and indicating domestic demand remains severely depressed.

Yet analysts said the data indicated imports rose from the previous month on a seasonally adjusted basis.

S Arabia grants licences for | US industrial output 100pc foreign investment

RIYADH, Aug 16: Saudi Arabia has granted the first four licences for projects owned fully by foreign investors under a new law aimed at attracting foreign capital, head of the new investment authority said Monday, reports Reuters.

"The head of the General Investment Authority (GIA) Prince Abdullah bin Faisal bin Turki said the authority has started granting licences for investment projects in the kingdom," the official Saudi Press Agency (SPA) "He said four investment pro-

jects by foreign companies have

been given the proper licences

with a 100 per cent foreign capi-

tal," SPA added.

SPA did not give any other details, nor did it name the companies or the sectors they were investing in.

Prince Abdullah said last sectors would be open. month that Saudi Arabia was working to identify sectors in its oil-rich economy in which foreign investors would be allowed full ownership of projects. The GIA was set up in April to

provide the mechanism for a new investment law approved by the cabinet as part of a drive to reform the Saudi economy, diversify away from oil and attract badlyneeded foreign investments. Foreign investors and diplo-

mats had said the new invest-

ment law was attracting huge

interest by potential foreign investors, but that no practical approaches would be made until the GIA issues details of what

The law allows for the first time a 100 per cent ownership of projects by foreigners and relaxes rules for sponsoring of foreign employees. It also permits foreign ownership of related property and lowers tax on profits by compa-

Saudi newspapers said on Monday that the kingdom has laid our regulations for foreign ownership of property, allowing for the first time the ownership of real estate for personal use.

steadily up in July

WASHINGTON, Aug 16: Strong gains in production of computers helped push US industrial output steadily higher in July, even though some businesses like automaking throttled back sharply, the Federal Reserve said yesterday, reports Reuters.

45.69/45.70 | 58.80/53.88

Total industrial production grew 0.4 per cent last month after a 0.2 per cent rise in June as businesses ran at 82.3 per cent of their maximum operating capacity, up only slightly from 82.2 per

cent in June. Analysts said the report reinforced the impression of healthy manufacturing activity, especially in high-tech industries whose products help companies boost output without stoking

inflation. This, they said, should be reassuring to Fed policymakers when they meet next Tuesday to plot interest-rate strategy. "The mix... will help contribute to a Fed statement next week that

n Ringgit | Rupiah

1115.1/

stresses the risk of inflation despite the fact that there will be no rate hike at that meeting. predicted economist David Orr of First Union Corp, in Charlotte, The president of the National Association of Manufacturers.

Jerry Jasinowski, similarly noted that a wave of investment in new production machinery was helping keep prices collared by adding to companies' ability to produce