

## Ayubur Rahman new chairman of Janata Bank

M Ayubur Rahman joined the Board of Directors of Janata Bank as its chairman, says a press release.

Prior to joining in the bank, he was cabinet secretary.

## US jobless rate jumps to six-year high

AFP, Washington

The US unemployment rate leapt to a six-year high in November, government figures showed Friday, smothering recovery hopes in the terror-shaken economy.

The jobless rate jumped to 5.7 per cent in November from 5.4 per cent in October as the terrorist shock-wave helped destroy 331,000 jobs, the Labor Department said.

"It is ugly," said Conference Board economist Delos Smith.

"You are talking about a little under 800,000 jobs lost in two months -- it is really grim news," he said.

Analysts said the November jobs carnage, following the loss of 468,000 jobs in October, presented a serious threat to US consumer confidence and spending.

And the figures ratcheted up the pressure on the Federal Reserve to cut interest rates yet again next week.

"Can expenditure continue to be so robust in the face of a decline in employment which has negative implications for income and rising unemployment rates which has negative implications for confidence?" asked Bank of Montreal economist Paul Ferley.

## US House-Senate talks on stimulus plan postponed

REUTERS, Washington

House and Senate talks on a plan to stimulate the US economy were indefinitely postponed Friday, with Republicans and Democrats blaming each other for the delay.

Bill Thomas, the California Republican who chairs the House Ways and Means Committee and who has been leading bipartisan talks on the stimulus package, issued a statement on Friday saying talks were "in recess subject to the call of the chair."

Thomas, who was instrumental in the hard-fought passage of a trade bill in the House of Representatives on Thursday, has returned to California for the weekend, aides said.

President George W Bush has urged Congress to enact the stimulus plan, which he says must be passed before Congress breaks later this month for the Christmas holiday, to ensure that the economy recovers from a recession made worse by the Sept 11 hijacked-airliner attacks.

Democrats, who control the Senate, accused Republicans, who control the House, of walking out of the talks.

"We just learned that Republicans have walked out on the economic stimulus negotiations today," Senate Majority Leader Tom Daschle, a South Dakota Democrat, said at a rally of union workers.

## S'pore backs severe wage cuts

AFP, Singapore

Singapore's National Wages Council (NWC) on Saturday issued new labour guidelines backing "severe" pay cuts to help companies ride out the city-state's worst recession in 36 years.

However, the council urged employers to consider retrenchments only as a last resort with the number of people losing their jobs expected to reach 25,000 this year.

University professor Lim Pin, the council chairman, said that cuts in employers' contributions to a state-administered pension fund, which still has to be fully restored after being slashed during the 1997-1998 Asian financial crisis, "cannot be ruled out."

"Given the worsening economic conditions and the increasing number of workers being retrenched, the NWC strongly urges the government, employers and trade unions to take concerted actions to save jobs," the council said in its latest report.

The National Trades Union Congress (NTUC) and the Singapore National Employers Federation endorsed the guidelines which were expected to be approved by the government Sunday and apply until December 2002.

## Secretary-level meet on 25-category items this month

# Khosru sees progress in getting duty-free access to India

STAR BUSINESS REPORT

Commerce Minister Amir Khosru Mahmud Chowdhury yesterday said he is expecting progress by end of this month in getting duty-free access of 25-category items to Indian market.

"A secretary level meeting to discuss the issue will be held on December 26 in Dhaka and I am hopeful we will achieve some progress in the bilateral talks," the minister told a seminar in the city.

However, the minister did not elaborate. Bangladesh has long been demanding duty-free access of 25-category items to Indian market.

The Dhaka Chamber of Commerce and Industry (DCCI) organised the seminar on "Expansion and Diversification of Export: Major Impediments and Limitations" at its auditorium.

With the DCCI President Benajir Ahmed in the chair, former foreign secretary Faruque Sobhan, Chairman of BSCIC MA Mannan, Export Promotion Bureau official GKM Towfique Hassan, DCCI director Manzur Ahmed and former vice president of DCCI Towfique Ali and economist Salahuddin Ahmed, among others, spoke on the occasion.

Talking on the country's falling exports because of the global recession,

the commerce minister said government has prepared an incentive package that will give exports a breathing space. He said the incentive package, among others, includes lowering of peak hour electricity rate, reduction of port charges and others.

"Our aim is to reduce the unit price of exportable goods by 15 per cent. I think this package will give our export sector a competitive edge," Amir Khosru Mahmud Chowdhury hoped.

However, Khosru cautioned that everybody has to take note of the cash incentives given to different export sector.

The speakers mentioned law and order, corruption and infrastructure problems made the transaction cost too high.

Faruque Sobhan urged government to deploy armed forces to contain the deteriorating law and order situation and also to address horrible situation prevailing at the airport, sea port and city's chaotic traffic.

Mentioning tremendous potential of business cooperation between Bangladesh and ASEAN, Salahuddin Ahmed urged the policy planners to look into this area.

Towfique Ali urged the policy planners to focus on neighbouring countries for expansion of export with special attention on the service sectors.

# South Korea keen to invest in Bangladesh telecom sector

UNB, Dhaka

South Korea has expressed its intention to set up hi-tech telecommunications and other important industries in Bangladesh.

The interest was shown by the Korean Ambassador Young-Jo Jung when he called on Prime Minister Begum Khaleda Zia at her office yesterday.

Begum Zia suggested that South Korea can look into the possibilities of relocating her sunset industries particularly textiles which is very important for Bangladesh's readymade garment sector.

The Prime Minister pointed that trade imbalance between the two countries was highly against Bangladesh.

She said Korea may take steps to increase import of traditional as well as non-traditional items from Bangladesh which would help reduce the trade gap.

The ambassador mentioned that the Korean EPZ in Chittagong was

established during the previous BNP regime.

Begum Zia suggested that Korea could build a bridge over river Karnaphuli to link both the sides of Chittagong and particularly connect the Korean EPZ with the port city.

She assured the ambassador that every cooperation would be given for fully developing the EPZ and in removing the impediments.

The Prime Minister also mentioned that Korea should import more manpower from Bangladesh.

In this regard, she suggested that setting up of a training centre with Korean assistance for grooming unskilled workers would greatly help in sending skilled people to Korea and other parts of the world.

She said Bangladesh government would provide necessary land for the centre while equipment, trainers and other infrastructure facilities could be ensured by the Korean government.

The Prime Minister conveyed

her sincere thanks to Korean President for his felicitation on her assumption to the office.

Begum Zia recalled her visit to South Korea in 1995 and said it had cemented the relationship between the two friendly countries.

The ambassador on behalf of the Korean president extended invitation to Begum Zia to visit South Korea sometime next year.

The Prime Minister said such a visit would be beneficial and in turn also invited the Korean President to visit Bangladesh soon.

Jung thanked the Prime Minister for giving him the audience while Begum Zia wished the ambassador every success in his effort to promote relationship between the two countries.

PM's Principal Secretary Dr Kamal Uddin Siddiqui and Director General (Far East) of the Ministry of Foreign Affairs Mohammad Al Haroon were present at the meeting.

## Rangs Electronics opens showroom at Uttara

Rangs Electronics Ltd has opened its exclusive dealer showroom at Khan Plaza of Uttara in the city on Wednesday, says a press release.

The opening of the showroom is part of the company's expansion and better customer service programme of 2001-2002.

The showroom was formally inaugurated by J Ekram Hussain, Director of Rangs Electronics Ltd.

Wahidur Rahman, Area Sales Manager, Dhaka, Tanvir Hossain, In-Charge (Marketing), Executives Zane Alam, Rashed Ahasan Chowdhury, Kanchoo Kumar Das; other officers of Rangs Electronics Ltd and the elite of the locality were also present on the occasion.

Iqbal Khan and Jamal Hossain Khan will be the in-charges of the showroom.

The Director of Rangs Electronics Ltd thanked the gentlemen present and renewed the company's pledge to make SONY, Rangs, AIWA products and services more easily available like the previous years to the prospective buyers.

Apart from 51 Sales and Service Centres, Rangs Electronics Ltd has a network of more than 150 authorised dealers throughout the country.

## Seiko, Citizen to merge operations

AFP, Tokyo

Japanese wristwatch makers Seiko Corp. and Citizen Watch Co. plan to merge operations to survive intense competition with their Swiss and Chinese rivals, a daily said Saturday.

From early next year the two firms will jointly buy yellow copper for watch parts starting, the Nihon Keizai Shimbun said.

Their purchase of the metal, which is estimated at 600 million yen (4.8 million dollars) a year, would reduce costs by five per cent, the business daily said, adding that the two plan to expand joint purchase items.

Seiko and Citizen, which have already started cooperation in shipments, also plan to supply wristwatch parts for each other next year, the newspaper said.

## Donors pledge \$2.4b to Vietnam

AFP, Hanoi

International donors pledged 2.4 billion dollars in assistance for Vietnam Saturday as they moved to help the communist authorities maintain the momentum of market reforms in the face of a worsening global economic downturn.

Even more money would be made available if the falloff in consumer demand in the major economies accelerated, further eroding Vietnam's export earnings, donor representatives promised at an annual aid review meeting here.

In a final statement, donors "commended" the communist authorities for the "progress" made over the past year in adopting a "broad programme of macroeconomic and structural reforms" and expressed their readiness to provide the financial support necessary for implementation.

In dollar terms, the amount pledged was exactly the same as last year.

But donor representatives stressed that the current strength of the greenback concealed substantial increases from several key countries, as donors moved to support what they regarded as a significant quickening of the pace of reform.

# Broadband Internet launched in downtown Dhaka

M SHAMSUR RAHMAN

InTech Online Limited (IOL), an ISP provider, yesterday launched its broadband Internet service in the city's commercial areas.

Motijheel, Dilkusha, Segun Bagicha, Purana Paltan, Fakirapool and Shantinagar areas came under the company's broadband service, which allows unlimited and high-speed access to the Internet even without telephone connections.

InTech Online Limited (IOL) is providing the service through cable modem targeting mainly the corporate houses, officials of the Internet service provider said.

They said the service will eliminate the need for engaging a tele-

phone in the peak business hours for Internet browsing, especially in areas where there is dearth of telephone lines.

The company is offering each connection with the speed of 64 kbp bandwidth for Tk 5,000 a month and Tk 8,000 for 128 kbp bandwidth a month.

"These connections are based on shared concept and multiple access through the same line will be shared by the users," said IOL Chairman Mostaqur Rahman.

He said every connection for the broadband service costs Tk 15,000 for modem and Tk 3,000 for installation. The company is also in the process of signing with a number of corporate houses in the commercial

areas.

"We are hoping to sign some 100 deals by the end of this month," Rahman said.

"We have signed a deal with a company having travel agencies in 40 different locations and we are going to provide services to all these locations."

He said the company has engaged Indian experts for running the project. IOL has pioneered Digital Subscribers Lines (DSL) and Digital Data Network (DDN) Internet services in the country.

The company, he said, also provides dial-up prepaid Internet service, the charges of which vary in peak and off-peak hours.



Dr Mujibur Rahman Khan, Managing Director of Rajshahi Krishi Unnayan Bank, and Md. Aminul Alam, Deputy Director of BRAC, exchange documents after signing a bilateral agreement on behalf of their respective organisations for providing assistance to farmers for producing high-valued crops under north-west crop diversification project. RAKUB and BRAC officials along with Project Director Tariq Hasan were present at the signing ceremony.

# Indian economy likely to grow by 5pc this fiscal

AFP, New Delhi

Indian Finance Minister Yashwant Sinha has predicted the country's economy will grow by five per cent "at best" in the fiscal year ending March 2002 because of a global recession.

"Growth this fiscal will not be up to the mark. We can at best aim for a five per cent growth," Sinha said in an interview with the Outlook magazine to be published Saturday.

India is struggling to accelerate growth which slumped to 5.2 per

cent in 2000-01 from 6.4 per cent a year earlier.

"I am happy that people are unhappy with our performance. For the first time, people are demanding a high growth rate. It's a major change in mindset. We know we have to perform," Sinha said.

Sinha said the government was committed to reforms to accelerate falling growth levels.

"Contrary to what a lot of people say we are not a 'soft government.' I would like reforms to move much faster, but I also have to learn to live

in the real world so I can at best push it as strongly as possible," he said.

"The implementation of reforms are hindered by a lack of national consensus on difficult issues like cutting subsidies and implementing stricter fiscal measures."

India's economic thinktank, the Planning Commission, had set a growth target of seven per cent for the year.

However, the economy has been driven slightly off-track by a global oil shock and the instability triggered by the US-led military strikes in Afghanistan.

## Iran to merge airlines, open state carrier to pvt sector

AFP, Tehran

Iran is to shake up its airline industry, opening state carrier Iran Air to the private sector and merging small companies into a second large airline, national aviation chief Behzad Mazaheri was quoted as saying Friday.

"We are going to merge our small companies into one large private company and open up Iran Air to private capital, creating a new national semi-state firm," state radio quoted Mazaheri, director of the Iranian National Aviation Organisation, as saying.

Mazaheri gave no other details of the decision.

Apart from Iran Air, the country has a dozen small airlines mainly serving the provinces with leased Russian aircraft, which were set up after the end of the Iran-Iraq war in 1988.

## Argentina-IMF talks 'very positive'

AFP, Washington

Argentina's discussions Friday with the International Monetary Fund were "very positive," Economy Minister Domingo Cavallo said after discussions with IMF head Horst Koehler.

Cavallo said he would remain in Washington until Sunday to discuss with IMF officials the broad outlines of an economic program for 2002-2005 that hopes to bring Argentina, in recession nearly four years, back on track to economic recovery.

## CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank					
Selling	Currency		Buying		
TT/OD	BC		TT Clean	OD Sight Doc.	OD Transfer
57.6500	57.6800	USD	56.5000	56.3314	56.2629
52.0054	52.0923	EUR	49.5654	49.3820	49.3054
83.4253	83.4673	GBP	80.3047	80.0382	79.9836
30.3702	30.3947	AUD	28.3378	28.2453	28.1652
0.4624	0.4626	JPY	0.4463	0.4461	0.4451
35.0133	35.0378	CHF	33.8012	33.7067	33.6222
5.5512	5.5563	SEK	5.3414	5.3238	5.3078
36.8242	36.8488	CAD	35.6642	35.5706	35.4874
7.3993	7.4006	HKD	7.2397	7.2220	7.2046
31.600	31.6214	SGD	30.6880	30.6442	30.5296
15.8253	15.8429	AED	15.2494	15.2275	15.2090
15.4954	15.5138	SAR	14.9528	14.9161	14.8979

Usance export bills						
	TT Doc	30 days	60 days	90 days	120 days	180 days
USD	56.3835	56.0356	55.5712	55.0372	54.4567	53.1564
EUR	49.4709	49.1656	48.7582	48.2896	47.7803	46.6395
GBP	80.1323	79.6378	78.9778	78.2189	77.3939	75.5459

On Saturday trading in the local forex market was subdued due to weekend in the international markets. There were very limited transactions in USD/BDT. The call money rate was as high as 11 per cent.

At New York closing on Friday, euro traded at 0.8894/99, Pound Sterling at 1.4332/40 against dollar and Japanese yen traded at 125.50/58 against US dollar. The US unemployment rate rose to six-year high of 5.7 per cent in November. Despite worrying US job reports, the US dollar managed to rise 5 month high against the Japanese yen on reports of Japan's second recession in just three years.

Pound Sterling made the best out of the poor US job data, but euro had a brief boost.

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