

Business

OPEC revenue jumps 42 p.c.

PARIS, Jan 21: The Organisation of Petroleum Exporting Countries (OPEC) saw its oil income jump 42 per cent in 1990, largely because of the Gulf crisis, the Paris based industry publication Petrostrategies reports, says AFP.

Saudi Arabia was the big winner, although most of its gains will go toward financing the multi-national operation against Kuwait, while Iraq and Kuwait lost most as a result of the U.N. trade embargo imposed after Iraq invaded Kuwait in August.

Oil price rises brought an increase of 49.2 billion dollars in OPEC's total revenue from exports of crude and refined oil, and liquefied natural gas, the publication said in its Monday edition.

Saudi Arabia took the lion's share of the increase 24 billion dollars, doubling its oil earnings to almost 48 billion dollars.

But while almost all of this sum will probably flow out of Saudi offers in the form of contributions to financing direct and indirect costs of the crisis. The remaining 25 billion will be very welcome to OPEC members facing grave financial problems, Petrostrategies wrote.

Saudi Arabia could pay up to 20 billion dollars toward the costs of the multi-national operation in the Gulf.

OPEC's average output of crude rose to 23.15 million barrels a day, compared with 21.73 million a day in 1989 but 85 per cent of its spectacular rise in income was due to the increase in oil prices.

Over the year Iraq's oil income fell 29.6 per cent to 10.2 billion dollars while Kuwait's plummeted 37 per cent to 10.8 billion.

Raw Jute

January 21

Kutch bales
FOB Narayanganj/Daulatpur
Varieties (Tk. per 100 Kg)

	White	Tossa	Mesha
Medium	1393	1500	1125
Bot. (B)	1340	1447	1098
Bot. (C)	1206	1286	1045
Bot. (X)	1072	1125	857

* FOB = Freight on board
* Bot. = Bottom

Kutch bales FOB (Ready) (Sight)**

Varieties	Tk. per	\$ per
Banda		
White		MT*
BW SPL	3450	585
BWA	3350	570
BWB	3300	550
BWC	2900	480
BWD	2600	410
BWE	2000	365
Tossa		
BT SPL	3500	595
BTB	3450	580
BTB	3400	560
BTB	2950	490
BTB	2650	420
BTB	2100	375

White Rejection (WRS)/Tossa Rejection (TRS):

Habibul Cut Ropes

BWR	1650	290
BWI	1300	220
BTR	1750	300
BTH	1400	230
BCR	1250	230

White/Tossa:

Cutting	White	Tossa
BWCA	1450	235
BWCB	1300	220
BWCA	1600	250
BTCA	1500	235

Mesha

Spl.	1950	355
A	1900	345
B	1800	330
C	1600	295
SPL Cuttings	1000	175
Ord. Cuttings	900	170
SMR	1125	200

* FOB ready = Narayanganj
** FOB sight = Chittagong/Mongla Ports. Indicative Price at which sales may be considered for EPC registration.

The \$ prices are exclusive of any selling commission. O. D. (Sight nontraditional/applicable to export bills). One \$ = Tk. 35.4956
* MT = Metric Ton

Imports/arrivals of Kutch bales at Narayanganj were seven to eight thousand tons while at Daulatpur at six to seven thousand mounds. (One mound is equal to 37.2417 KGs.)

Exchange Rates

January 21
SELLING AND BUYING RATES, offered by Commercial Banks, for Bank Cheques, (BC) and Overseas Drafts (ODs) One Unit of Foreign Currencies (FCs) for Taka

FCs	Buying	Selling
US Dollar	35.9226	35.4432
UK Pound Sterling	69.1392	69.9527
German Deutsche	23.9804	23.6446
Mark		
French Franc	6.9551	7.0533
Saudi Riyal	9.4819	9.6101
Dutch Guilder	20.9847	21.2812
Pakistan Rupee	1.6006	1.6160
(AMU*)		
Singapore Dollar	20.3696	20.6452
UAE Dirham	9.8141	9.8149
Kuwait Dinar	Not available	
Indian Rupee	1.9320	1.9508
(AMU)		

*AMU-Asian Monetary Unit

SECONDARY EXCHANGE MARKET

Wage Earners Fund/Export Performance Benefit (EPB) Fund	Buying	Selling
US Dollar	36.48	36.53
UK Pound	71.08	71.13

* The rates of Pound Sterling are decided every day, based on the cross-rate of New York market

Source: Sonali Bank

Monitoring cell to control price hike suggested

Star Economic Report

The formation of a separate monitoring cell as well as the strengthening of the supervision over the possible hoarding have been suggested by the Department of Agricultural Marketing to control price hike.

The department has submitted the proposals to the concerned ministry, a source said.

The proposals have come following a steep rise in prices of some essentials after the outbreak of the Gulf war.

The department further suggested that the buyers should be counselled to stop panic buying.

No reason for price hike, says Mahmud

Star Economic Report

President of Dhaka Chamber of Commerce and Industry, Mr Abu Syed Mahmud, urged the businessmen to keep the price of essentials within the buying capacity.

He said there is no reason to increase prices as supplies are normal, says a DCCI Press release.

He said it is not proper to hike prices taking advantage of the present crisis, it added.

Body to work for market-oriented economy formed

Star Economic Report

A new organisation in the style of Making Our Economy Right (MOER) has been formed to mobilise public opinion in favour of a market-oriented economy.

The organisation will meet various trade and manufacturing associations, unions, unorganised entrepreneurs and growers and producers of cash crops to realise the goals and objectives of a market economy.

A market economy can operate independently of political control while complementing a liberal democratic political system for the benefit of all, the organisation said in its press release.

Company news

Star Economic Report

Islami Bank

Islami Bank will hold the Annual General Meeting (AGM) of its shareholders on February 7. The company announced its book closure for share transfer from January 25 to February 7. The AGM will review the company's operations for the year that ended in December. The bank approved a 10 per cent interim dividend for its shareholders and did not announce any dividend so far for 1990.

United Commercial Bank

The United Commercial Bank Limited (UCBL) will keep its books closed for share transfer from February 10 to February 17. The company approved an interim dividend of 10 per cent for its shareholders for 1990.

Usmania Glass

The annual shareholders meeting of Usmania Glass will be held on March 14. The company announced its book closure for share transfer from February 14 to March 14. It earlier approved a 20 per cent for its shareholders for 1990. The dividend in 1989 was also 20 per cent.

Diesel price hike hits boro farming

by Reazuddin Ahmed

The cultivation of the boro crop in the country's irrigated area will be hard hit owing to high price of diesel. The managers of the deep tubewell projects in different areas decided to abandon the irrigation programme this year after the Gulf war had broken out.

This correspondent visited some of the rural deep tubewell projects in Narasingdi district on Monday. The managers expressed their disappointment that the fate of these projects would be uncertain in the event of a prolonged war and that the projects would have to be abandoned halfway. This would result in a big loss, they said.

The price of diesel and kerosene shot up in the rural areas as soon as the war broke out. One litre of kerosene sold at Taka 20 as against the official price of Taka 14.05. The price of diesel also went up to Taka 20 per litre.

The price has come down to Taka 18 per litre on Monday, the Upazila Agriculture Officer in Monohardi said. He also said the managers of the deep tubewell projects approached him for ensuring an uninterrupted supply of diesel until the boro cultivation projects are closed.

The Agriculture Officer, however, expressed his inability to give such a guarantee in view of the uncertain situation.

The Managers and the farmers feel that an assurance in this regard from the administration should come to save the projects from being abandoned when they are half-done.

The government has set the target of harvesting 20 million tons of foodgrains by the end of 1992. The expansion of irrigated boro area resulted in harvesting of six million tons annually.

The random survey in some rural areas indicated that the acreage of boro cultivation will be reduced to half this year if the administration fails to allay the fear of the farmers about the short supply and mounting price of the diesel.



Leather processing: The Star will run a photo series on raw leather processing. The photographs will cover the whole technology from procurement to production. Workmen treating raw leather with salt chemicals after procurement at a local tannery. Star photo by A. K. M. Mohsin

More \$7.6b Japanese aid to allied forces

Star Economic Report

TOKYO, Jan 20: Japan may contribute an additional one trillion Yen (7.6 Billion Dollars) to U.S.-Led multinational forces fighting Iraq, the Asahi Shimbun newspaper said yesterday, reports Reuters.

Washington asked Japan last September to increase its contribution, which stands at two billion Dollars, by three or four times if war started in the Gulf, the newspaper quoted unnamed government sources as saying.

Earlier reports in the Japanese media put the additional package at about five billion Dollars. Prime Minister Toshiki Kaifu was expected to announce the amount later this week.

A separate fund of two billion Dollars has been earmarked as aid to countries bordering Iraq that have suffered from the economic blockade.

Japan's contribution would be more than two billion Dollars, government spokesman Misoji Sakamoto said on Friday. He did not give a figure.

US asks India to remove bar on investment

Star Economic Report

NEW DELHI, Jan 21: The United States once again asked India to liberalise its economy to attract foreign investment and high technology, reports Xinhua.

The request was expressed by U.S. trade representative Carla Hills over a satellite-linked world-net dialogue programme between Washington and New Delhi, Bombay and Madras on Friday.

She said businessmen from the United States have given up India as a country where investments can be made.

She advocated open market economy and free trade, and asked India to remove trade barriers and restrictions on foreign investment.

Hills criticized India's 'protectionist' measures to safeguard its domestic industry.

The U.S. has been pressuring India to let in U.S. multinational companies freely, to increase equity participation in new projects to over 40 per cent, to let more U.S. exports in, and to enforce patent laws in India to safeguard U.S. products.

But India does not allow multinationals to get in with a free hand and does not permit equity participation to be more than forty per cent. India only wants to import what it needs and does not want the U.S. to enforce its patent laws on India.

In spite of disputes, the U.S. has since the 1950 been amongst the largest investors in India. Currently, U.S. investments account for 500 million U.S. dollars of the more than three billion U.S. dollars of private foreign investment in India.

The U.S. is also India's largest trading partner with six billion U.S. dollar bilateral trade between them.

India to sign trade protocol with China

Star Economic Report

NEW DELHI, Jan 21: Indian Commerce Minister Subramaniam Swamy will pay a five-day visit to China in February to sign an annual trade protocol and discuss the possibility of importing Chinese crude oil, reports AFP.

Mr. Swamy told the Press Trust of India (PTI) that he would discuss with Chinese officials ways of diversifying trade to include such areas as engineering goods, including machine tools and cement-making equipment.

Talks would also include possible Chinese crude sales to India, which is hunting for alternate sources of oil because of the Gulf conflict, he added.

The trade protocol that Mr. Swamy will sign in Beijing during the February 5-10 visit would replace one that expired in September.

Sino-Indian trade is estimated at about 200 million dollars, which both governments have said does not reflect existing potential China's major imports from India include iron and chrome ore, urea, tea, coffee and tobacco. India mainly buys Chinese petroleum products, silk and silk yarn, pulses and resins.

Mr. Swamy has been an ardent advocate of improved relations between India and China, who fought a brief border war in 1962 followed by a 14-year chill in diplomatic relations.

The two countries set up a joint commission, partly to study trade expansion, after Rajiv Gandhi visited Beijing in December 1988 when he was India's Prime Minister.

Indonesia may raise domestic fuel prices

Star Economic Report

JAKARTA, Jan 21: President Suharto Monday said Indonesia's oil resources were fast depleting and hinted the government might raise domestic fuel prices in efforts to encourage saving and more efficient energy use, reports AFP.

While inaugurating the Widuri oil field on the Java Sea, Mr. Suharto said that should the country fail to decrease consumption, the entirety of Indonesia's oil production would have to go into fulfilling domestic needs only.

Indonesia is Southeast Asia's largest oil producer, with output capacity at around 1.7 million barrels per day. Experts have however said that unless new important oil discoveries were made, Indonesia may turn into a net oil importer by the turn of the century.

Mr. Suharto said that the discovery of the Widuri field, "precisely when our production capacity is declining," will boost the country's output capacity and help make up for any world oil shortage caused by the Gulf crisis.

He said oil revenue remained and would continue to play an important role in the country's economy.

Jakarta's state draft budget for the fiscal year to start in April a projected receipts from oil and gas to stand at the equivalent of 7.9 billion Dollars, or 37.35 per cent of state revenues.

Mr. Suharto, however, warned that inefficient domestic use of oil would lead to a dependence on other countries for crude which he said could "weaken the resilience of our economy."

He called for diversifying energy resources and saving energy, especially oil, through more efficient use.

Snippets

Iran to float rial

TEHRAN, Jan 21: Iran's Central Bank has floated the rial from Monday, Tehran radio reported on Sunday, reports AFP.

Several rates exist in Iran worth officially a dollar in worth 65 rials but 1,430 Rials on the 'free' market.

A preferential rate of 800 Rials to the dollar is offered for industrial importers.

Thailand may buy Soviet oil

Star Economic Report

BANGKOK, Jan 21: Thailand will consider buying Soviet crude oil as part of an agreement to step up bilateral trade, state-run radio Thailand said Sunday, reports AFP.

Thai and Soviet technicians would conduct a study to determine whether Soviet crude is suitable for refineries in Thailand, the report quoted Thai Foreign Minister Arthit Urairat as telling Soviet Ambassador Anatoly Volkov.

Mr. Arthit held talks with the ambassador Friday on the Gulf crisis and bilateral trade, the radio said, adding that Thailand would also consider buying Soviet fertilizer and cement.

Current oil price crash benefits India

NEW DELHI, Jan 21: The current world oil price crash in the wake of the Gulf war can benefit India immensely provided it buys immediately from the spot market and succeeds in striking a bargain with the OPEC and non-OPEC countries for term contracts, oil experts here say, report PTI.

Oil prices have nosedived by as much as ten US dollars a barrel in world markets following optimism of restoration of stability in the Gulf region since the massive air strikes on Iraq by the US led allied forces on Thursday.

Dubai crude alone (suitable for Indian refineries) was quoted as low as 17 US dollars a barrel against the pre-war price of about 26 dollars and the record highs of about 40 dollars a barrel at the height of the Gulf crisis.

Dollar drops in Tokyo

TOKYO, Jan 21: The Dollar lost ground in Tokyo Monday amid uncertainty over developments in the Gulf and the Soviet Union, closing 0.85 Yen lower at 132.75 Yen, reports AFP.

The US unit came under selling pressure as investors feared that a prolonged war in the Gulf would further depress the US economy, dealers said.

After opening at 132.12 Yen, the Dollar moved between 131.95 Yen and 132.90 Yen with the central rate slipping from 133.60 Yen to 132.80 Yen. Spot turnover shrank from 14.214 billion Dollars to 8.349 billion Dollars.

Price Barometer: Essentials

January 21

RISS (Taka per Kg)	Price
Aman Very fine	17.00-18.00
Aman(fine)	14.00-15.00
Pajon	13.50-14.00
Ufai	12.00-12.50
VEGETABLES (Taka per kg)	
Potato(White)	5.50-6.00
Brinjal	5.00-7.00
Lady's finger	15.00-16.00
Cauliflower/ piece	5.00-8.00
Karolla	18.00-20.00
Lalshak	5.00-6.00
Green Banana (Four Pieces)	5.00-8.00

OTHER FOODGRAIN (Taka per Kg)

Flour	12.00-14.00
Atta	11.50-12.00
Wheat	9.50-10.00
FISH (Taka per kg)	
Rubi(big)	110.00-130.00
Katla(big)	80.00-90.00
Hilsa	65.00-70.00
Shrimp(big)	80.00-90.00
Singi	60.00-70.00
Koi	70.00-80.00
PULSES (Taka per Kg)	
Mashur	32.00-36.00
Moogh	33.00-36.00
Chhola	26.00-28.00
Maar	27.00-28.00
Khasari	19.00-20.00
MEAT (Taka per Kg)	
Bof	Not Available
Mutton	Not Available
OIL (Taka per kg)	
Mustard	48.00-56.00
Soyabean	33.00-33.50
Coconut (Colomb)	60.00-64.00
Vegetable Ghee	44.00-52.00
SPICES (Taka Per Kg)	
Onion(new)	12.00-16.00
Garlic	44.00-48.00
Chilies	65.00-70.00
Turmeric(Round)	42.00-46.00
(Long)	40.00-52.00
Green chilies	25.00-30.00
Ginger	16.00-22.00
Cinnamon* (10gms)	3.00-3.50
Cardamom* (large)	1.00-10.00
Risu (50gms)	6.00-7.00

MISCELLANEOUS (Taka)

Choo	220.00-250.00
Sugar	32.00
Molasses	16.00-18.00

Source: Agriculture Marketing Directorate

Dhaka Stock Exchange Market Profile

January 21

133 Listed stocks
11 Gains
9 Losers
113 unchanged*

* 113 unchanged stocks include three traded on the day at the previous day's quoted prices.
DSE All Share Price Index= 341.2926
Issued Capital = Taka 4,602,377,190.00
Market Capitalisation = Taka 9,752,525,142.00
Turnover = Taka