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Star BUSINESS

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Duncans signs distribution deal with NZ Milk Bangladesh

Duncans tea packets and natural mineral water in bottles will be distributed by New Zealand Milk Bangladesh Ltd, says a press release. An agreement to this effect was signed by Duncans Products Ltd and New Zealand Milk Bangladesh Ltd in the city recently.

The Duncans Group produces more than 25 per cent of the total tea in Bangladesh. All its tea gardens with factories are ISO 9002 certified. Quality teas are marketed not only for export but also for local consumption. As an unprecedented achievement, tea from one of Duncans' gardens is now sold in Harrods of London. Duncans' Natural Mineral Water has also received ISO 9002 certification for its quality management system and is a member of the International Bottled Water Association (IBWA).

New Zealand Milk Bangladesh is a 100 per cent owned subsidiary of New Zealand Dairy Board, New Zealand. The group is the 14th largest dairy company in the world. In Bangladesh, the group markets milk and milk products under the brand 'Anchor'.

Speaking briefly, Imran Ahmed of Duncans Brothers said that water, tea and milk were products complementary to each other and the two companies would exploit the advantages of distribution and marketing efforts not only for positioning the products but also for increased market share.

Moinul Chowdhury, Managing Director of New Zealand Milk, expressed his firm confidence of growing together on the synergies of the products and the strength of the wide distribution network in the days ahead.

Swissair urgently seeks state aid to survive

AFP, Geneva

Swissair Group appealed to the Swiss government for last-ditch financial aid on Sunday as Swiss newspapers reported that major banks were unwilling to help the airline avoid bankruptcy in the coming week.

"On the basis of our costs in 2001 to 2002, without state aid we cannot cope with the situation," Swissair spokesman Jean-Claude Donzel told AFP.

He said talks were underway with government officials, as the already beleaguered airline admitted that it faced billions of Swiss francs of additional costs following the attacks in the United States on September 11.

A spokesman for the Swiss finance ministry declined to comment.

On Saturday, the Swiss finance minister said Swissair's survival was important.

But he repeated that state aid was conditional on support from Swiss business and banks, which the Swiss press reported was not forthcoming.

Swissair Group needs 400 million Swiss francs (270.5 million euros, 246.8 million dollars) to avoid bankruptcy in the coming week, but the major banks were reluctant to provide short-term loans, according to Swiss newspapers.

US attacks to delay Indian recovery, say industry chiefs

AFP, New Delhi

Indian industry chiefs on Sunday said war clouds gathering over the region had dispelled hopes of an immediate economic recovery and said it could only be possible after 2002.

A survey conducted by the Confederation of Indian Industry (CII) showed that opinion was divided roughly equally on whether the impact of the attacks in the United States would have a severe or moderate impact on the economy.

The findings of the survey showed a distinct shift towards pessimism as in a July poll domestic industry leaders felt an economic recovery was possible within a year's time.

"With a slowdown in the global economy already reducing the quantum of foreign direct investment flows, any impact on inflows from our biggest investment partner (the United States) would substantially affect India," the industry chiefs said.

The Indian economy's growth stood at 4.4 per cent in the three months to June, compared with 3.8 per cent in the previous quarter, government figures showed Friday.

Port politics, corruption hurt economy, FICCI meet told

STAR BUSINESS REPORT

Foreign investors yesterday said politicised port workers and management of the Chittagong Port and corrupt customs officials are taxing the country's economic activities.

"Please free the port from the clutches of politicians and leave the port activities to the private sector for efficiency," said Wali Bhuiyan, President of Foreign Investors' Chamber of Commerce & Industry (FICCI), at its monthly luncheon meeting at Dhaka Sheraton Hotel in the city.

Industries Secretary Al Ameen Chowdhury attended the meeting as guest of honour.

The FICCI President also stressed the need for changing weekly holiday to Sunday. It is high time the new government took the decision in this regard, he stated.

We expect the new government and the main

opposition party will consider the demand of declaring the weekly holiday on Sunday for the betterment of economy, said Wali Bhuiyan.

"Corruption in the administration is a major problem. It is seriously blocking reforms. Growing corruption is going to be the major challenge for the new government and political will be needed to fight it," he went on.

The FICCI president said the progress in privatisation so far has been pathetic.

"Please do not spend any more time and money to manage the state-owned enterprises. Simply do get rid of them," Bhuiyan said.

About hartal, Wali Bhuiyan said the businessmen are simply fed up with it and have got 'completely sick of politicians'.

"I do not have to say much about the effects of hartals on the economy, excepting that hartals mean export of Bangladesh jobs and income. We have already lost a lot and wish that all political

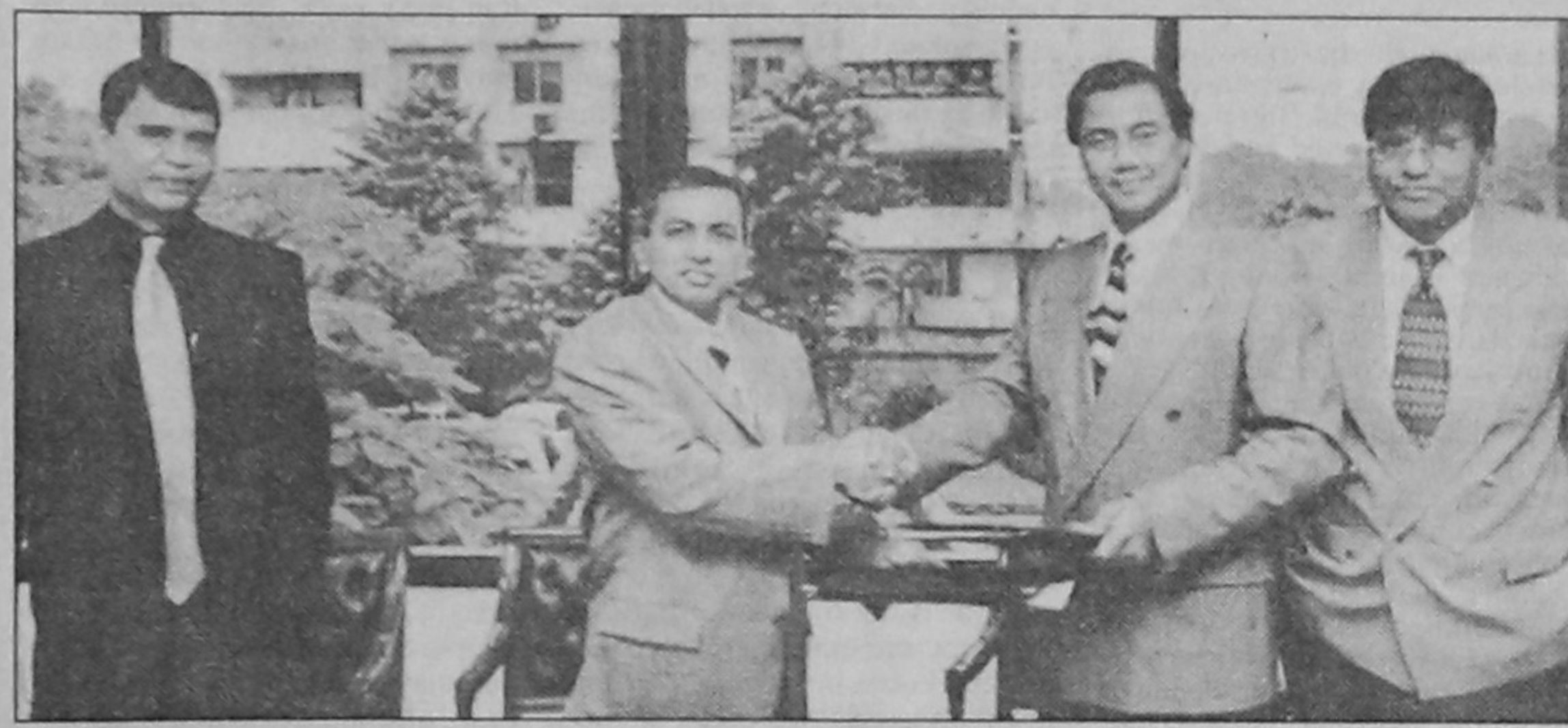
parties would take this fact into cognisance and stop calling hartals," he added.

Speaking at the meeting, Industries Secretary Al Ameen Chowdhury said political decisions are needed to solve some of critical issues like hartals, law and order and Chittagong port problems facing the country.

Bureaucrats always try to implement the decisions taken by the government and political will is necessary to take such decisions, he mentioned.

Chowdhury expressed hope that the new government will do something to address the issues raised by FICCI.

Political parties have already promised to fight corruption and not to enforce strikes and the new government should take a decision regarding setting up a second port in Chittagong, the secretary added. "Let the politicians take decision about the weekly holiday."



Imran Ahmed of Duncan Brothers and Moinul Chowdhury of New Zealand Milk Products exchange the document of a distribution agreement on behalf of their respective companies recently.

US to support battered Pak economy with \$50m

AFP, Washington

President George W. Bush on Friday authorized the provision of 50 million dollars in economic assistance to support the battered economy in Pakistan, which has promised to support his newly declared war on terrorism.

Bush directed Secretary of State Colin Powell to provide the assistance, saying it was "important to the security interests of the United States."

The president can make such provisions under the Foreign Assistance Act whenever he deems it necessary for US national security.

Details of how the grant will be spent were not immediately available but a White House official said

the money was intended as "budget support" for Pakistan.

Bush last Saturday waived sanctions slapped on Pakistan and India after the two arch rivals detonated nuclear weapons tests in 1998, sparking fears of a South Asian atomic arms race.

The measures barred US investment, economic assistance and arms sales to Pakistan.

Islamabad's economy has been staving off bankruptcy and the sanctions waiver represented a substantial boost as it allowed Washington to back aid to Pakistan tendered to organizations like the World Bank and Asian Development Bank.

Bush demanded Pakistan support his war on terrorism and pressure Afghanistan's Taliban rulers,

who are harboring Osama bin Laden, top suspect in the terror attacks on New York and the Pentagon on September 11.

But mindful of the delicate balancing act that Pakistani President Pervez Musharraf must undertake as he supports the United States but risks a backlash from radical Islamic groups, Bush has sweetened his pressure with political dividends for Pakistan.

First he lifted the sanctions, a key foreign policy goal of Pakistan.

Then, on Thursday, close US ally Japan rescheduled 550 million dollars of Pakistan's debt in recognition of Islamabad's support for the international war on terrorism.

Further debt relief measures for Pakistan are expected.

APEC labour ministers vow to narrow digital divide

AFP, Tokyo

Labour ministers from the 21-member Asia-Pacific Economic Cooperation (APEC) forum vowed Sunday to bridge the digital divide as they wrapped up a two-day meeting in Japan.

"Cooperation and information sharing between economies is critical to bridging the digital divide," said a joint statement issued by the ministers after the talks in Kumamoto, some 800 kilometers (500 miles) southwest of

Tokyo.

APEC labour ministers agreed to help people respond to job opportunities arising from the new economy, which is based on information technology (IT).

"Our discussion made clear the importance of knowledge in the new economy as well as the increasing need for adaptability in the organization of work, in the labour market and in our policies," the statement said.

Japanese Health, Labour and Welfare Minister Chikara Sakaguchi,

the host of the meeting, said APEC members agreed on the importance of providing IT training for workers to narrow the digital divide, the gap between industrial and developing countries in economic benefits generated by IT.

"For APEC to grow economically, we must narrow the gap in personnel training," Sakaguchi told a news conference.

APEC was set up in 1989 as an informal talking group for a dozen Asia-Pacific economies but has developed into a powerful engine to drive global and regional free trade.

WTC rebuilding to cost \$39b

AFP, New York

The estimated cost of clearing the rubble of New York's fallen World Trade Center towers and rebuilding the shattered area has been set at 39 billion dollars, press reports said Saturday.

Government officials quoted in New York newspapers said the operation to clear 1.2 million tons of steel and debris from the site was costing more than 100 million dollars per week and could total seven billion dollars.

No decision has been made yet on whether the twin trade center towers will be rebuilt, but the reports said the likely cost of reconstruction would be 8.2 billion dollars.

City officials were unavailable for comment on the figures Saturday.

New York Mayor Rudolph Giuliani said Friday the operation to clear the rubble from the 16-acre site in downtown Manhattan would take between nine months and one year.

Hijackers rammed two passenger jets into the 110-story twin towers on September 11, bringing them crashing to the ground and leaving nearly 6,300 people dead or missing.

Course on asset finance, leasing concludes

A two-day training course on "asset finance and leasing" ended at the BRAC Centre at Mohakhali in the city on Saturday, says a press release.

The United Leasing Company Limited organised the course. It was attended by 32 executives from different leasing companies.

Vinod Kothari, a leasing expert from India, conducted the course. The course dealt with the fundamentals of leasing and hire purchase.

M. M. Alam, Managing Director of the company, distributed certificates among the participants at the concluding session of the course.

Taiwan allows 8 banks to open offices in China

AFP, Taipei

Taiwan has approved eight local banks to open representative offices in China to facilitate exchanges amid burgeoning trade and investment activity between the two sides, officials said Saturday.

World digs in to fight recession

AFP, Washington

Governments are digging in to protect their economies from a feared worldwide recession after the September 11 terrorist onslaught on the United States, analysts said.

As the United States slashes interest rates and readies a multi-billion-dollar economic stimulus package, overseas authorities are also trying to anticipate the impact.

"The risk of global recession now is becoming a reality, pointing to substantial new monetary easing," said Salomon Smith Barney economist Kermit Schoenholtz.

But the recession may not change the long-term outlook, he said, forecasting a US recovery in 2002 from an expected decline in the second half of this year.

All the Group of Seven powers cut rates on the heels of the Federal Reserve's emergency 50-basis-point easing on September 17. The US

authorities are set to cut rates again on Tuesday, analysts say.

The US Congress has also cleared 15 billion dollars in cash and loan guarantees for the aviation industry and 40 billion dollars to rebuild New York and take emergency measures after the attacks.

Bush is already preparing a further stimulus package, the White House said.

Economies around the world are now seeking to shield themselves from the most serious consequences.

"The problem is that the US recovery, as robust as it will be, still won't have the kind of spillover effects into other economies that it would if it was more private-sector driven," said Bank One economist Diane Swonk.

"We are talking about an economy now in the US that is going to be more government dominated in security and in defense, perma-

nently, well semi-permanently."

Overseas economies "are very worried about recession in the US, the spillover of that, and even the subsequent recovery," said Swonk, since the state-sponsored US rebound would have only a limited impact elsewhere.

But governments are taking dramatically different approaches to the economic crisis.

-- Malaysia's government announced September 25 a 4.3 billion ringgit (1.1 billion US dollar) stimulus package.

-- Singapore announced the same day it would unleash spending next month that will be "more substantial" than the 2.2 billion Singapore dollar (1.3 billion US) package unveiled in July.

-- The Indian government said September 23 it was drawing up an as-yet undisclosed contingency plan to deal with the fallout.

Fed set to slash rates again

AFP, Washington

US Federal Reserve policymakers are set to slash interest rates Tuesday to limit the most devastating economic consequences of the terrorist onslaught, experts said.

It would be the second cut in just 15 days.

"They want to be a strong umbrella in a hail storm," Bank One economist Diane Swonk told AFP.

"It is needed for confidence."

The authorities will cut the target for the benchmark federal funds rate by half a per cent point to 2.50 per cent, Swonk and other analysts said, as the economy spins towards recession.

It would be the ninth cut so far in 2001, bringing the key rate down dramatically from 6.50 per cent where it started the year.

The policy-making Federal Open Market Committee (FOMC) had already sliced rates by half a per cent point September 17 as part of a concerted international attempt to steady the US and global economies.

But as concern about the outlook deepens, the United States is bringing out the rest of its monetary and fiscal arsenal.

US President George W. Bush is drawing up an economic stimulus package to spur the economy and extend relief to the tens of thou-

sands of workers sacked since the hijacking attacks, the White House said.

More than 100,000 jobs cuts have been announced in the aviation industry alone since the attacks.

The size of the stimulus package is still undetermined.

But Federal Reserve chairman Alan Greenspan advised senators in a closed-door meeting last week to show caution, adding that any package would need to be substantial to have an effect, senators said.

The figure of one per cent of gross domestic product, equivalent to 100 billion dollars, had been floated, he said.

Japan launches world's first 3G cellphone today

AFP, Tokyo

Japan's NTT DoCoMo launches Monday the world's first third generation (3G) mobile phone service hoping to snap up six million domestic subscribers by March 2004 as well as conquering the European and American markets.

Capable of downloading 40 times more data than that of the popular i-mode -- a mobile phone service providing Internet access -- users will be able to surf the web while on the phone as well as seeing pictures of who they are speaking to. In the long run, it will also be possible to watch films and listen to music on DoCoMo's 3G handsets.

Christened FOMA (freedom of mobile multi-media access), the service will initially be limited to a 30 kilometer (20 mile) radius around the centre of Tokyo and some other specified zones in the capital.

NTT DoCoMo, Japan's first

mobile phone operator, intends to sell 150,000 handsets by March 2001 and to sign up six million 3G subscribers by March 2004.

The company also plans to invest 1,000 billion yen (8.4 billion dollars) into the network during the first three years of service while expecting no returns on its money for the first four years.

In December 3G mobile phone services will be available to people in the cities of Osaka, Kyoto and Nagoya, the company said. By Spring 2002, the network will be extended to other major cities before the entire country is covered two years later, the company said.

NTT DoCoMo is also looking to spread its 3-G wings beyond the shores of Japan.

"In Europe, we hope to start third generation service by the end of this year or early next year," said NTT DoCoMo spokeswoman Junko Miyazaki.



Dr. Farruk Ahmed, Head of Computer Science and Engineering of Darul Uloom University, speaks as chief guest at a seminar on IT career with Oracle jointly organised by Base & Computer Jagat in the city on Wednesday.

CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank

Selling	Currency	Buying
TT/OD	BC	TT Clean
57.6050	57.6350	56.5000
52.6722	52.7591	51.1710
85.1889	85.2309	82.7745
28.5351	28.5596	27.4821
0.4844	0.4845	0.4898
35.6048	35.6293	34.7313
5.4087	5.4139	5.2586
36.5580	36.5825	35.7048
7.3894	7.3907	7.2436
32.674	32.6950	31.9476
15.6840	15.7016	15.2494
15.4808	15.4992	14.9497
		OD Sight Dec
		56.2629
		50.9110
		82.7199
		27.4020
		0.4686
		34.5522
		5.2250
		35.5280
		7.2085
		31.7892
		15.2090
		14.8948
		OD Transfer
		56.2629
		50.9110
		82.7199
		27.4020
		0.4686
		34.5522
		5.2250
		35.5280
		7.2085
		31.7892
		15.2090
		14.8948
		OD 90 days
		56.3835
		55.5712
		55.0372
		54.4567
		53.1564
		OD 180 days
		56.3835
		55.5712
		55.0372
		54.4567
		53.1564
		Exchange rates of some Asian currencies against US dollar
Indian Rupee	Pak Rupee	Thai Baht
47.8347/89	63.94/64.10	44.30/44.38
		90.90/90.20
		96.80/97.00
		0.4020/0.4027
		Local interbank foreign exchange market was subdued. Demand for dollar was steady. Demand for overnight borrowing at call was steady and the call rate ranged from 7.25 to 7.75 per cent.
		The weekly Treasury bill auction was held on Sunday. The international markets were closed for the weekend.
		At New York closing on Friday, euro traded at 0.9098/02, pound sterling at 1.4736/38 against dollar and Japanese yen was traded at 119.49/53 against US dollar.
		This memorandum is issued by Standard Chartered Bank and is derived from reliable public information sources. The bank does not provide any representation or warranty for accuracy of this memorandum.

BB T-bill auction held

UNB, Dhaka

The 160th auction of the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year treasury bills were held here Sunday.

Tk 1339 crore, Tk 51 crore, Tk 65 crore, Tk 16.50 crore, Tk 45 crore and Tk 4 crore were offered respectively for the 28-day, 91-day, 182-day, 364-day, 2-year and 5-year bills.

Of these, Tk 71 crore, Tk 1 crore, Tk 5 crore, Tk 7.50 crore and Tk 11 crore of 28-day, 91-day, 182-day, 364-day and 2-year bills were accepted respectively.

The range of implicit yields were 6.05 per cent, 6.60 per cent, 6.95 per cent, 7.16-7.17 per cent and 7.97 per cent per annum respectively.

The bid offered for the 5-year bill was not accepted.

Grupo TACA selects Mercator's Rapid system

Central American airline Grupo TACA has chosen Rapid, the passenger and cargo revenue accounting system developed by Mercator of the Emirates Group IT division, says a press release.

Rapid is widely used throughout the world, with the multi-million dollar deal with Grupo TACA, in El Salvador, and Mercator's recent contract with Brazilian airline VARIG, establishes it on all five continents.

Representatives from Grupo TACA and Mercator's marketing partner STIA signed the contract in the capital San Salvador, and Mercator is now installing the system throughout Grupo TACA's extensive network of destinations across the Americas.

Jaime Pocasangre, Grupo TACA's Director Revenue Management and Accounting, said: "We're committed to giving our customers the best standards of service and comfort. Rapid helps us to create world-class products at competitive cost, earn the revenue we need to grow, and maintain the morale and productivity of our employees."

Hugh Pride, Mercator's Director IT, said: "We are now customising our software to meet customer requirements, and providing support services and manpower training so Grupo TACA can reap its full benefits."

Grupo TACA was born in 1989 by an alliance between El Salvador's TACA airlines and four Central American flag carriers, Guatemala's AVIATECA, Costa Rica's LACSA, Nicaragua's NICA and TACA of Honduras.

The group has one of Latin America's largest fleets, and serves major cities in the US, Central and South America, the Caribbean, Mexico and Canada.