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Kibria calls upon missions to help expedite aid flow

Finance Minister Shah AMS Kibria has asked the Bangladesh missions abroad to help expedite the flow of development assistance and accelerate export and foreign investment, says UNB.

He was addressing a meeting of Bangladeshi Ambassadors and officials of the missions in Western Europe in London on Friday, according to a delayed message received here on Sunday.

The meeting reviewed the assistance commitment and flow of fund from the countries in Western Europe and barriers to the same.

The meeting also discussed ways to expand export of Bangladeshi products like readymade garments, knitwear, frozen food, leather goods, ceramics and jute goods.

It emphasised the need for increased participation of Bangladesh in European trade fairs.

The meeting reviewed the remittance problem faced by the expatriate Bangladeshis and the reason behind delayed remittance.

Strenuous action will be taken against the people responsible for hundi business, the meeting was told.

The finance minister directed the officials to highlight the incentives offered for setting up joint venture industries in Bangladesh. He also asked the mission chiefs to give priority in resolving the problems of expatriate Bangladeshis.

Current oil price satisfactory to all, says Kuwait

KUWAIT CITY, Oct 2: Kuwait's Oil Minister Sheikh Saud Nasser al-Sabah yesterday said that the current price of oil is satisfactory to everyone, and that OPEC will work to maintain its existing levels, reports AFP.

"I believe the current price of oil is stable and good. We will exert every possible effort to maintain the existing level," Sheikh Saud told reporters at Kuwait Airport on return from the OPEC summit in Caracas.

The price of oil is satisfactory and acceptable to all sides," he said, adding the Organisation of Petroleum Exporting Countries did not discuss production at the Caracas summit.

Oil prices fell back below 30 dollars a barrel last week in London after fresh Saudi pledges Wednesday to release as much oil as the market needs and a promise from the US government the week before to release oil from the US strategic petroleum reserve to help cool the markets.

The benchmark Brent North Sea crude oil for delivery in November was selling for 29.88 dollars a barrel in London on Friday, down 2.80 dollars from the previous week.

In New York, meanwhile, November light sweet crude fell 3.66 dollars over the week to

30.34 dollars at the close of regular trading on Thursday.

OPEC concluded its summit in Caracas on Thursday in celebration of its 40th anniversary with a pledge to "continue providing adequate, timely and secure supplies of oil to consumers at fair and stable prices."

Oil price seen weakening German economy

MUNICH, Oct 2: Germany's Ifo economics institute said yesterday high oil prices threaten to slow economic growth in Germany, underlying recent data showing a weakening of business sentiment in Europe's largest economy, says Reuters.

It said in a report it expected a slight weakening in the German domestic economy unless there was a marked fall in oil prices, which are currently near decade highs.

The institute also said German export activity may suffer from lower world trade volumes, forecasting that all non-oil producing countries would be burdened by high oil prices.

The report follows falls in the last three months in the Ifo business climate index, with economists saying business sentiment has been soured by the stubbornly high oil prices.

It said in the report that a fall in German demand for consumer goods and services would have to be expected, even if the federal government introduced measures to cushion the effect of high oil prices.

The German government has said it will raise the deduction against income tax that commuters can take per kilometre they travel to work.

It also recommended moderation in German wage settlements, warning that a push for higher wages to compensate for the high oil prices could result in a wage-price spiral.

New Economy loans double in a year

By Shahriar Karim

Finally, the banks have found the New Economy a viable ground to invest in. A decade ago, hardly any financial institution felt like exposing itself to the IT sector. Today, they are finding more and more comfortable in giving loans to the burgeoning thrust industry.

The country's banks and financial institutions have almost doubled their loans to this prospective industry since 1998-99.

According to available statistics, the banks and financial institutions disbursed Tk 114.02 crore for the IT sector

in fiscal 1999-2000, which was about 93 per cent higher than that of the previous year. In 1998-99, they disbursed Tk 59 crore for the thrust sector while it was only Tk 0.86 crore a decade ago.

With the increase in disbursement, the percentage of classified loans has however shot up. Some 1.26 per cent or Tk 1.44 crore of the total loans disbursed last fiscal year has now become classified. In 1989-90, the amount of IT sector classified loans was Tk 0.33 crore, which represented 0.56 per cent of the total disbursed loans during the year.

The nationalised commercial banks (NCBs), private commercial banks and non-banking financial institutions are now focussing more on the New Economy and have opened advisory cells for prospective investors. All the NCBs have lowered their interest rates on IT sector to 10 per cent.

Sonali Bank, the largest NCB, is giving loans up to Tk one crore without any collateral. It allows as low as only 20 per cent equity participation.

United Commercial Bank Ltd (UCBL) has also earmarked Tk one crore for syndicated IT loans.

Banks zeroing in on IT

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banks (NCBs), private commercial banks and non-banking financial institutions are now focussing more on the New Economy and have opened advisory cells for prospective investors. All the NCBs have lowered their interest rates on IT sector to 10 per cent.

Although the classified loans increased four times in the last fiscal year over the previous fiscal, bankers feel that there is nothing to worry about, as the amount is still at a manageable level.

According to statistics, the total amount of classified loans in IT sector is Tk 2.14 crore against a disbursed amount of Tk 226.80 crore in the last 10 years till 1999-2000. The banks recovered Tk 163.06 crore loans while the outstanding amount stands at Tk 118.89 crore.

The nationalised commercial

Global farmers' body for unity against corporate control

BANGALORE, India, Oct 2:

More than 5,000 farmers under the umbrella of La Via Campesina, a global farming body representing 68 nations, gathered Monday in the southern Indian city of Bangalore to protest against corporate control over agriculture, reports AFP.

The farmers, wearing green caps and scarves, shouted slogans against corporations selling genetically-modified seeds, which they argue marginalise small farmers.

"We all suffer from the same agenda of globalisation. It is affecting us all. We are losing our farmlands as a few corporations

are taking control," a spokeswoman for La Via Campesina said.

"It is of utmost importance that all the farmers around the world come together against this global agenda," she said.

The protest comes ahead of a three-day international conference of farmers being held here from October 3.

The conference will attempt to formulate "global positions" on different issues affecting the farmers such as food sovereignty, reforms in agriculture and human rights, a spokesman for the conference said.

"Our sovereignty over

seeds, land and water is slowly being taken over by corporations. When corporations take over our land, small farmers have no place to live or to go," said M.D. Nanjundaswamy, spokesman for the local farmers' forum.

The conference will discuss intellectual property rights and also focus on the role of women in agriculture," Nanjundaswamy said.

"At the end of the conference we will formulate a global action plan to eliminate corporatisation of agriculture and to eliminate centralised system of production."

Nanjundaswamy also

warned that the negative impact of corporatisation would extend beyond the agricultural sector.

"Other sectors are incapable of absorbing the manpower that is involved in agriculture. We all will end up in hunger and death."

In India, US-based seed company Monsanto is in the thick of a controversy after the government cleared a plan for trials of genetically-engineered cotton seeds despite opposition from non-governmental forums.

Paul Nicholson, a representative from a European farmer's body, said small farmers were also being hit by cheap food imports, which have increased under World Trade Organisation (WTO) regulations.

"There has never been a crisis for family farmers like they are facing today. The crisis is not confined to US or Europe. It is the same in Asia and Africa. Cheap food imports are destroying local economy everywhere," Nicholson said.

"We must make a world campaign as we have common problems. We can create hope only by fighting the battle united," he told the protesters.

Rafael Alegria, Hounduran coordinator of Via Campesina, said he expressed "revolutionary solidarity" with Indian organisations fighting against the WTO regime and multinational corporations.

"We are here to tell the world 'No' to the WTO, 'No' to the International Monetary Fund and 'Yes' to our struggle. We are here to confirm our solidarity," Alegria said.



A thirty-four-member Bangladesh travel trade delegation attended the third Abacus International Subscribers Conference-2000 in Hong Kong recently. Picture shows the delegation members at the Hong Kong Convention and Exhibition Centre during the conference.

— Abacus photo

Mitsubishi Motors fined for recall cover-up

TOKYO, Oct 2: A Tokyo court today fined Mitsubishi Motors Corp four million yen (\$37,000) — the maximum under the law — for failing to register recalls and secretly repairing vehicles in a scandal which has tarnished the image of Japan's fourth-largest automaker, says Reuters.

It was not, however, the legal end of the road for Mitsubishi Motors in the scandal, which forced its president to resign last month and led to German-American partner DaimlerChrysler gaining a bigger say in management at ABN Amro.

Police are still investigating a criminal complaint filed last month by the Transport Ministry, a ministry official said.

In August, the company admitted that it had systematically covered up customer complaints for more than 20 years and in some cases secretly repaired vehicles. It has since recalled or offered to check close to a million vehicles for possible defects.

Mitsubishi Motors, in a brief statement from its public relations department, apologised again for the affair.

The report follows falls in the last three months in the Ifo business climate index, with economists saying business sentiment has been soured by the stubbornly high oil prices.

It said in the report that a fall in German demand for consumer goods and services would have to be expected, even if the federal government introduced measures to cushion the effect of high oil prices.

The German government has said it will raise the deduction against income tax that commuters can take per kilometre they travel to work.

It also recommended moderation in German wage settlements, warning that a push for higher wages to compensate for the high oil prices could result in a wage-price spiral.

"We wish to offer our sincerest apologies to our customers and to all other parties involved for the trouble and concern they have been caused as a result of this incident," the automaker said.

The recall scandal prompted the resignation earlier this month of Mitsubishi Motor president Katsuhiko Kawasumi — the architect of its alliances with AB Volvo and DaimlerChrysler and caused the German-American partner to send in one of its own executives as chief operating officer.

DaimlerChrysler also got the right to raise its 34 per cent stake after three years instead of 10 years as originally planned, raising chances for a dramatic boardroom power struggle.

The Transport Ministry official said the fine was the maximum allowed under the law and exceeded the 1.4 million yen Fuji Heavy Industries Ltd, which makes Subaru brand cars, had to pay in 1998 for failing to notify authorities of vehicle defects and making repairs in secret.

The fine — only the second of its kind to be imposed in Japan — was in line with expectations and had no impact on Mitsubishi Motor's share price, which was up two yen at 334 yen in early afternoon trade.

"Obviously, in terms of earnings, it has minimal impact and I think it will be taken fairly mildly by the market," said Enda Clarke, an auto analyst at ABN Amro.

Clarke said that Japan's rules concerning recalls and when to report them to authorities had been a "gray area" and that what was important now was to lay down clear criteria.

The trouble with recalls in Japan is that what is, and what isn't, a recall is basically not defined," he said.

That's what needs to be focused on instead of finding companies a lot of money," he added.

The Japan Automobile Manufacturers Association said late last month that it would map out guidelines for defective vehicle recalls as part of its efforts to present such incidents from recurring.

Malaysia posts trade surplus on strongest ever exports

KUALA LUMPUR, Oct 2: Malaysia's trade surplus widened to 4.7 billion ringgit (\$1.24 billion) in August from the previous month on strongest ever export and import figures, the statistics department said Monday, reports AP.

The surplus rose 18.4 per cent from 4.0 billion ringgit (\$1.05 billion) recorded in July, but was down 29.9 per cent from 6.7 billion ringgit (\$1.76 billion) in the same month of 1999. It was Malaysia's 34th consecutive month of trade surplus.

Imports expanded 43.1 per cent from August last year to 29.2 billion ringgit (\$7.68 billion), outpacing export growth of 25 per cent to 34.0 billion ringgit (\$8.95 billion).

The boost in imports was largely fueled by intermediate and capital goods, which comprised 89.5 per cent of total imports. Electrical and electronic products represented the bulk, or 60.7 per cent, of total exports.

Analysts say Malaysia's trade surplus is likely to fluctuate in upcoming months and should decline toward the year's end as imports increase in line with strong domestic demand.



Japan's electronics giant Sanyo Electric unveils the new digital disk camera "iDshot IDC-1000Z", which has the 730MB capacity magneto-optical disk "ID PHOTO" to store data, in Tokyo yesterday. The iDshot can record about 11,000 still images or 2 hours moving images on the new 730MB small MO disk. Sanyo will put it on the domestic market on December 8 with a price of 1,480 USD.

— AFP photo

Exchange Rates

Following are yesterday's Standard Chartered Bank rates of major currencies against Taka:

Central bank buying and selling rate of USD: BDT 53.85/BDT 54.15

October 2, 2000

TT/OD	BC	Currency	Buying		
			TT Clean	OD Sight Doc	OD Transfer
54.2500	54.2800	USD	53.8150	53.6464	53.5779
48.4733	48.5602	EUR	46.6657	46.4823	46.4057
80.5828	80.6248	GBP	78.7667	78.5002	78.4456
30.6439	30.6684	aud	27.6420	27.5496	27.4694
0.5084	0.5085	JPY	0.4903	0.4901	0.4891
31.6744	31.6989	CHF	30.9679	30.8734	30.7889
5.6385	5.6436	SEK	5.5444	5.5268	5.5108
36.3752	36.3997	CAD	35.5107	35.4171</	