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# The Daily Star BUSINESS

DHAKA, SUNDAY, OCTOBER 22, 2000

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## IDLC arranges Tk 240m for Appollo Ispat expansion

Industrial Development Leasing Company (IDLC) of Bangladesh Limited, one of the leading multi-product financial institutions in Bangladesh has arranged the largest-ever syndicated lease in the country, says a press release.

The IDLC-led syndicate will provide Tk 240 million as capital investment for the expansion of Appollo Ispat Complex Limited (AICL), one of the leading galvanised plain (GP) and corrugated iron (CI) sheet manufacturers in Bangladesh. The proposed expansion is expected to make AICL the largest GP/CI sheet manufacturer in the country.

Apart from IDLC, the other financiers of the project are IPDC of Bangladesh Ltd, Dhaka Bank Ltd (DBL), Uttara Finance & Investment Ltd (UFIL), Vanik Bangladesh Ltd (VBL) and Bangladesh Industrial Finance Co Ltd (BIFC).

The facility agreement on the financing arrangement was signed by the participants in the syndicate at the IDLC office on Thursday. The Managing Director of IDLC M Aminul Islam, Managing Director of IPDC, CM Alam, Managing Director of DBL, AIM Ifikar Rahman, Managing Director of UFIL, Sayyed Husain Jamal, CEO of VBL ECSR Muttupulle, Managing Director (current charge) of BIFC, Inamur Rahman and Managing Director of AICL, Md Anwar Ali were present in the signing ceremony.

Since its inception, IDLC has been playing an instrumental role in the industrialisation of the country and established itself as a major financing company in terms of capital investment.

## Two-day Agrani Bank workshop concludes

The two-day workshop on 'bank manager and his job' ended at the Agrani Bank Training Institute in the city yesterday.

Presided over by A K M Khabiruddin Chowdhury, Director of the Training Institute, the concluding session of the workshop was participated by the bank's top management and Field Managers.

Addressing the workshop as chief guest, the Agrani Bank Managing Director, A M Yousof, spoke of the need for attitudinal change in bankers' behavioral pattern and marketing strategy.

Agrani Bank General Managers Md Abdus Samad Sheikh, A F Masud Rahman and Anwarul Quader also spoke at the concluding session.

Managers from 36 branches of Agrani Bank in the outlying districts participated in the workshop.

## ICC urges Cuba to open economy to free trade

HAVANA, Oct 21: An international business organisation yesterday urged Cuba to open its government-run economy to free trade and private enterprise, but said the communist-ruled island should take the decision itself and not be forced, says Reuters.

"Cuba must take its rightful place in the global economy," said Adnan Kassar, outgoing president of the International Chamber of Commerce (ICC), at the end of a two-day ICC Latin American regional meeting held for the first time in Havana.

Although President Fidel Castro's government remains committed to socialist state control and ownership of most industries, Cuba in May became a full member of the Paris-based ICC, which advocates free trade and private enterprise.

Asked about this apparent contradiction, ICC Secretary-General Maria Livanos Cattani said the global business grouping, which has more than 7,000 member companies in 134 countries, was not seeking to impose its philosophy on Cuba.

"Every country has its own responsibility to take decisions and to live with the consequences," she told Reuters.

But she added the ICC and Cuba could mutually benefit by sharing experiences and information about key issues like trade liberalisation, investment policies, dispute arbitration and electronic commerce, all themes discussed at the conference.

Following the collapse of the Soviet bloc after 1999, which plunged Cuba into economic recession, Castro reluctantly opened the island's state-run economy up to foreign investment and tourism and introduced cautious, yet liberalising economic reforms.

But the 74-year-old Cuban leader, who frequently portrays the existing global economy as an unsustainable "chaos," has been resisting foreign pleas and pressure to embrace fully-fledged free-market economics.

# Showcase, bank branch can boost Bangladeshi business in Bhutan

People of Himalayan kingdom observe

By Monjur Mahmud, back from Bhutan

As part of its aggressive marketing strategy, Bangladesh should immediately open a product display centre and a bank branch in Thimpu to increase its export to Bhutan, businessmen of the Himalayan kingdom feel.

In terms of quality and price, Bangladeshi products have very good demand in Bhutan. With rapid improvement of infrastructure and increase in the people's buying capacity, the market is growing very fast, said Bhutanese policymakers and business leaders.

"Bhutan government is providing Bangladeshi products duty-free access. To take this opportunity, Bangladeshi exporters need to plan an aggressive marketing strategy," said a leader of the Bhutan Chamber

of Commerce and Industry (BCCI).

Bangladesh should immediately solve the existing pre-shipment inspection (PSI) problem for the Bhutanese exporters, he mentioned.

A group of journalists who visited Bhutan last month as part of a Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) delegation found that some Bangladeshi brands such as Sharif Melamine, Haque Biscuits, Bombay chips and Pran juice were selling at Gedu, a tourist stoppage 132 km from Thimpu.

"By solving the PSI problem, the trade between the two countries will increase significantly. Besides, the businessmen of both the countries should interact frequently,"

Karna Dorjee, Secretary of the Ministry of Trade, Industry and Power of Bhutan, told The Daily Star.

Karna Dorjee was the Bhutanese Ambassador in Dhaka during 1989 to 1993. Elaborating his experience, he said, "When I was posted in Dhaka, I tried to import powdered milk from Bangladesh, but nobody was interested to export the item."

He mentioned that Bangladeshi products like readymade garment, melamine and ceramic tableware, condensed milk, biscuit, chips, leather goods, cosmetics and toiletries have very good demand in Bhutan.

He suggested that Bangladesh improve road infrastructure in Lalmonirhat and Burmari to facilitate trade between

the two countries.

"A product display centre should be immediately opened in Thimpu to popularise Bangladeshi products in Bhutan," said SS Chakma, Bangladesh Ambassador to Bhutan.

He said he has already received permission from the government in this regard. "Now either the government or the private sector people can open a display centre in Thimpu," he added.

Bangladesh exports to Bhutan fluctuated over the last six years in the range of US\$ 0.14 million to \$ 0.02 million, while imports ranged between \$ 8.19 million and \$ 4.11 million.

Bangladesh exported goods worth US\$ 0.03 million in 1998-99 while its imports from Bhutan was \$ 4.41 million.

## Natore, North Bengal Sugar mills face sugarcane crisis

2000-01 crushing season begins

From our correspondent

NATORE, Oct 21: Two profit-making sugar industries under Bangladesh Food and Sugar Industries Corporation (BFSIC) - Natore Sugar Mills and North Bengal Sugar Mills - went into sugarcane crushing yesterday for the 2000-01 crushing season amidst acute crisis of sugarcane.

Floods, misuse of fertiliser and pesticides and growers' apathy partially hit sugar production this year.

The two mills have a total crushing capacity of 3200 metric tons per day. But farmers are opting to sell their sugarcanes in the lucrative molasses

market.

During this season, the Natore Sugar Mills has targeted to produce at least 11,502 tons sugar, while the North Bengal Sugar Mills another 13,104 tons.

But their targets may not be achieved as molasses producers are already busy, doing a brisk business since August in defiance of a government ban.

The growers say that molasses producers are buying sugarcane at Tk 50 to Tk. 55 per maund, while the sugar mills offer only Tk 41 for the same.

The molasses producers also pay the farmers in cash which

also acts as an incentive for the growers.

Sources said a total of 2,500 power crushers are now in operation in the district, crushing about 5000 tons of sugarcane everyday.

Besides domestic consumption, molasses is also smuggled to India, Myanmar and Bhutan. Meanwhile, hundreds of cases were filed against molasses producers under the Sugarcane Crushing Ordinance of 1956.

But police say that the trade has become so widespread that it is simply impossible to take action against them.

## HSBC launches education loan

The Hongkong and Shanghai Banking Corporation Limited (HSBC) has launched the Education Loan.

The launching of the scheme is part of the bank's plan to develop its Personal Banking products and services, says a press release.

The ceremony was held at the main office of the bank at Sonargaon Road in the city recently.

The loan is granted against the ability of the borrower to repay the loan from his or her monthly income and is repaid on a monthly basis by automatic debits from the HSBC current or savings account.

Commenting on the features of the Education Loan scheme, Manager Personal Banking of HSBC Bangladesh, Joe Barker-Bennett said: "The Education Loan offers loans to guardians or parents to obtain the best education available both at home and abroad for their dependants."

He said it does not require the usual personal guarantees from reputed people or any cash or government bonds as security for the loan, which other banks insist upon.

The loan amounts vary between Tk 50,000 and Tk 7,50,000. The monthly instalment amount for a loan maturing in 3 years, starts from as little as Tk 1821. For autoPay salary account holders the above instalment would be lower, he added.

## Metals close week lower

LONDON, Oct 21: Gold prices fell sharply on the London Bullion Market as the precious metal lost a little of the lustre it gained last week due to its safe haven status during the escalation of the Middle East crisis, says AFP.

An ounce of gold was selling for 271.50 dollars from 275.85 dollars a week earlier.

Gold had profited from its perennial status as a port in the storm where investors can park funds during times of crisis. But as tension eased in the Middle East, market players pulled out of bullion and returned to the fray.

**Silver:** Slipper. Silver prices eased slightly on the London Bullion Market this week to 4.84 dollars on ounce from 4.87 dollars a week earlier.

Steady supply and thin liquidity have left the metal moving sideways in a lacklustre market.

**Platinum and Palladium:** Hit and miss. Prices recovered towards the weekend, though the resolution of a strike in South Africa hit platinum prices.

Palladium prices edged up to 745 dollars an ounce on the London Platinum and Palladium Market (LPPM), from 736 dollars the previous week.

The price of platinum fell to 584 dollars an ounce on Thursday from 585 dollars the previous week.

**Base Metals:** Heavy. The base metals complex fell back further this week, with nickel leading the way, due to fears of a broad economic slowdown and the strength of the dollar against the euro.

Nickel came under particular pressure because of an increase in scrap exports from the former Soviet Union, analysts said.

In other metals news, fund selling in the United States sapped prices as investors became concerned that a US economic slowdown would niggle at demand.

And the weak euro made short-term speculation less of an option for traders, analysts said.



American Express Bank Bangladesh hosted a dinner in honour of James Hohorst, Managing Director and Head of Global Trading for American Express Bank Ltd, at Sonargaon Hotel on Thursday. Corporate and correspondent banking clients of AEB attended the dinner. Picture shows John A Smetanka, Senior Country Executive of AEB Bangladesh, introducing Hohorst to the guests. Ershad Hossain, Head of Treasury AEB Bangladesh, is also seen. - AmEx photo

## Asian, EU leaders for holding new world trade talks soon

Two-day ASEM summit ends

SEOUL, Oct 21: Asian and European leaders agreed Saturday a new round of global trade talks should be held at the earliest opportunity, but Malaysia stressed that the negotiations must take into account the concerns of developing nations, says AP.

The talks are "subject to certain conditionalities being met. It must be a trade round (with) differentiated treatment for developed and developing countries," Malaysia's Foreign Minister Syed Hamid Albar told a news conference.

Issues such as the environment and labour standards should be left out of the new negotiations and "trade should focus on trade," he said.

In a statement issued Saturday, leaders of 25 Asian and European countries agreed at the close of a two-day summit in Seoul on the need for new multilateral trade talks soon but stopped short of setting a year-end target.

Developing nations have been reluctant to hold new talks, arguing that they have not received the benefits they expected from the last round, the Uruguay Round which ended in 1993.

One outstanding issue concerns textiles. Under the agreement concluding the Uruguay Round, nations committed themselves to a progressive removal of quotas on textiles over a 10-year period.

Developing nations say the European Union and the United States have failed to open their markets to textiles, a crucial sector for poorer nations.

Rich countries say they are meeting their obligation to lift the restrictions gradually.

In their statement, Asian and European leaders agreed that the "negotiating agenda should reflect an overall balance, which responds to the interests of all (World Trade Organisation) members, including developing country members."

They said the concerns of "developing and least-developed countries" should be addressed through "improved market access opportunities" and "technical assistance" and by "addressing issues related to the implementation of Uruguay Round undertakings."

The leaders also reaffirmed their support for early entry into the WTO of China and Vietnam. China's bid to join by the end of the year has been snaggled by late difficulties in negotiation with the United States and EU.

Together, the EU and the ten Asian nations attending the Seoul meeting represent over a third of total world trade. Trade between the two blocs has been recovering from the shock of the 1997 Asian financial crisis which saw EU exports to Asia tumble.

Last year EU exports to the ASEAN nations grew 9.4 per cent to 96.8 billion euros (\$81.3 billion).

But imports from the Asian group still far outstrip the Europeans' sales and rose 8.6 per cent in 1999 to 191.2 billion euros (\$160.6 billion) making the ASEM bloc the biggest importer into the EU.

## Toyota joins US programme for fuel cell vehicles

TOKYO, Oct 21: Toyota Motor Corp said it will join a California-based industry project aimed at promoting fuel cell vehicles and other environmentally friendly alternative to the internal combustion engine, says AFP.

The California Fuel Cell Partnership was set up in April 1999 to demonstrate the economic and practical viability of fuel cell-powered cars and buses. Toyota said in a statement.

The industry grouping includes carmakers Ford Motor Co., DaimlerChrysler AG, Volkswagen AG, Honda Motor Co Ltd, Nissan Motor Co Ltd and Hyundai Motor Co. The statement said.

It also includes oil companies and the US Energy and Transportation departments.

"Toyota is always searching for forums to discuss issues surrounding fuel cell technology," the statement quoted Toyota Managing Director Hiroyuki Watanabe as saying at the 17th Electric Vehicle Symposium in Montreal.

The carmaker said it had been promoting alternative fuel technologies for years, and had unveiled a vehicle equipped with a hydrogen-absorbing alloy for storage of pure hydrogen, in 1996.

Last year Toyota and US giant General Motors Corp agreed to cooperate on research into vehicles with advanced environmental technology, and into fuel cells, hybrid and electric vehicles in particular, the Japanese firm said.



Newly-appointed Country Representative of Food and Agricultural Organisation Ismet Hakim and Mrs Hakim were warmly welcomed at Dhaka Sheraton Hotel recently. Director-Public Relations of the hotel Rashida Muhiuddin, Sales Executive Mahfuz and KB Shrestha of FAO were present. - Dhaka Sheraton photo

## Commodity: Weekly Roundup

### Sugar prices up, cotton down

LONDON, Oct 21: Sugar prices remained perky this week due to a jump in demand from major importer Russia, says AFP.

On the London market, March contracts rose to 266.6 dollars a tonne from 265 dollars last week.

In New York, a pound of white sugar (for March delivery) held firm at 10.86 cents, unchanged from the previous week.

Analysts at the Czarinkow brokerage in London said the main factor supporting the market was a purchase order by Russia of 3.65 million tonnes.

**Vegetable Oils:** Warm. US soy prices gained on the back of strong export figures and dry weather in Brazil's Mato Grosso producer region.

On the Chicago Board of Trade (CBOT), a bushel of soy for November delivery stood at 4.72 dollars, up 3.75 cents from the previous week.

Prices pushed higher after the US agriculture department said exports were up 57 per cent.

a week earlier.

Political tensions in Ivory Coast have mounted since October 12, when former ruling party Ivory Coast Democratic Party (PDCI) announced it would boycott this weekend's presidential election. The PDCI was ousted from power last December in a military coup.

**Coffee:** Stirring. The price of coffee bounced back this week amid concern that the onset of dry weather in world number one producer Brazil would damage harvests next year.

On LIFFE, robusta quality for November delivery climbed to 755 dollars per tonne on Thursday from 749 dollars a week earlier.

On the CSCE, the New York futures market, the price of arabica for March delivery closed on Thursday at 91.40 cents a pound from 86.00 cents last week.

However, gains were reduced on Thursday amid speculation that rain would arrive in Brazil sooner than had been expected, analysts said.

The market had been doubtful that Indonesia could afford to join the plan. But Indonesian director general for foreign trade Djoko Muljono said that Indonesia had decided to join the programme and would retain part of its exports from this month until January, the Jakarta Post said on Wednesday.

**Grains:** Ceding. US wheat prices fell this week amid forecasts of humid temperatures and fears that the ever weakening euro will hit the US export market.

On the Chicago Board of Trade a bushel of 27.2 kilos of wheat for December delivery was being traded at 260.25 cents from 273.50 cents seven days earlier.

A bushel of maize of 25.4 kilos for November delivery was being traded at 203.00 cents from 204.00.

On London's LIFFE market the price of a tonne of wheat was 59.40 pounds for November delivery from 61.40 pounds a week earlier.

**Cotton:** Thinner. Cotton prices were weaker this week despite figures showing an uptick in demand and weaker stocks through the 2000-2001 period.

On the NYCE in New York the December contract fell to 62.12 cents from 64.36 cents a pound last week.

The Cotton Outlook index of physical cotton prices, the average of the lowest world prices, was 61.05 cents from 60.75 cents a pound.

**Wool:** Jumper. Wool prices headed higher this week, amid predictions of greater demand and slower supply.

The Eastern index pushed up to 742 cents per kilo from 729 cents per kilo last week. The British Wool price index eased slightly to 310 pence.