

DAEWOO
ELECTRONICS

Automatic Washing Machine
with Air Bubble Washing, Spin Rinse
System & 3 Dimensional Water Flow

TRINCO LIMITED—Authorized Distributor of DAEWOO Electronics
Dhaka: 8115307-10 CTG: 716353, 723578 Khulna: 720304 Bogra: 6215

The Daily Star BUSINESS

DHAKA, MONDAY, SEPTEMBER 11, 2000

National Housing Finance & Investments Ltd.
Home Mortgage Loans available for

- Construction of houses
- Purchase of houses or apartments
- Renovation or extensions to existing properties
- Purchase of housing plots in approved land developments

Telephone inquiries are welcome
Chamber Building (6th Fl), 122-124 Motijheel, Dhaka-1000
Telephone: 955 9311-2, 955 3387, 955 3254 Fax: 956 8867

WEF meet begins in Melbourne today amid tight security

MELBOURNE, Sept 10: Police turned a city centre casino and hotel complex into a virtual fortress Sunday ahead of an economic summit that protesters have vowed to disrupt, reports AP.

Scores of armed officers patrolled inside a steel fence erected around the Crown Casino while a helicopter hovered overhead and police divers in a boat on the Yarra River checked drainage ducts leading under the complex.

Meanwhile, in a nearby park, protesters gathered for an afternoon rally ahead of the start Monday of the Asia-Pacific Economic Summit.

Dozens of senior business executives and government leaders including Microsoft's Bill Gates are due to attend the summit to discuss future economic developments in Asia.

The three-day event is organised by the Switzerland-based World Economic Forum, a group that brings together business and government heads to discuss the global economy.

About 1,000 protesters gathered at Melbourne's Treasury Gardens park to discuss Monday's efforts to stop the forum and to listen to music.

Kristen Bartram, who runs a Melbourne computer consultancy, said she planned to join Monday's protest.

IBBL, Citibank sign deal to facilitate remittance

An agreement has been signed between Islami Bank Bangladesh Limited and Citibank NA Bangladesh to facilitate remittance of Bangladeshi wage earners working in Saudi Arabia through Saudi American Bank (SAMBA), says a press release.

M Kamaluddin Chowdhury, Executive President of Islami Bank Bangladesh Limited, and David E Rees, Chief Executive Officer of Citibank NA, Bangladesh, signed the agreement on behalf of their respective banks at the Boardroom of IBBL in the city yesterday.

Abdur Raquib, Deputy Executive President, Nasiruddin Ahmed, Velayet Hossain, Tajul Islam and Md Nurul Amin, Executive Vice Presidents, Md Abdul Mannan, Senior Vice President of Islami Bank Bangladesh Limited, and Selim Barkat, Devamalya Dey, Vice Presidents, Pinaki Mondal, Manager, Omar Faruque and Faruk Iqbal, Asstt Managers of Citibank NA, were also present on the occasion.

Under the agreement, Bangladeshi wage earners working in KSA will be able to remit their hard-earned income in taka to Bangladesh through any designated branch of Citibank NA, affiliate, SAMBA. The beneficiary of the draft can cash the same at the nominated branches of Islami Bank Bangladesh Limited.

The arrangement will be operative from September 24. Initially, 53 branches of Islami Bank Bangladesh Limited and 24 of SAMBA are covered under the arrangement.

Expanded ASEAN forex plan to boost dialogue, says IMF

BANDAR SERI BEGAWAN, Sept 10: Japan's drive to expand a \$1 billion Southeast Asian currency swap scheme to include major North Asian countries is a positive step, the deputy head of the International Monetary Fund said today, reports Reuters.

Rather than raising the risk of complacency on financial reform in once crisis-hit Asia, an expanded currency safety net would boost dialogue within the region, Shigemitsu Sugisaki, deputy managing director of the IMF told Reuters in an interview.

"When you give financial assistance, you want to know more about the economic situation of the country you're assisting. Inevitably you want better policy dialogue," he said.

"Such policy coordination together with mutual financial assistance would be in the interests of the region," he added.

Japan has led efforts to extend an ASEAN currency swap arrangement, designed to safeguard countries facing balance of payments problems, to include bilateral pacts between itself, China and South Korea.

Many analysts see the move as an attempt to resurrect its 1997 call for an Asia Monetary Fund (AMF), which the United States and Europe fiercely opposed out of concern it would undermine the discipline imposed by the IMF.

BB dir's support to loan defaulter in FBCCI polls raises row

By Shahriar Karim

When the central bank is preaching restriction on the election of loan defaulters to different trade body posts, one of its directors has supported a loan defaulter in the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) polls scheduled for October 12.

Qazi Shafique, member of the Board of Directors of the Bangladesh Bank, has offered his support for a loan defaulter, Mohammad Ali, who is keen to vie for the FBCCI Vice-president post.

Shafique also submitted Mohammad Ali's nomination paper.

Recently, the BB board has suggested the government to put a ban on the election of loan defaulters to the country's trade bodies.

The BB in a letter on July 3 requested the finance secretary to take necessary measures so that loan defaulters cannot take part in the elections of different business chambers and trade associations.

When the central bank is fighting to wipe out default culture from the country's banking sector, Qazi Shafique's move has raised furore in the business community and has put his moral right to remain as a BB director in question.

Shafique, a former Vice-president of the FBCCI and currently the Chairman of Coastal Ship Owners' Association, has been chosen the BB director as a FBCCI nominee.

Mohammad Ali, one of the leading loan defaulters of Sonali Bank, the country's largest

nationalised commercial bank (NCB), has Tk 50.56 crore defaulted loans with it. Different banks have lodged cases with the Artha Rin Adalat against him.

When contacted, Qazi Shafique admitted his support for Mohammad Ali in the FBCCI polls and said there is nothing wrong in it, as the government has not framed any law barring loan defaulters from contesting the trade body elections.

"If there's any law, I will abide by it," he said.



M Kamaluddin Chowdhury, Executive President of Islami Bank Bangladesh Limited, and David E Rees, Chief Executive Officer of Citibank NA, Bangladesh, sign an agreement on behalf of their respective banks at the Boardroom of IBBL in the city yesterday to facilitate remittance of Bangladeshi wage earners living in Saudi Arabia through Saudi American Bank (SAMBA). —IBBL photo

DaimlerChrysler downs price for Mitsubishi Motor stake

Leverage won over cover-up scam

TOKYO, Sept 10: German-US car giant DaimlerChrysler AG has knocked down the price for a stake in Japan's Mitsubishi Motor Corp but will still have a tough job making it pay, analysts say, reports AFP.

The cost of its 34-per cent stake in Japan's fourth-biggest car maker was dropped by 10 per

cent to 202.4 billion yen (1.9 billion dollars) on Friday as Mitsubishi became mired in a cover-up scandal.

Company president Katsuhiko Kawasoe said he would quit over the scandal, in which Mitsubishi Motor allegedly covered up customer complaints about defects in its vehicles.

DaimlerChrysler is to send in Rolf Eckrodt, the 58-year-old head of its railway subsidiary Adtranz, as a new chief operating officer to squeeze in an extra chair around the current 10-member board.

The decision echoed Renault SA's purchase of a 36.8 per cent stake in Nissan Motor Co Ltd last year. Renault's Carlos Ghosn is now trying to shake up Nissan as chief operating officer.

Exchange Rates

American Express Bank foreign exchange rates (indicative) against taka to clients									
Currency	Selling TT & D	Buying BC	TT Clean	Buying O.D. Sight	Buying O.D. Transfer				
US DOLLAR	54.2500	54.2800	53.8150	53.6970	53.6250				
POUND STG	77.4799	77.5227	75.7285	75.5624	75.4611				
DEUTSCHE MARK	24.4951	24.5086	23.4539	23.4025	23.3711				
SWISS FRANC	30.6428	30.6597	30.0441	29.9782	29.9380				
JAPANESE YEN	0.5165	0.5168	0.5023	0.5012	0.5005				
DUTCH GUILDER	21.7398	21.7518	20.8158	20.7701	20.7423				
DANISH KRONA	6.3633	6.3668	6.2354	6.2218	6.2134				
AUSTRALIAN \$	30.7326	30.7496	29.3551	29.2917	29.2524				
BELGIAN FRANC	1.1876	1.1883	1.1371	1.1346	1.1331				
CANADIAN \$	37.1143	37.1348	36.0521	35.9731	35.9248				
FRENCH FRANC	7.3035	7.3075	6.9931	6.9778	6.9694				
HONG KONG \$	6.9701	6.9740	6.8868	6.8717	6.8625				
ITALIAN LIRA	0.0247	0.0248	0.0237	0.0236	0.0235				
SINGAPORE \$	31.6290	31.6465	30.6429	30.5757	30.5347				
EURO	47.9082	47.9347	45.8719	45.7713	45.7100				
SAUDI RIAL	14.5030	14.5110	14.3091	14.2777	14.2586				

BILL BUYING RATES									
TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days				
53.7512	53.3665	52.9181	52.4696	52.0212	51.1243				

US Dollar London Interbank Offered Rate (LIBOR)									
Buying (\$)	Selling (\$)	Currency	1 Month	3 Months	6 Months	9 Months	12 Months		
53.6250	54.2500	USD	6.6263	6.6600	6.7800	6.8300	6.88125		
75.4511	77.4799	GBP	6.0748	6.2119	6.3154	6.39578	6.47359		
Cash/TC	Cash/TC	EUR	4.7018	4.8375	5.0750	5.1948	5.28629		

Exchange rates of some Asian currencies against US dollars									
Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won				
45.55/45.73	54.70/54.75	41.52/41.57	3.7999/3.8001	8345/8365	1108.5/1109.5				

Amex rates on Sunday's market.
The interbank USD/BDT market was moderately active on Sunday due to weekend in the international market. Average USD/BDT rate ranged between 53.93 and 53.95. The call money market was active with average call rates ranging from 5.50 to 6.00 per cent.

Breaking the barrier of cross-border communication is finally happening, Bangladesh is joining the global club of high-speed submarine optical fibre cable.

A similar opportunity was sabotaged in the '90s when the country's policymakers opposed connecting with SEA-ME-WE-3 network. From Vietnam in the east to Pakistan in the west, all the countries by the sea got connected with this transcontinental submarine cable network.

The wasted opportunity put the country's telecom and IT industry growth way behind the regional progress. Quitters prefer to be late than never.

Bangladesh Telegraph and Telephone Board (BTB) has signed a memorandum of understanding with Tyco Submarine Systems Ltd to roll out a submarine cable. Chittagong in Bangladesh and Tuas in Singapore will be the landing points of this 3,221-kilometer undersea cable. Its initial capacity will be 40 gigabits-per-second (Gbps), which is expandable to 640 Gbps by using dense wavelength division multiplexing (DWDM) technology.

BTB and Tyco will formally sign the contract this month. The cable laying will commence by this year and continue till early

2002. Citibank is financing this US\$145 million project, which obtained the cabinet's approval on August 29.

This link will connect Bangladesh with the second Asia Pacific Cable Network (APCN-2), to be operational from September, 2001. This 2.56 terabit-per-second network will be linking Japan, Korea, China, Taiwan, Hong Kong, the Philippines, Malaysia, and Singapore. A consortium of 40 carriers invested US\$ one billion in this venture. Directly accessing APCN-2 will relieve BTB and all private operators from struggling with the over-congested international call traffic. These calls are being processed via satellite earth stations at Betunbia, Talibabad, Sylhet and Mohakhali.

These gateways directly connect Bangladesh with 35 carriers of 27 countries through 2058 voice circuits. According to BTB's 1998-99 annual report, 170 million minutes of outgoing calls and 749 million minutes of incoming calls passed through its gateways during 1994-99. This

continuously growing gap between incoming and outgoing calls (679 million minutes) is due to inadequate circuits, poor transmission backbone and inefficient design in BTB's network.

Bypassing BTB's gateways while sending and receiving international calls, however, deteriorated the state-owned monopoly's financial health in 1999. High rate of call piracy, overwhelming popularity of Internet telephony and illegally calling via leased satellite circuits shrunk BTB's revenue.

The submarine cable will rescue BTB from this dilemma by fuelling competition in the telecom market. Voice over different platforms like Internet Protocol (IP), Frame Relay (FR) or Asynchronous Transfer Mode (ATM) will revolutionise the long distance call market. Time Division Multiplex over IP (TDMoIP) will be evolutionary for BTB to fight back the killer applications. Long distance business will be propelled by the invincible voice compression technologies. Traditionally an E-1 trunk (2 megabits-per-second) carries 30 voice channels. Technology has made it possible to transport 360 voice channels over an E-1 trunk. A twelve times capacity gain significantly reduces the carriers' capital cost.

BTB is currently progressing with three optical fibre transmission projects. The first one is a 2.5 Gbps Dhaka-Chittagong link, the second one is a 622 mega-bits-per-second (Mbps) Dhaka-Bogra link and the third network is between 622 Mbps and 155 Mbps, covering 58 districts.

BTB's rickety transmission backbone will be stronger once these projects are completed. These will, however, not improve the call termination unless BTB's network is professionally managed. Periodically analysing the traffic data is a primary precondition to begin this exercise.

Lack of a reliable and affordable access network, however, diminishes all these efforts. BTB has recently launched Digital Data Network (DDN) services for the IT market. Prices of DDN are

G7 deputy finance ministers meet tomorrow

VERSAILLES, France, Sept 10: Group of Seven (G7) deputy finance ministers will meet in London next Tuesday. German Deputy Finance Minister Carlo Koch-Weser said on Saturday, reports Reuters.

Koch-Weser told Reuters that the meeting would follow a Monday meeting of International Monetary Fund deputies.

The deputy ministers' meetings are being held to prepare the upcoming Prague meetings of the IMF and World Bank. Group of Seven finance ministers and central bank governors are due to meet on September 23.

Tuesday's talks follow a meeting of euro zone finance ministers this weekend which renewed its verbal support for the euro.

S Arabia for 1m bpd OPEC output hike

VIENNA, Sep 10: Saudi Arabia was trying today to persuade fellow OPEC member states to accept a 1 million barrels-a-day increase in production, a source close to the Saudi delegation said, reports AFP.

The Saudis are trying to persuade them to accept 1 million, said the source, asking not to be named, adding that "they want to do it before the markets" open again on Monday.

Another delegation source said the ministers were trying to finalise a deal in informal talks at a Vienna hotel ahead of a formal session later in the day, a delegation source said.

"In this very meeting they're doing the deal. They are finalising the deal," said the source, who also asked not to be identified.

The source close to the Saudi delegation agreed. "They have some housekeeping to do, they would want to do it at this session," he added, expressing hope that "we will have a decision by the end of the day."

Another report says: OPEC oil ministers were due to meet in full session today for a crunch meeting to decide on a production hike of at least 500,000 barrels a day to ease soaring prices, which have sparked worldwide concern.

Oil price hike may wipe out half-point off Asian growth

IMF warns at APEC meet

BANDAR SERI BEGAWAN, Brunei, Sept 10: Pushing the price of oil up by a further \$5 per barrel could wipe a half-percentage point off Asian growth rates and a quarter-point off world growth, while nudging up inflation, an International Monetary Fund official said Sunday, reports AP.

Shigemitsu Sugisaki, an IMF deputy managing director, said that the oil price is one of the major threats facing the world economy and the IMF's prediction that growth will touch 4.75 per cent this year, one of the highest rates in more than a decade. The fund has predicted a slight decline next year to 4 per cent.

But Sugisaki warned those numbers don't reflect the latest rises in oil prices, which have soared from \$10 to nearly \$35 a barrel in little more than a year, partly because of the surging economic expansion in importing countries.

"Developing countries as a whole may be even harder hit, particularly developing countries in Asia," Sugisaki said in an interview with Dow Jones Newswires and CNBC television. "They are generally more dependent on imported oil."

Sugisaki was attending a meeting of the Asia-Pacific Economic Cooperation forum, grouping the United States, Japan and the 19 other largest economies on the Pacific Rim.

The ministers issued a communique urging oil producing countries to raise output to help stabilise prices.

Sugisaki said he shares the view that global economic recovery and low stocks of oil help explain the high prices. The answer was not to weaken growth to bring down the demand for oil but for oil producers to increase supply.

Another risk to the IMF outlook for world economic growth is the possibility of reversal in the "very buoyant asset prices... in particular the equity market in the United States," Sugisaki said.

Another report says despite fears that rising oil prices might trigger inflation, finance ministers from Asian-Pacific economies meeting over the weekend were generally upbeat over prospects of continued growth, expecting to ride the coattails of the vibrant United States.

Finance Ministers from the 21 states of the Asia Pacific Economic Cooperation forum spent Saturday's session reviewing their countries. Bullish assessments reflected the International Monetary Fund's prediction Friday that global growth would reach around 4.75 per cent in 2000, the highest in more than a decade.

Sonargaon Jamdani show begins at Gulshan-2

A 10-day Sonargaon Jamdani saree exhibition begin at Gulshan-2 in the city recently, says a press release.

Bangladesh Handloom Credit Services has organised the show.

Sarwaruzaman Khan, Managing Director of First Security Bank Limited was the chief guest and Enayet Karim, Editor of The Industry, was the special guest on the occasion.

Among others SKOP leader Mokhelesur Rahman, Mahila Parishad President Rosy Begom and Weaver leader Shamsul Alam Zulfikur were present.



Aziz Al Kaiser, Vice Chairman of Partex Group and MD of Star Particle Board Mills Ltd, delivers speech at the Dealers' Conference-2000 held at a city hotel yesterday. M A Hashem, Chairman, and Ashfaq Aziz Rubel, MD of Partex Beverage Ltd, are also seen in the picture. —Partex photo

Nitol Motors seminar on quality Tata sales held

Nitol Motors Ltd, an enterprise of Nitol Group, organised a seminar entitled "Increase quality sales of TATA vehicles, not quality" at Dhaka Club Ltd Thursday, says a press release.

Every year Nitol Group organises a number of seminars on different topics, but this year's seminar is different in theme and carries special meaning. So long, Nitol Motors was interested only in increasing the volume of TATA vehicles by aggressive sales approach. But now there is a shift in Nitol policy and they are interested in rising the volume of quality sales through a network of strong and dedicated dealerships in partnerships with TATA representatives. Nitol Motors is out to make all efforts to develop professionalism and quality sales.

The objective of the seminar was to assess feedback from the management, dealers and TATA representatives in this regard and make concerted efforts to achieve the goals.

In the seminar, TATA authorised AS Rangan, Sr Dy General Manager, Chief of the Sub-Continent (South East Asia), Sujay Nag, Ramchandran, Ravi Narayan Uchil, PK Paul, Sanjay Chandra and S Chakraborty, all managers and in-charges of individual departments, were also present as TATA representatives.

Nitol Group's top Management members Abdul Matlub Ahmad, Chairman, AKM Monirul Hoque, Executive Director, and Section/Division managers attended the seminar, along with all its dealers.

French govt overwhelmed by oil crisis

PARIS, Sept 10: Most French people believed their government proved "overwhelmed" by the country's week-long protest against high oil prices, according to results from a French poll released today, reports AFP.

Seventy-two per cent of those polled said the government was not in control as protesting truckers and farmers laid siege to oil refineries and depots, against 23 to the contrary and five per cent undecided.

The poll was carried out by telephone during the week-long crisis which ground to a halt today with 959 persons over 21 years questioned.

Three-quarters of those polled were against force being used to lift the blockades, which almost paralysed the country and left 80 per cent of France's filling stations empty or low on fuel.

A majority of poll participants 47 per cent against 37 per cent judged that French Prime Minister Lionel Jospin would maintain his coalition government until the 2002 elections despite the crisis.

Partex dealers' confce held

Star Particle Board Mills Ltd, a concern of Partex Group, arranged the Dealers' Conference 2000 at a city hotel yesterday. Dealers from across the country participated in the conference, says a press release.

Star Particle Board Mills Ltd has been producing particle boards for the last four decades.

M A Hashem, Chairman of Partex Group, addressed the conference. Other officials including Aziz Al Kaiser, Vice Chairman of Partex Group, and Managing Director of Star Particle Board Mills Ltd, Ashfaq Aziz Rubel, Director of Star Particle Board Mills Ltd, M Rahman, Director-Marketing, Mohammad Yunus, Technical Director, Dewan Rashidul Hasan, DGM-Sales, Tawhid Shams Haque, DGM-Marketing, and Anwar Hossain, DGM-Distribution, were also present at the conference.

Malaysia sees 1.8pc inflation this year

BANDAR SERI BEGAWAN, Sept 10: Malaysia's inflation rate is likely to dip to about 1.8 per cent in 2000 from 2.8 per cent last year, despite a proposed hike in petroleum prices, Deputy Finance Minister Shafie Salleh said today, reports Reuters.

Shafie told Reuters in an interview the subdued inflation outlook would help banks to keep lending rates at low levels in the near-term.

"Based on present trends, it is anticipated that the inflation rate would be about 1.8 per cent in 2000 as a whole, considering that excess capacity still exists in the economy and monetary policy continues to be accommodative to support economic growth," he said.