

Saudi economy likely to recover quickly

RIYADH, Apr 8: The bill for financing part of the Gulf War will diminish Saudi Government coffers, but the economy as a whole is likely to recover quickly from the crisis and expand in coming years, Saudi and US officials said here Sunday, reports AFP.

They said the war had triggered a crisis in investor confidence and a flight of capital from Saudi Arabia, but added that doubts appeared to have been short-lived and money was again flowing back into the Kingdom.

The government has spent a lot of money to finance our share in the Gulf War, said Abdullah Al-Dabbagh, Secretary-General of the Saudi Council of Chambers of Commerce and Industry.

In an interview with the English-language daily Arab News, Al-Dabbagh described the economic disruption caused by the war as 'A shift of gear' and said that as far as projected expansion in the Saudi economy was concerned the war 'only put things on hold, but did not stop them.'

A US official here agreed with Al-Dabbagh's assessment

Dhaka-Beijing Joint Economic Commission meet begins

China urged to reduce trade imbalance

Sixth session of China-Bangladesh Joint Economic Commission (JEC) began in Dhaka Monday with a call to further develop trade and economic relations between the two countries on the basis of equality and mutual benefit, reports UNB.

Inaugurating the 3-day session at the NEC (National Economic Council) building this morning, Economic Relations Division (ERD) Secretary Enam Ahmed Chowdhury called upon China to import more from Bangladesh to reduce the growing trade imbalance.

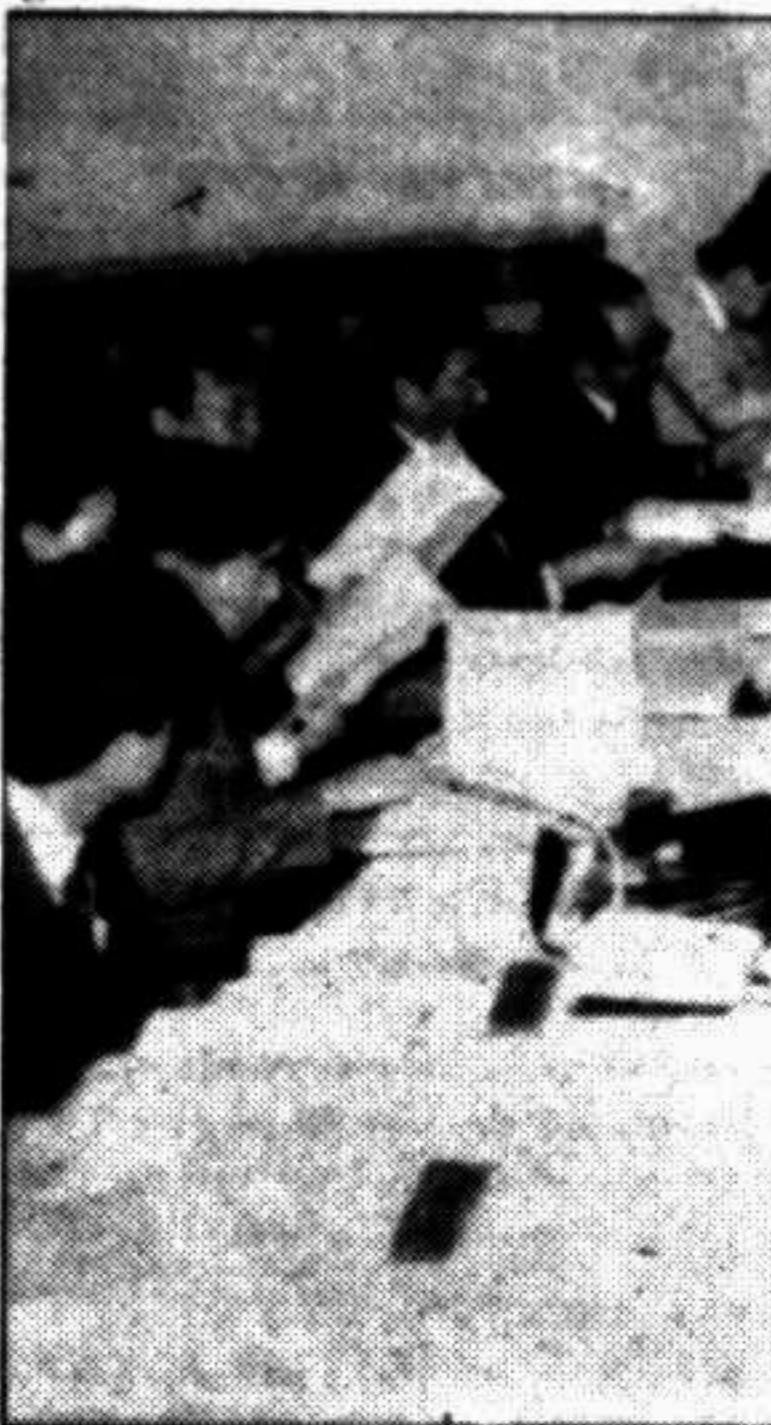
Chowdhury is leading the 16-member home-side at the meeting. The 12-member Chinese delegation is being led by Vice-Minister for Foreign Economy and Trade Wang Wen Dong who arrived in the capital yesterday (Sunday).

During wide ranging deliberations, both sides will assess the progress achieved in bilateral economic cooperation since the 5th meeting of the JEC in Beijing October 1989, and explore new initiatives and proposals.

Referring to Bangladesh's persistent trade imbalance with China, the ERD Secretary said Bangladesh has been im-

porting a large number of items under cash foreign exchange while her export to China on cash basis is very little.

He said the Joint Commission should discuss ways and means for increasing Chinese cash import of more Bangladesh value added items like jute goods, jute carpets, fertilizer, frozen prawns and garments.



Sixth session of China-Bangladesh Joint Economic commission begins in Dhaka on Monday

Chowdhury regretted that although both China and Bangladesh had agreed to set up joint venture industries in Bangladesh for narrowing the growing trade imbalance, no concrete measures have yet been taken to implement the accord.

He suggested setting up at least two joint venture industries, including a Urea Fertilizer Factory, on priority basis.

Balance of trade has been heavily in favour of China and the imbalance is widening fast over the years. According to official statistics, Bangladesh's import from China in 1989-90 totalled Tk 415 crore against its export of Tk 60 crore only.

In his opening remarks, the Chinese delegation leader expressed satisfaction at the existing level of cooperation be-

tween his country and Bangladesh in the field of trade as well as economic and technical assistance.

But he referred to certain hindrances in releasing materials like iron and cement, being imported for China-assisted projects, from the port.

Vice-Minister Wang drew the attention of Bangladesh officials for removing these constraints to ensure smooth

progress of the projects. 'We keep our promise to our friends but favourable conditions have to be established for expanding cooperation.' Referring to China's own shortage of cash capital, Wang said providing funds to friendly countries is not at the centre of its cooperation strategy. Despite this, he assured, more Chinese corporations would come up with joint venture proposals for investment in Bangladesh.

On trade, he suggested Bangladesh to come up with offers of new items to expand the volume of its exports.

Assessing the progress of ongoing technical cooperation, Wang said the Chinese study report on flood control has already been completed and will be submitted soon to the Bangladesh government.

Bangladesh Ambassador to China Farooq Sobhan and his Chinese counterpart in Dhaka Chen Songlu are among their countries delegations.

Three working groups — one each on economic assistance, cooperation of mutual benefit and trade — were set up at the plenary session.

An agreed minutes of the meeting will be signed on the concluding day Wednesday.

Bank holiday

The Bangladesh Bank and all scheduled banks will remain closed on April 13 on account of holy Shab-4-Qadr, on April 15 for Bengali new year's day and from April 16 to April 18 on account of holy Eid-ul-Fitar, according to a Bangladesh Bank press release Monday, reports BSS.

Share prices decline further

Star Economic Report

Trading picked up on a modest scale at Dhaka bourse on Monday. Transactions were up with buying support gaining some strength. And the buyers took advantage of price declines as major traded issues, involving the larger chunk of business in value terms lost ground.

In all 7,666 shares and debentures changed hands compared with Saturday's 2108. Traded issues valued Taka 5,33,050.00 against Taka 1,25,820.00 on Saturday.

Twentythree stocks were traded. Of them eleven gained, six lost and six remained unchanged at their previous quoted prices.

With decliners accounting for a major portion of the day's transactions, the Composite Index of Dhaka Stock Exchange fell to 355.0725 points from Saturday's 355.1919.

Among the advancers the debentures of Apex Tannery, Bengal Food and Beximco Pharma moved up Taka 5.00, Taka 10.00 and Taka 5.00 to Taka 1020.00, Taka 1210.00 and Taka 1725.00 respectively.

Bengal Food and Aftab Automobiles gained Taka 3.60 and Taka 2.00 to Taka 210.00 and Taka 213.00.

Bangladesh Autocars, Bangladesh Thel Aluminium, Quasem Drycells, Zeal Bangla Sugar, Monosop Paper and Savar Refractories advanced within the range between Taka 0.01 and Taka 1.00.

On the decliners side Eastern Cables, Dhaka Vegetable, Tallu Spinning, Beta Shoe, Beximco and GQ Ball Pen lost within the range between Taka 0.02 and Taka 1.00.

Quoted Prices of Traded Stocks

Table with columns for stock names and prices. Includes items like Green Delta Engineering, Aftab Automobiles, Bangladesh Autocars, etc.

Dhaka Stock Exchange Market Profile

Summary table for Dhaka Stock Exchange Market Profile for April 8, showing 134 listed stocks, 11 Gainers, 6 Losers, and 117 Unchanged.

117 Unchanged stocks include Six traded on the day at the previous day's quoted prices. DSE All Share Price Index = 355.0725. Issued Capital-Taka 10,146,289,601.00. Market Capitalisation = 10,149,701,361.00. Turnover = Taka 5,33,050.00(Value) 7,666 (Volume).

Visiting team meets FBCCI leaders

Pakistan eager to expand trade

Pakistan attaches a top priority to a further expansion of trade with Bangladesh which would serve the best interest of the two people, reports BSS.

This was stated by Mian Shahbaz Sharif, MNA and a member of the visiting Pakistan delegation when he met the member of the Federation of Bangladesh Chamber of Commerce and Industry (FBCCI) in Dhaka Monday afternoon.

Sharif highlighted various steps taken by his government headed by Prime Minister Mian Nawaz Sharif, and said the government was striving to establish a new economic, so-

cial and legal order in Pakistan. 'Our aim is to maximise the welfare of common man through maximum employment.'

Shahbaz Sharif proposed for export of raw cotton, cotton year, fabrics, pharmaceuticals, equipment and more rice along with items like fresh fruits, sugar plants and cement plant from Pakistan. Pakistan wants to import jute, tea, telephone cables and betel nuts from Bangladesh.

Welcoming the delegation, Al-Haj Akram Hossain, President of FBCCI, said that Bangladesh was in the process of further liberalising the industrial policy keeping in view the present global industrial environment. 'The new policy would give special emphasis on foreign investment in export-oriented and import substitute industries based on local raw materials and natural gas, he added.

Experts see long road ahead for East European economic change

LONDON, Apr 8: Former heads of government, finance experts and bankers ended a London conference on prospects for the fledgling economies of East Europe saw a long road ahead on the way to real change, reports Reuter.

The two-day conference, chaired by the former Canadian Prime Minister Pierre Trudeau, aimed to develop ideas for states trying to revamp their economies after recent political changes.

'The whole undertaking has to be viewed as an historic transformation. It's not a short term policy' said conference delegate Robert Heilbroner. The change may take a generating to complete, said Heilbroner, Professor in the Department of Economics at the New School for Social Research, New York.

Economic interaction needed: Kibria

SEOUL, Apr 8: New regional initiatives aimed at increasing greater economic interaction among the member nations are necessary for development of the ESCAP region as a whole, S.A.S.M.N. Kibria, Executive Secretary of the United Nations Agency, has said, reports BSS.

He said the current annual conference of the ESCAP here is having a close look at the present methods and ways for helping economic links among the member nations but the deliberations of the important conference would also concentrate on new thoughts of provide a fillip to the ESCAP activities.

The ESCAP, whose members are the countries in the Asia and the Pacific region, and are developing and least developed nations, is attaching greater importance to the regional cooperation in the region for a more balanced growth of the ESCAP area.

South Korea, which attained significant economic prosperity among the ESCAP region,

Indians crave foreign goods but investors cool

NEW DELHI, Apr 8: Millions of Indians crave international brand-name products, but stodgy bureaucracy and a lack of government policy-making have turned foreign investors off wooing one of the world's biggest potential consumer markets, reports Reuter.

Approved investment in joint ventures in India, always meagre, slumped in 1990 to just 1.28 billion Rupees (68 million Dollars) from 3.17 billion (167 million in 1989). While politicians boast of self-reliance, many middle-class Indians try and buy higher-status foreign goods despite import restrictions.

Policy-making is suspended pending an early general election in May and for the first time since India's independence from Britain in 1947, there is a risk the country might default on debt interest payments.

We've been waiting for an industrial policy for the last one year, said a Japanese diplomat. To Japanese investors, India's domestic market

is very attractive. But the Indian government always requires Japanese firms to export, only export. Maybe some European and American companies are working long-term, the diplomat said.

'Japanese companies want the results.' Tens of millions of India's 850 million people are creating a middle class whose foreign holidays are essentially shopping trips.

For foreign investors hoping to snare these potential buyers, infrastructure compares well with that of China or the Soviet Union, labour is cheap and India has a reputation for honouring its foreign commitments.

But its politicians have yet to formally renounce the creed of self-reliance which has enabled independent India to grow its own food and industrialise.

Would-be investors complain they have to clear rows of bureaucratic hurdles for approval to take a maximum 40 per cent equity in a venture, in

the hope that a fraction of their products can be sold in the market they originally targeted—India.

While India rates Japan as its third biggest foreign investor, it accounted for 0.3 per cent of actual Japanese foreign investment in the 1989-90 financial year ending March 31.

Diplomats and investors say the equity limit is mainly a psychological barrier.

Foreign partners can still name a managing director and full-time director, and India's solid savings record makes it fairly easy to raise the domestic stake.

Some established investors report turnover increases of 20 per cent a year and scorn those deterred by the bureaucracy.

Raw Jute

Table showing Raw Jute prices for April 8, including Kutchi bales and various varieties like White, Tossa, Meshita.

Table showing Jute bales prices for April 8, including FOB and FOB (Ready) prices for various varieties.

Table showing White Rejection (WRS) and Tossa Rejection (TRS) prices for April 8.

Table showing Habibi Cut Ropes prices for April 8, including BWR, BWH, BTR, BTH, BCR.

Table showing White/Tossa prices for April 8, including Cutting, BWC, BWC, BTCA, BTCS.

Table showing Meshita prices for April 8, including Spl, A, B, C, S, C/L.

Table showing White/Tossa prices for April 8, including FOB ready, FOB sight, FOB Mongia Ports, FOB at which sales may be considered for EPC registration.

Imports/arrivals of Kutchi bales at Narayanganj were seven to eight thousand mounds while at Daulatpur at six to seven thousand mounds. (One mound is equal to 37.3247 KGs.)

Snippets

India likely to be put under US trade act

CALCUTTA, Apr 8: India is likely to be put under the priority watch list under the Special 301 provisions of the US Omnibus Trade and Competitiveness Act of 1988, the Commerce Minister, Dr Subramaniam Swamy, said here today, reports PTL.

Speaking at a meeting, organised by the Bengal Chamber of Commerce and Industry, Dr Swamy, who came here along with the Prime Minister, said that India would be affected by the provisions of special 301 if reforms in its intellectual property rights were not brought about, as desired by US.

Brazil costs \$55m for suspending coffee export

BRASILIA, Apr 8: Brazil's decision to suspend taking coffee export orders has cost it 55 million Dollars so far, Economy Ministry sources said Saturday, reports AFP.

The suspension was ordered March 21 to allow government and industry officials time to consider returning to the international coffee agreement, which collapsed in July 1989 and took the system of coffee export quotas with it.

The Brazilian Federation of Coffee Exporters has charged that some domestic and foreign exporters knew of the decision before it was announced and profited from their alleged inside information.

Hitachi appoints new President

TOKYO, Apr 8: Hitachi Ltd. today announced the appointment of Vice President Tsutomu Kanai as its President to succeed Katsushige Mita, who will become the chairman, reports AFP.

Mita, 67, has served five successive two-year terms as President of Hitachi, one of Japan's biggest electrical machinery makers.

Kanai's appointment will be formally decided in June, Hitachi officials said. Kanai, 62, joined Hitachi in 1958 and became Managing Director in 1985 and Vice-President in 1989.

Dollar ends firmer in Tokyo

TOKYO, Apr 8: The Dollar ended firmer as dealers covered short position on fears the yen could lose more ground overseas later today on perceived political uncertainty here.

News that the head of Japan's ruling Liberal Democratic Party (LDP) would resign to take responsibility for his party's resounding defeat in Sunday's poll for Tokyo governor came as no surprise.

'What happens to the yen depends on how seriously overseas players take the resignation news,' said Naoto Kawamura, assistant manager at bank of Tokyo.

Latin America faces economic crisis

WASHINGTON, Apr 8: The economy of Latin American, buffeted by recession, heavy debt and inflation, faces a tough period ahead although reforms should begin to make a difference sometime soon, the inter-American development bank said.

In releasing its report on last year in conjunction with annual meeting of the bank in Nagoya, Japan, it said almost all countries are now moving to establish the private sector as the driving force in the region.

Maruti to expand exports

NEW DELHI, Apr 8: Dogged by policies stifling the automobile industry at home, India's state-run car maker Maruti Udyog Ltd is looking at exports to stay on the profit highway, reports Reuter.

'Exports are vital for our future. It will ensure profits and give us the foreign exchange to go ahead with our expansion,' Managing Director RC Bhargava said in an interview.

Fiji's sugarcane farmers threaten to boycott harvest

LAUTOKA (Fiji) Apr 8: Fiji's 23,000 sugarcane farmers threatened here today to boycott harvesting for a second consecutive season in protest at a government decision to delay elections for the growers representative council, reports AFP.

Kuwaiti banks need a year to reorganise

KUWAIT, Apr 8: Kuwaiti banks, struggling to provide basic local services six weeks after the Gulf war, will need about one year to play an active role on world markets, a Kuwaiti economist said here, reports Reuter.

Kuwait's Gulf Arab allies meanwhile should help the Emirate, currently financing itself from its investments overseas, by selling oil on its behalf, Jasev Al-Saadoun told Reuters.

A western banker also said the six local commercial banks would need a year to set up proper communications and dealing systems and recruit staff to recover from the Iraqi occupation.

Miners on strike until Gorbachev's exit

MOSCOW, Apr 8: Striking coal miners responded to Soviet President Mikhail S Gorbachev's offer of higher pay with calls to expand the walkout until they achieve his resignation, Pravda reported Monday, reports AP.

Strike committee meetings in the Donetsk area of the Ukraine met over the weekend and decided to fight 'to a victorious conclusion,' said Pravda, the Communist Party daily.

Last week's drastic price hikes brought on 'a new wave of strike fever' in the Kuznetsk mining region of Siberia, Pravda said.

Exchange Rates

Table showing Exchange Rates for April 8, including Selling and Buying rates for various currencies like US Dollar, UK Pound Sterling, etc.

Gold & Silver

Table showing Gold & Silver prices for April 8, including Gold, Tejbai, Ounces, Silver.

Hides & Skin

Table showing Hides & Skin prices for April 8, including Cow, Calf, Light, Medium, Heavy, Very heavy, Rejected, Goat, Big, Heavy, Light, Medium, Rejected, Sheep, Buffalo.