

UK commodity prices dance to the Gulf tune

LONDON, Jan 13: The stream of news relating to the Gulf crisis provoked significant movements in oil prices and to a lesser extent gold, over the past week, reports AFP.

The feeling that war was inevitable alternated with hopes for a negotiated settlement, as the January 15 United Nations deadline for an Iraqi withdrawal from Kuwait drew closer.

On the London Metal Exchange (LME), prices of nickel went through the 9,000 dollars per tonne mark for the first time in two months, due to the lateness of Soviet deliveries, which resulted in a 38 per cent drop in LME stocks.

Gold: Irregular, prices fluctuated in a range of six dollars an ounce on January 9, the day of the Baker-Aziz meeting in Geneva. But the eventual unproductive outcome of the discussions saw prices rallying.

Silver: Irregular, securities house Lehman Brothers International forecast a drop in average prices to 4.10 dollars per ounce in 1991 compared to 4.80 dollars in 1990.

Sugar: Weak, after an attempt at a recovery, prices fell again to the depressed levels of the previous week, their lowest since May 1988 for raw sugar, the weakness of the market was attributed to the persistent lack of buying on the world market and the prospect of larger exports than forecast from Brazil this year.

Vegetable oil: Stable, vegetable oils remained stable, supported by reports which appeared in specialist German Review Oil World indicating that India will import 100,000 to 200,000 tonnes of vegetable oils by the end of March.

Soyabean oil: Moved little, despite large fluctuations in Chicago. An early fall was prompted by a slowdown in United States exports of soy and by fears that the Soviet Union had ended purchases of soyabean.

Tea: Steady, good demand was seen at the weekly auction, where average prices remained unchanged at 220 pence per kilo for quality grades and 135 pence for medium grades, and progressed from 83 to 85 pence for low medium.

Oil: Volatile, Brent North Sea crude prices fell more than four dollars a barrel during the meeting of James Baker and Tariq Aziz in Geneva.

Cotton: Slightly easier, the Liverpool market price index weakened slightly, with interest expressed in African, Turkish, Soviet and Pakistani supplies.



Spare parts of old cars on display in Dholai Khal in the city, ready for sale to customers who want to buy cheap.

Retail markets of essentials erratic

Star Economic Report

The retail price pattern of essential commodities has been behaving erratically over the last few weeks. Vegetable prices did not come down in the dry season.

The price of onions hit the newspaper headline during the last quarter of 1990 year. The price jumped to Taka 32 per kg, an all-time high with the arrival of new onions in the markets, the prices have fallen by Taka 15 per kg. Onions are now being sold at Taka 14 to Taka 16 per kg in the retail market compared to Taka 8 per kg last year this time. Onion imports were grossly hampered as manipulations with the opening up of Letters of Credit (LCs) continued during the last days of the ousted regime.

Pulse prices remained prohibitive as the supply position has sharply declined in the wholesale market. The masur variety sells at Taka 32 per kg, mug at Taka 36 and gram at Taka 8 in the retail markets. Production of pulses fell alarmingly last year and adequate steps were not taken to import pulses due time. Last year, the prices of masur, mug, and gram varieties were Taka 24, Taka 26 and Taka 28 respectively.

All kinds of fishes are scarce in the markets. There was no floods last year and as such availability of fishes in the ponds and rivers has substantially reduced.

A medium size hilsha fish sells at Taka 50 to Taka 60 in place of Taka 30 two month back. A medium size ruhi fish sells at Taka 250 to Taka 300, pangash, another delicious variety, sells very dearer in the markets. The supply of small fish is not abundant in the markets.

The prices of all varieties of rice remained static over the last few weeks. This year, the country has witnessed bumper harvest of crops but the prices did not come down as expected. The retailers have attributed the cause to the higher fuel prices which had raised the production cost substantially. Finer aman varieties of rice sell at Taka 14 to Taka 16 while coarse varieties of rice were selling between Taka 11 to Taka 13 per kg. The retailers said there was no signs of more reduction in the prices.

The prices of powdered milk remain prohibitive as imports of these varieties had become irregular. Two kg tins of Dano, Frisiana, Red Cow sell between Taka 250 and Taka 256 over the last few weeks.

India to export wheat for the first time

NEW DELHI, Jan 13: With abundant foodstocks from three bumper harvests, India is exporting wheat for the first time since the devastating drought of 1987, the country's worst this century officials and analysts said, reports Reuter.

India's wheat exports are expected to have hit 6,00,000 tonnes when the 1990-91 financial year ends on March 31, and could top one million tonnes in 1991/92, said diplomatic sources who follow India's grain production closely.

It's good for India to be able to export grain again after such a long time, a source said. The Indian government last exported wheat in 1986/87 when it sold 6,00,000 tonnes, mostly to North Korea.

The 1987 drought caused by the failure of summer monsoon rains, forced the government to import two million tonnes of wheat most from the United States and 7,00,000 tonnes of rice in 1988/89.

The government did not import or export wheat the following year, officials said it was only now that food reserves have been rebuilt to levels that allow for exports.

'It takes much time for the food pipeline to be refilled.'

BSL earns Tk 52 lakh profit

Bangladesh Services Ltd. (BSL), the owning company of Dhaka Sheraton Hotel earned a net profit of Taka 51.84 lakh in 1989 for the first time since 1982. The BSL has been able to clear off debt service liabilities of Taka 4.71 crores to Bangladesh Shilpa Rin Shanstha, says a press release. Dhaka Sheraton Hotel earned an operational profit of Taka 3.80 crores in 1989.

Chairman of Bangladesh Services Ltd. Mr. Muhammed Ali said at the 17th Annual General Meeting of the shareholders, held recently,

US food, energy costs fall

WASHINGTON Jan 13: A steep drop in food and energy costs pulled US wholesale prices down 0.6 per cent in December, the first retreat in eight months, the Labour Department said on Friday in a report that signalled recession was limiting price increases, reports Reuter.

In November the Producer Price Index rose 0.5 per cent. 'You are starting to see the impact of recession,' said Gary Icmimero, economist at Fleet Norstar Financial Group. 'Industries are having trouble passing on price increases.'

Downtrend getting stronger at DSE

Star Economic Report

Trading at Dhaka Stock Exchange (DSE) slowed further on Sunday.

A total of 2524 shares and debentures changed hands against Saturday's 2780. Traded shares were valued at Taka 10,2615.00 against Taka 10,8973.00 on the previous day.

Buying support from the institutional investors were poor while selling pressures were strong.

In all, 18 listed stocks including one debenture were traded. Among them, 16 fell in prices and two gained.

Al Baraka Bank lost Taka 3.00 at its closing rate at Taka

960.00 Sixth ICB Mutual Fund, Green Delta, People Insurance, United Insurance, Metalex Corporation, Renwick Jaineswar, Dhaka Vegetable, Zcal Bangla Sugar, Ambee Pharma, Pharmaco, Eagle Star, Rahim Textile, Bata shoe, Usmania Glass and Beximco in the range between Taka 0.09 and Taka 1.30. Beximco Pharma debentures lost Taka 0.15 at its closure at Taka 1640.10.

Oxygen and Quasem Drycells gained Taka 1.50 and Taka 0.25 and closed at Taka 52.50 and Taka 8.00 respectively.

Construction material prices rise 23 p.c.

By Shahzad Monzu

Costs of construction materials are 23 per cent higher than they were last year. Much of the extra money is going abroad as local production fails to keep pace with demand.

Traders say that the oil price rise following the Iraqi invasion of Kuwait, increased building activity in Bangladesh and currency depreciation are the causes of increases in the price of cement, bricks, sand, angles, pipes and other materials.

Cement prices are 27 per cent up on last year. The biggest rise is for white cement from China, used in 'mosaic', which is selling for Tk 580 a bag compared with Tk 360 at this time last year. The cost of white cement imports from Thailand and Japan has also rocketed.

Domestic cement production was 3,43,995 metric tonnes in fiscal 1989-90, only 1,000 metric tonnes more than the previous year.

Cement imports, mostly from Pakistan, China, Indonesia and Malaysia, cost the country about Tk 225 crore a year, a bill which has been rising steadily for several years.

High quality bricks are selling at Tk 2,200 for 1,000 compared with Tk 2,000 a

year ago. Prices of flat bars and angles have risen by 17 per cent.

Sand has gone up from Tk 650 for 200 cubic feet in January 1989 to Tk 700 now.

Although Bangladesh produces rods, iron and plastic pipes, many dealers say customers prefer the cheaper price and the quality of products from South Korea, Thailand and other countries. Local 1.5 inch-dia pipes cost Tk. 21.25, compared with Tk 15.25 for those made in South Korea.

Domestic production of iron rod meets only 20 per cent of demand, and has declined in recent years. Production of 34,302 tonnes in 1988-89 fell to 32,211 tonnes in 1987-88 and to 25,233 tonnes in 1988-89. Output fell further in 1990-91, though official figures for the year have not yet been compiled.

Imports have been in the region of 15-17 lakh tonnes in the last three years, and suppliers say price increases reflect rises in the cost of raw materials.

A similar situation faces the glass-sheet manufacturing sector. Production of glass-sheet fell about 10 per cent in 1988-89. The situation did not improve much in 1989-90.

Snippets

GATT meet in Geneva Tuesday

WASHINGTON, Jan 13: GATT's 107 negotiating nations are to meet in Geneva on Tuesday to see whether there is a basis to reopen the stalled talks, reports Reuter.

US trade representative Carla Hills said last week she had seen no shift in the farm policy of the European Community (EC) that would warrant resuming stalled talks to reform world trade.

India's budget deficit stands at \$ 7.22b

NEW DELHI, Jan 13: India's budget deficit stood at 7.22 billion dollars in November, Finance Minister Yashwant Sinha told parliament here, reports AFP.

Mr. Sinha described the deficit as a disquieting picture of revenue shortfalls and promised to bail the country's economy out through fresh measures in the new financial year beginning April 1.

Poland fails to meet IMF standard

WARSAW, Jan 13: Poland has failed over the past several weeks to meet inflation-fighting standards set by the International Monetary Fund (IMF). IMF Managing Director Michel Camdessus said in an interview published here last week by the Daily Gazeta, reports AFP.

'Poland should not count on a loosening of standards. This would signify a delay in economic progress, and we do not want that,' said Mr. Camdessus.

SKorea gets wave of shipbuilding orders

SEOUL, Jan 13: South Korea's shipyards after registering record exports in 1990, are busily fulfilling a wave of new shipbuilding orders from abroad officials here said Saturday, reports AFP.

The 1990 ship exports by South Korea's four shipyards hit 2.66 billion Dollars up 48.6 per cent from a year ago.

Price Barometer: Essentials

January 13			
Retail prices			
Rice (Taka per Kg)	16.50-17.50	Beef	50.00-55.00
Aman (Very fine)	13.50-14.50	Mutton	75.00-80.00
Aman(fine)	13.00-14.00	Oil	(Taka per Litre)
Pajam	11.50-12.00	Mustard	52.00-56.00
Ufashi (Taka per kg)	7.00-8.00	Soyabean	31.00-32.00
Vegetables	5.00-10.00	Coconut	(Colombo) 60.00-64.00
Potato(White)	5.00-10.00	Vegetable Ghee	44.00-52.00
Brijjal	15.00-16.00		(Per Kg)
Lady's finger	5.00-8.00	Spices	(Taka Per kg)
Cauli flower	20.00-24.00	Onion(New)	12.00-15.00
(Per piece)	4.00-6.00	Garlic	60.00-68.00
Karolla	5.00-8.00	Chillies (Local)	60.00-65.00
Lalshak	5.00-8.00	Turmeric(Round)	44.00-48.00
Green Banana (Four Pieces)	12.00-14.00	" (Long)	50.00-52.00
Other Foodgrain	11.00-12.00	Green chillies	20.00-22.00
Flour	9.50-10.00	Ginger	15.00-20.00
Atta	(Taka per kg)	Cinnamon*	3.00-3.50
Wheat	100.00-120.00	(10 grams)	
Fish	85.00-90.00	Cardamom*	8.00-10.00
Ruhi(big)	54.00-58.00	(10 grams)	
Katla(big)	70.00-80.00	Jhira (50 grams)	6.00-7.00
Hilsha	50.00-55.00	Dhanea	28.00-30.00
Shrimp(big)	60.00-65.00	Miscellaneous	(Taka)
Singi	32.00-36.00	Ghee	220.00-230.00
Koi	33.00-36.00	Sugar	32.00
Pulses	26.00-28.00	Molasses	18.00-20.00
Mashur	27.00-28.00		
Mogh	19.00-20.00		
Chhola			
Matar			
Khiseri			

Source: Agriculture Marketing Directorate

Exchange Rates

January 13			
RATES, offered by Commercial Banks, for Bills on Collection (BC) selling and Overseas (OB) transfer buying. One Unit of Foreign Currencies (FC) for Taka.			
FCs	Buying	Selling	
US Dollar	35.9226	35.4432	
UK Pound Sterling	68.4678	67.6649	
German Deutsche	23.4711	23.1428	
Mark			
French Franc	6.6242	6.8252	
Saudi Riyal	9.6060	9.4778	
Dutch Guilders	20.4571	20.5647	
Pakistan Rupee	1.6279	1.6124	(AMU*)
Singapore Dollar	20.4571	20.1840	
UAE Dirham	9.8069	9.6760	
Kuwait Dirham	Not available		
Indian Rupee	1.9575	1.9385	(AMU)

*AMU-Asian Monetary Union

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BANK OF CREDIT AND COMMERCE INTERNATIONAL

OUR 4 BRANCHES IN BANGLADESH:

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10 Dilkusha Commercial Area
Dhaka-1000 P. O. Box 896
Tel: 236360-69
2. CHITTAGONG BRANCH
75 Agrabad Commercial Area Chittagong
Tel: 500755-9
3. FOREIGN TRADE BRANCH
88 Motijheel Commercial Area
Dhaka-1000
Tel: 243052-55
4. KHULNA BRANCH
5 Old Jessore Road
Khulna
Tel: 20206

OUR 4 BOOTHS IN BANGLADESH

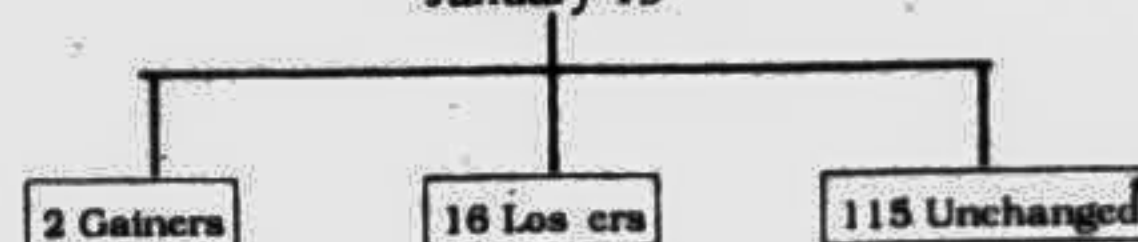
1. GULSHAN BOOTH
58 Gulshan Avenue
Dhaka
Tel: 606303
236360-69 EXT. 273
2. SONARGAON BOOTH
L-267, Business Arcade
Sonargaon Hotel Dhaka
Tel: 313819
315001-9 EXT. 4267
3. CHAWK MOUGAL TULLY BOOTH
150 Chawk Mougal Tully
Dhaka
Tel: 243388
256920
4. KHATOONGONJ BOOTH
336 Khatoongonj
Chittagong
Tel: 220229
225743

Quoted Prices of Traded Stocks on January 13

	FV/ML	Closing Rate	Changes Over Previous Rate
BANKS			
Al Baraka Bank	1000/1	960.00	-3.00
INVESTMENT			
6th ICB/M. Fund	100/10	90.86	-0.14
INSURANCE			
Green Delta	100/10	107.00	-0.48
Peoples	100/10	109.00	-1.00
United	100/10	105.75	-0.25
ENGINEERING			
Metalex Corp.	100/5	80.00	-1.00
Quasem Drycells	10/50	8.00	+0.25
Renwick Jaineswar	100/5	51.00	-1.00
FOOD & ALLIED			
Dhaka Vegetable	100/5	157.00	-1.00
Zcal Bangla Sugar	10/50	8.80	-0.20
FUEL & POWER			
Oxygen	10/50	52.50	+1.50
PHARMA & CHEM			
Ambee Pharma	10/50	14.50	-0.30
Pharmaco	100/5	41.00	-1.00
TEXTILE			
Eagle Star	10/50	34.00	-0.50
Rahim Textile	100/5	60.00	-0.09
MISCELLANEOUS			
Bata Shoe	10/100	41.50	-1.13
Usmania Glass	100/5	147.00	-0.55
DEBENTURE			
Beximco Pharma	2500/1	1640.10	-0.15

* FV=Face Value, ML=Market Lot
* Changes =(-) Means Loss and (+), Gain

Dhaka Stock Exchange Market Profile January 13



Issued capital = Taka 4,620,337,190.00
Market Capitalisation=Taka 9,818,419,827.00
DSE All shares Prices Index = 343.6012
Turnover = 2524 (Volume),
Taka 10,2515.00 (Value)
* Unchanged= Not trade unchanged

Best Wishes to The Daily Star on the occasion of its maiden issue.

We wish the Management, employees and readers a happy, peaceful and prosperous 1991.



Bangladesh Tobacco Company Limited