Prospect for rural-based industries bright

By Moinuddin Naser

The Task Force on Strategies and Role of Small and Rural Industries has recommended for reorganisation of Bangladesh Small and

Downtrend in share prices halted

Star Economic Report

Dhaka Stock Exchange (DSE) on Sunday witnessed a moderate rise in transactions. The downtrend in stock prices was halted. Advancers dominated transactions.

DSE All Share Price Index moved up to 350.6227 points compared with Saturday's 348.6610.

hands compared with Saturday's 4119. Traded issues valued Taka 4,31,845.00. It was Taka 2,49,893.00 on the previous day.

Thirtyfive stocks were traded. Of them nineteen gained, twelve lost and four remained unchanged at their previous quoted prices.

Among the gainers Islami Bank advanced most. It moved up Taka 33.75 to Taka

1108.75. IFIC Bank gained Taka 7.00 to Taka 187.00.

N.T.C., in the Food and Allied sector and Al Baraka Bank advanced Taka 5.00 each to Taka 275.00 and Taka 970.00 respectively.

Beximco Pharma and Oxygen moved up Taka 4.93 and Taka 3.26 to Taka 179.93 and Taka 57.86.

National Tubes and 5th ICB Mutual Fund advanced Taka 2.82 and Taka 1.69 to Taka 126.40 and Taka 145.00.

Green Delta, Aftab Automobile, Atlas Bangladesh Bangladesh Thai Aluminium, Quasem Drycells, Kohinoor Chemical, Rahim Textile, Saiham Textile, Bata Shoe, Beximco and G.Q. Ball Pen moved up within the range between Taka 0.16 and Taka 1.50.

Renwick Jajneswar and Rupali Bank declined Taka 4.50 and Taka 4.00 to Taka 68.00 and Taka 95.00 respectively. The 3rd ICB Mutual Fund

and 4th Mutual Fund lost Taka 3.67 and Taka 2.12 to Taka 152.00 and Taka 145.00.

Karim Pipe, Chittagong Vegetable and Rahman Chemicals declined Taka 2.00 each to Taka 128.00. Taka 111.00 and Taka 58.00.

Bangladesh Autocars, Zeal Bangla Sugar, Petro Synthetic, Chittagong Cement and Savar Refactories lost within the range between Taka 0.50 and Taka 1.10.

Quoted Prices of Traded Stocks

March - 17 (+5.00)1000/1 1108.75 (+33.75) National Bank 100/5 114.00 Unchanger 95.00 (-4.00)Rupali Bank Investment (-3.67)3rd ICB M.Fund 145.00 (-2.12)4th ICB M. Fund 5th ICB M. Fund Insurance 100/10 110,00 Unchanged 100/10 111.00 (+1.00) Green Delta 100/10 116.00 Unchanged Engineering Aftab Automobile 10/50 119.00 10/50 100/5 Food & Allied 9.00 (-0.50)10/50 Zeal Bangla Sugar Fuel & Power Pharma & Chem 10/50 13.00 Petro Synthette (-0.50) Rahman Chemicals Satham Textile Miscellaneous Bata Shoe (+1.50) 100/5 100/5 105.44 (-0.56)

FV= Face Value, ML

Market Lot Molasses ** Changes: Plus signs mean gain and (-) signs losses. Source: Department of Agricultural Marketing

DSE All Share Price Index = 350.6227

Issued Capital-Taka 4,620,377,190.00

Market Capitalisation = Taka 10,019,134,838.00

Turnover = Taka 4,31,845.50 (Value) 9751 (Volume).

Cottage Industries Corporation (BSCIC) to give more emphasis on rural-based industries which involve about half of total labour forces of the country.

The Task Force which submitted its report to the Government strongly suggested for bifurcation of the BSCIC in to two separate wings - one for small industries and the other for rural industries.

Convenor of the Task Force Dr Qazi Kholiguzzaman Ahmed in an interview with The Daily Star said there are a bright prospects for rural-based industries in Bangladesh, but this sector has not been given effective priority in the overall development of the government in the past. He said that only 0.6 per cent of total allocation in the development In all 9751 shares changed | budget in the eighties was earmarked for development of the small and rural projects.

> Kholiquzzaman said that the small industries as defined by BSCIC, are those where investments do not exceed Taka 15 million and again investment in the machinery and equipment do not exceed Taka 10 million. He said that this ceiling which was fixed much carlier should be revised upwards to Taka 30 and 20 million in the wake of inflation and devaluation of currency. But, compared with small

incentive for rural-based industries where per unit employment varies between 10 and 20 persons.

industries sector, there is no

He observed that the cottage industries in urban areas should be treated at par with the rural industries. This, he said, can make a significant contribution to Gross Domestic Product (GDP), if properly developed along functionally organised lines such as planning, promotion extension, training

Kholiguzzaman said that as of 1988-89 the contribution of small scale industries to GDP was 3.7 per cent. This figure however does not included a large part of the rural, informal industrial activities, which employed millions of people men and women, on full or part time basis in both rural and urban areas.

He said in a study project of BIDS it was found that about 217 thousand persons were involved in 57 thousand units under 11 upazilas. The number of labour force involved in these units is almost 25 per cent of total labour forces.

Mr Kholiquzzaman said the rural industries in particular have high potentials for employment generation, involving very simple, inexpensive technology and much lower investment per worker compared with large in industries.

He also recommended for reorganisation of Bangladesh Handloom Board (BHB) and Bangladesh Sericulture Board (BSB) for a more concentrated organisational attention on rural industries.

He also emphasised the need for involving local institutions such as Zila, Upazila and Municipalities in infrastructure development and management, working in cooperation with BSCIC, BHB and BSB.

The Task Force further recommended for improved data base for formulating effective policies, institutional arrangement for data generation and analysis, increased fund allocation, investment ceiling of commercial banks, introduction of "lead bank system" on experimental basis for some of the BSCIC industrial estates, credit fund for sick industries, credit guaranty scheme, supply of seed capital, raw material bank, marketing assistance and cluster approach for small and rural industries for providing effective marketing assistance.

The Task Force report also suggested for increased recruitment of women in BSCIC, BRDB, EPB, BHB and BSB, particularly at planning and extension worker level.



A wayside mechanic attending a faulty rickshaw rim in the metropolis.

-Star photo.

23m live in urban areas

Experts have suggested an immediate new masterplan for systematic growth of the sprawling 160-square mile capital city, prohibiting further installation of heavy industries within the city corporation limits, reports UNB.

The recommendation was made in a task force report submitted to Acting President Justice Shahabuddin Ahmed on March 10.

The "Task Force on Social Implications of Urbanisation" also suggested extension of suburbs like Savar and Joydevpur, and setting up new satellite towns for the accommodation of swelling population of the metropolis.

It attributed "alarming" rise in the urban population to increasing migration of rural masses to towns and cities including the capital.

The Task Force cited failure of poverty alleviation policies and programmes as the main cause of the rural-urban exodus. "All the poverty alleviation policies and programmes undertaken in the last four decades have failed."

Country's total urban population at present is about 23 million compared to 2.64 million in 1961, six million in 1974 and 13.56 million in The figure is likely to reach

37 million by the year 2000, according to the report of the 15 member task force led by Professor Nazrul Islam of Dhaka University Geography

LONDON, Mar 17: The de-

It put the growing urbanisation rate at nearly 20 per cent the rapid growth was mainly due to excessive migration to big cities and expansion of old cities and towns, the report

Migration alone has contributed about 40 per cent to the increase in urban population and, in some cases, upto 70 per cent.

Nearly 45 per cent of the country's urban population live in four metropolis of Dhaka, Chittagong, Khulna and Rajshahi. Dhaka alonc comprises 25 per cent of the total urbani-

More than half of the pcople of urban areas live below poverty level.

Plan to privatise Thai firms

BANGKOK, Mar 17: Thatland's military leadership, in a surprise move, has announced plans to privatise state enterprises and dissolve their unions to head off resistance to the plan, news reports said Saturday, reports AFP.

The decision was announced Friday in an interview granted by General Suchinda Kraprayoon, who was quoted as saying disbanding the unions was "one of the objectives" of the February 23 military coup, which toppled the elected government of former Prime Minister Chatichai Choonha-

Gen. Suchinda, the number two man in Thailand's ruling junta, said martial law, in force since the bloodless coup,

Commodity prices steady

would only be lifted once state enterprise unions were denied the protection of the labour relations act and prevented from resorting to industrial action.

"I support the efforts by the previous governments to privatise state enterprises but this could not be done because of the resistance of the labour unions," one report in the english-language daily the Nation quoted the General as say

But 57-year-old Gen : Suchinda's expression of support for Mr. Chatichai's privati sation policy and his explanation that union resistance to this policy had been a central factor in the coup have baffled analysts here.

Many believe the coup was

prompted by the former Premier's erosion of the military's political power and corporate interests.

The military's strongest line of defense to protect its corporate interests is linked to board membership in some 60 state enterprises, which employ about 300,000 workers.

As a result the military establishment and the unions were frequently allied against Mr. Chatichai.

Analysts were all the more surprised by Gen. Suchinda's remarks in that they paralleled one of Mr. Chatichai's last major actions, when the deposed leader moved towards confrontation with state enterprise unions over a plan.

March - 17

White Tossa Meshta

1500

1447

1286

1125

1045

(Sight)**

\$ per

MT*

570

595

580

560

490

420

220

300

230

250

345

330

175

170

200

FOB * Narayanganj/Daulatpur

Varieties (Tk. per 100 Kg)

• FOB = Freight on board

FOB

(Ready)*

Tk. pcr

balc*

3450

3350

3300

2900

2600

2000

3500

3450

3400

2950

2650

2100

1650

1300

1750

1400

1250

1450

1300

1600

1500

White Rejection (WRS)

Tossa Rejection (TRS)

Habijabi, Cut Ropes

Kutcha bales

Medium 1393

Bot.* (B) 1340

Bot. (C) 1206

Bot. (X) 1072

Bot. = Bottom

Pucca bales

Varietics

Bangla

White

BWC

BWD

BWE

Bangla

Tossa

BT SPL

BCR

Cutting

BWCA

BWCB

BTCA

BTCB

White/Tossa

BW SPL

Price Barometer: Essentials March - 17

(Taka per Kg) cision taken by OPEC to re-17.00-18.00 Aman (Very fine) duce production by around one million barrels per day in the 14.25-15.00 Aman(fine) second quarter of this year 13.50-14.50 prompted an immediate jump 12.50-13.00 in crude oil prices this week, VEGETABLES (Taka per kg) 3.50-4.00 the market welcoming the re-7.00-10.00 establishment of production 10.00-12 00 discipline after all control had 9.00-12.00 been abandoned during the 3.00-5.00 Lalshak Gulf crisis, reports AFP. 5.00-6.00 However, gains were 5.00-8.00 Green Banana (Four Pieces) quickly trimmed and a number (Baka per Kg) OHER POODGRAIN of analysts estimated that the 12.00-1400 Flour 10.50-11.00 cut would be insufficient to 9.50-10.00 prevent a persistent surplus of Wheat (Taka per kg) supply over demand in the

120.00-150.00

13.00-160.00

55.00-60.00

120.00-130.00

100.00-120.00

70.00-80.00

80.00-90-00

26.00-28.00

27.00-28.00

34.00-36.00

22.00-24.00

26.00-27.00

18.00-20.00

Not Available

Not Available

50.00-54.00

33.00-34.00

37.00-38.00

60.00-64.00

44.00-52.00

10.00-13.00

20.00-28.00

58.00-60.00

40.00-48.00

42.00-50.00

14.00-16.00

22.00-24.00

3.00-3.50

3.50-4.00

7.00-7.50

220.00-230.00

29.00-30.00

16.00-18.00

(Taka)

(Taka Per kg)

(Taka per Kg)

(Taka per Litre)

(Taka per Kg)

on the new production ceiling of 22.3 million barrels per day. GOLD : Quiet. In quiet trading, gold prices fluctuated in a narrow range. Some operators estimated that prices could resume an upward trend, but any firming was likely to be re-

April-June period. Iran and Al-

geria expressed reservations

strained by producer selling. SILVER and PLATINUM advanced at the beginning of the week to their highest levels since mid-January, supported by speculative buying based on hopes of a speedy recovery of the United States economy

and industrial demand. COPPER : Easier. After fluctuating in a narrow band in

the first half of the week, copper prices moved lower towards the weekend. Economic data from the United States were mixed.

LEAD: Steady. After firming early in the week on the strength of the Dollar, lead prices fell back close to previous levels. ZINC : Easier. Copper fell

back from recent levels as confidence about an economic recovery in the wake of the Gulf war receded.

TIN: Steady. Tin prices moved in a narrow band, tending to edge slightly lower towards the weekend.

ALUMINIUM : Firmer. Prices were boosted by a power blackout which put the 330,000 tonnes per year Albras Smelter in Brazil out of

NICKEL: Steady. Nickel prices moved in a narrow band supported by industrial unrest in the Soviet Union, where coal miners' strikes threaten to interrupt power supplies the metal industries.

COFFEE: Recovery after a week start. Prices eased at the beginning of the week due to trade selling in the wake of recent producer sales. SUGAR: Recovery after a

slight fall. Prices slipped lower

at the beginning of the week, in the absence of a long-anticipated recovery of demand from middle eastern countries with the end of the Gulf war But the market recovered after the announcement of the sale by India of 60,000 tonnes of white sugar, dealers having taken as encouraging the fact that India had not sold bigger quantities.

COCOA: Recovery after a week start. After that start, prices firmed slightly in the absence of Ivorian deliveries on the market.

VEGETABLE OILS: Stable. Vegetable oils remained stable over the past week. Soya oil moved little, in spite of the announcement of US sales of soyabeans to Taiwan and Mexico and the upward revision of US Department of Agriculture (USDA) estimates of US soyabean stocks, from 320 million to 350 million tonnes.

OIL: Irregular. Prices eased at the beginning of the week with the market anticipating that the OPEC agreement would fail to live up to expecta-

RUBBER : Quiet. Prices moved in a narrow band on the London market. Prospects for demand remained depressed by difficulties of the tyre indus-

GRAINS: Irregular. Wheat futures firmed while those of barley slipped lower. The firmness of the American wheat market, due notably to forecasts of purchases by China and the USSR, encouraged the trend. But the easing of Chicago Thursday in anticipation of rains over the weekend in the American producer regions restrained optimism at the end of the week.

TEA: Firmer. Demand improved at the weekly auctions, where average prices were 220 pence per kilo for quality grade, 105 pence per kilo for medium grade and 81 pence per kilo for low medium.

WOOL: More active. A pickup in activity was noted in Aus tralia, brightening prospects for the rest of the world market. Japan, China, South Korea and Western Europe bought the major part of the wool on offer during the week in Australia, and an increased price was registered by some grades. COTTON: Recovery after a

week start. The price index recovered after a hesitant start on the Liverpool market, where demand was expressed for supplies from Africa, the United States, Pakistan, Spain, Israel and Turkey.

Exchange Bakes

Overseas Drafts (ODs) One Unit of Foreign Currencies (FCs) for Taka

German Deutsche 22.3608 Mark French Franc 6.4736 6.5648 6.7183 Saudt Riyal 19.5549 19.8303 **Dutch Gutiders** 1.5815 1.5965 Pakistan Rupee (AMU*) 20.4512 20.1783 Singapore Dollar 9.8141 9.6831 **UAE** Dirham Not available **Kuwait Dinar** Indian Rupee 1.8797 6.1166 S. Kroner

Buying 66.43 decided every day, based on the crossrates of New York market

Source: Sonalt Bank

Commercials Banks, for Bank Cheques, (BCs) and 35.9226 35.4432 US Dollar 64.6097 UK Pound Sterling 65.38831

*AMU-Asian Monetary Union

March - 16

Mcshta 1950 SELLING AND BUYING RATES, offered by 1900 1800 1600 SPL Cuttings 1000 Ord. Cuttings 900 1125 SMR FOB ready = Narayanganj .. FOB sight = Chittagong/ 9.4819 Mongla Ports. Indicative Price at winch sales may be considered for EPC registration.

The \$ prices are exclusive of any selling commision. O. D. (Sight nontraditional/applicable to export bills). One \$ = Tk. 35.4956) MT = Metric Ton Imports/arrivals of Kutche bales at Narayanganj were seven to eight thousand mounds while at Daulatpur a

six to seven thousands

mounds. (One manund is equa

to 37.32417 KGs.)
Source : Bangladesh Jute Association

Snippets

90's to be a tight money period

BOCA RATON (Pla), Mar 17: The decade of the 1990's will be a tight money period for the world economy, raising already high real interest rates, a World Bank official said at the annual futures industry association conference here, reports

Real interest rates averaged four to five pact in industrialised countries in the 1980's. the highest level in any recorded decades' said Jean-Francois Rischard, Director of the Investment Department at the World Bank.

in the 1990's, countries such as Germany and Japan that in the 80's had large current account surpluses will see them shrink, Rishchard said.

\$800 m Chinese loan for USSR

BELJING, Mar 17: China will provide the Soviet Union with an 800 million Dollar commodity loan on favourable terms, it was announced here Friday, reports AFP.

Premier Li Peng made the offer in a meeting here Thursday with Soviet Deputy Prime Minister Yuri Maslyukov, official reports said, adding that the aid would include grain, meant peanuts, tea, silk and tobacco.

Mr. Li was quoted as telling Mr. Masiyukov that although China was not a prosperous country, it could use last year's bumper harvest to help its northern neighbour.

COMECON meet ends without decision

MOSCOW, Mar 17: The Soviet led trading bloc COME-CON concluded two days of meetings in Moscow Friday without agreeing on the structure of a successor organisation, reports Reuter.

Representatives said two basic issues were still in dispute whether- the replacement organisation should have cconomic teeth or be purely consultative, and whether its membership should be restricted to European govern-

Six COMECON members the Soviet Union, Bulgaria, Romania, Vietnam, Cuba and Mongolia-favour creating a broad based consultative body open to all governments.

Pak Rupee adjusted down against Dollar

KARACHI, Mar 17: The State Bank of Pakistan adjusted Rupee down to 22.4700/22.5824 to the Dollars from 22.4200/22.5321 fixed Wednesday, reports Reuter.

New rate: 22.4700/ 22.5824, previous rate 22.4200/22.5321, year-ago rate 21,4200/21.5271.

8.4 p.c jobless in EC

BRUSSELS, Mar 17: Unemployment in European Community (EC) in January was 8.4 per cent, unchanged from December and 0.1 percentage points lower than in January 1990, the EC **Eurostat Financial Service said**

here Friday, reports AFP. But Eurostat said the appar ent stability masked changes in individual EC member countries. Unemployment in Britain rose from 6.3 per cent in August to 7.2 per cent in January, while it fell in former West Germany from 5.1 to 4.6 per cent.

New Kuwaiti Dinar close to old level

LONDON, Mar 17: Kuwait will probably seek to re-establish its new Dinar close to preinvasion levels to ensure continuity in the banking system and to counter imported inflation, bankers said, reports Reuter.

"I see no reason why it shouldn't go back at the previous level, " an executive at one Kuwaiti bank said.

A senior executive at another Kuwaiti bank said he expected the currency would come back bid 2.90 and offered 3.15 to the Dollar. The last official fixing before the Iragi invasion was 2.8744/54 Dinars to the Dollar.

India to buy four Boeings NEW DELHI, Mar 17: The

Indian government has granted the purchase of four Boeing 747-400s to improve the competitiveness of the country's largest airliner, Air India, reports Xinhua. The aircraft, at an estimated cost of 717 million U.S.

Dollars, will replace four aged Boeing 747-200 aircraft of Air India, local press reported. Two of the new aircraft are

expected to be delivered in the 1991-92 fiscal year starting on April 1, and the other two in 1993-94.

Market Profile March — 17

134 Listed stocks 103 Unchanged 19 Gains 12 Losers

Dhaka Stock Exchange

Pangas

Mashua

Mator

MEAT

OIL

Palm Oil

Coconut(Colombo)

Vegetable Ghee

Turmeric(Round)

Green chillies

Jhira (50gms)

Cinnamon* (10gms)

MISCELLANEOUS

Cardamom* (large)

Ginger

Onion((new)

Shrimp(big)

114 Unchanged stocks include four traded on the day at the previous day's quoted prices.

(Gold & Silver)

March - 17 (Taka for 11.66 grams) 6,000.00 6,300.00 Gutnea 200.00 Source: Department of Agricultural Marketing

Hides & Skin (Wet/Salted)

(Taka per100 pieces) 15,000.00 - 19,000.00 28,000.00 - 35,000.00 Medium 40,000.00 - 45,000.00 - 60,000.00 55,000.00 Heavy 70,000.00 - 75,000.00 Very heavy 30,000.00 - 35,000.00 14,000.00 - 15,000.00 Light & 7,500.00 - 8,000.00 Medium

Source: Department of Agricultural Marketing

Sheep

3,500.00 - 4,000.00

10,000.00 - 10,500.00

60,000.00 - 63,000.00

March - 17

UN team visits Iraq Urgent humanitarian

aid sought BACHDAD, Mar 17: A United Nations relief team wound up a week-long mission to Baghdad Saturday saying that Iraq had an urgent need of humanitarian aid, re-

Spokesman Cedric Thornaberry said the 21-member mission would submit a report on Iraq's relief needs to UN Secretary-General Javier Perez De Cuellar "In the next few "Everyone agrees there is a

great urgency for Iraq to be as-

sisted to the humanitarian

ports Reuter.

level," he added. Thornberry said the report would deal mainly with ensuring clean water, operating the sewerage system and providing

medical, food and agricultural The mission, headed by UN

Under-Secretary General Martti Ahtisaari, met Iraqi Foreign Minister Tareq Aziz AP adds from Amman: More than 250 tonnes of wheat,

flour and lentils, 100 tonnes of diesel fuel and 25 tonnes of medicine left Saturday for Baghdad in the largest relief convoy since the Gulf crisis The convoy of 30 rigs was

accompanied by 33 buses for

Red Cross workers in Baghdad

to transfer prisoners of war

and civilian victims, the Inter-

national Committee of the Red

Cross said.

SECONDARY EXCHANGE MARKET Wage Earners Fund/ Export Performance Benefit (XPB) Fund Selling 36.53 US Dollar **UK Pound** Sterling . The rates of Pound Sterling are