

Pakistan to put on sale US Dollar bearer certificates

KARACHI, Apr 22: The State (Central) Bank of Pakistan (SBP), which released foreign currency rules in February, said it would put on sale the US Dollar bearer certificates of one year maturity from Monday, reports Reuters.

The certificates would be in addition to the foreign exchange bearer certificates, which carry 17.3 per cent rate of interest after three years of maturity, a SBP statement said.

The bank gave no hint of the rate of return on them but a foreign currency dealer Mumtaz Khan said: "The return, to be linked with labour, is likely to be decided by the bank on daily basis."

Khan said: "The Dollar certificates will convert Pakistan into a safe heaven for investors."

The statement said the new certificates would be on sale at the branches of scheduled banks authorised to deal in foreign exchange.

The certificates can be purchased without disclosing identity by individuals, firms, institutions and bodies corporate irrespective of their nationalities and place of residence excluding banks and financial institutions operating in Pakistan..." said the statement.

The statement said the certificates could be purchased against payment in US Dollars only either from a foreign currency account held in Pakistan, remittances received from abroad in favour of office of issue, tender of US Dollar currency notes or travellers cheques issued outside Pakistan.

Moderate rise in share transactions

Star Economic Report
Trading at Dhaka Stock Exchange (DSE) on Monday picked up moderately. In all, 2880 shares and debentures changed hands compared with Sunday's 2518.

Twenty four stocks were traded. Of them eight gained, four lost and 12 remained unchanged at their previous quoted prices.

With advances dominating traded, DSE All Share Price Index moved up slightly. It advanced to 356.7190 points from Sunday's 356.7034.

Index is the broad indicator of price movements of all the listed stocks.

Traded issues valued Taka 2,47,925.00. It was Taka 2,36,837.50 on Sunday.

Uttara Bank and Monospool Paper moved up Taka 4.00 and Taka 3.80 to Taka 214.00 and Taka 113.80 respectively.

Apex Tannery advanced Taka 1.28 to Taka 147.78.

United Insurance, Bangladesh Thai Aluminium, Kohinor Chemical, Modern Dyeing and Bextimco gained within the range between Taka 0.07 and Taka 1.00.

Singer Bangladesh lost Taka 25.00 to Taka 1125.00. BGIC Insurance, Eastern Cables and Satham Textile declined within the range between Taka 0.50 and Taka 1.77.

Quoted Prices of Traded Stocks April - 22

*FV = Face Value, ML = Market Lot
+ Changes: Plus signs mean gain and (-) signs losses.

4 jute projects recommended

Star Economic Report

International Jute Organisation (IJO) Committee on Projects on Monday recommended four major projects concerning jute spinning technology and market promotion.

The Committee stressed the need for improvement of existing spinning process including fine yarn manufacturing. This step is needed for quality jute fibre production.

The committee also recommended technical survey and market study of the potential use of jute geotextiles. It stressed jute market promotion in Australia, New Zealand

and Japan. Sources said IJO needs big fund to carry out the plan. Presently it collects fund from members and different world bodies.

Meanwhile, the four-day fifteenth session of the International Jute Council (IJC) will begin in Dhaka on Tuesday to consider the projects put forward by the committee. It will also consider matters related to on-going and approved projects.

The council will also have the decisions of the meeting of members on the new international jute agreement ratified in 1989. It will try to put

into force the agreement. The council, also in its first meeting under the international agreement on jute and jute products of 1989 will also review the proposed administrative budget for 1991-92. It will also review the world jute situation and examine the competitive position of jute vis-a-vis synthetic.

Sources said jute market is facing problems due to expansion of plastic and nylon product.

Tomorrow's session of the council will be inaugurated by State Minister for Jute Abdul Mannan Bhuiyan.



Women extracting jute fibre from straw at a rural area.

—Shafiuddin Bitu.

Moscow largest buyer of Dhaka's traditional goods

Fayza Haq

The bilateral trade between Bangladesh and the Soviet Union expanded by an annual average of 13 per cent in the last four years period.

"We are the largest importers of the traditional commodities of Bangladesh like jute cloth, jute bags, tea and goat skins", said the Soviet Ambassador in Bangladesh, Vitaly S. Smirnov, in an exclusive interview with the Daily Star.

Reviewing the bilateral economic and trade ties, the Soviet Ambassador said, Bangladesh has a wide export potential and attracts the attention of the Soviet business circle. "Maximum use can be made of trade firms to set up economic ties", he observed.

"Bangladesh has also provided non-traditional items like readymade garments to the cost of 5.5 million US Dollars, denim cream to the tune of 850,000 Dollars and shaving cream worth 110,000 Dollars", Smirnov said.

He added that under the contracts with private Bangladesh firms the USSR has delivered Soviet made "Lada", and "Niva" cars to Bangladesh as well as "Maz" trucks, motor-scooters, motorcycles.

Smirnov also reminded that with the assistance of Soviet Foreign Trade Association "Obshchemashexport" the local

firm "Corona Industries" has erected, in the vicinity of Dhaka, a modern workshop for assembling Soviet-made tractors, delivered to Bangladesh in semi-knocked down condition.

"The Soviet side has suggested a wide range of areas of research in subjects such as sea chemistry, biogeochemistry and the pollution of water

in the Bay of Bengal. If the scientists from the International Institute of Environmental Studies and Disaster Management, Dhaka, Cooperate, this will bring about tremendous cooperation in the field of environmental studies, and the USSR would be able to render assistance to the above mentioned institute," the Soviet Ambassador added.

USSR in exchange for Bangladeshi goods, helps Bangladesh with machinery, equipment, spare parts, cotton, petroleum products, books and periodicals, Smirnov added.

"There was a time in the early '70's when western governments failed to recognise Bangladesh's independence

but USSR turned over large amount of gifts in the form of foodstuff, including rice and wheat, drugs, clothes, footwear and other necessities. Thus the economic blockade was frustrated."

"The Soviet side turned over to Bangladesh ten trawlers free of charge, three sea vessels and four helicopters and assisted the country in the establishment of the cold fish storage in Chittagong which can now store 350 tons of sea products. Apart from that 26 sunk vessels were lifted and vast amount of mines rendered harmless with the help of Soviet experts in '72, '74," Smirnov continued.

"With Soviet technical assistance the Ghorasal Thermal Power Station, as well as electrical equipment manufacturing plant in Chittagong, was constructed. Buildings are going on at unit No. 5 and negotiations and constructions of unit No 6 are being carried on. With the start up of the above units Ghorasal TPS will amount to 950 MW and it will become the biggest power station in the country," the Ambassador said with conviction.

He also insisted that "The Soviet experts feel the necessity to make TPS fully autonomous by installation of a gas turbine-generator. A set of 15 MW can also be provided."

He further informed us that the USSR was ready to cooperate in the construction of transmission lines with substations at Khulna, Kishurdi, Bogra, (double circuit). These are to be of 230KV. Double circuit of 132 KV are offered for Bandaria, Mathbaria and Patharghat. Single circuits are proposed for Bogra, Joypurhat and Naogaon. Single circuits are also offered for Chuadanga, Jhenidah, Tangail, Jamalpur and Madhupur.

Formal approval from Bangladesh is required to start work in the above projects, we are told.

Smirnov also informed us that 13 deep bore wells were sunk in four gas bearing zones. This was done in connection with geological prospecting of oil and gas in Bangladesh.

New important projects are under discussion, among them the construction of a bridge over Rupsha river in Khulna. Soviet experts are expected to come to Dhaka for discussion of the matter, we are told.

Soviet airline Aeroflot has not applied to Biman to increase its quantity of flights. If this happened there would be further widening of Soviet-Bangladeshi ties, the Ambassador believed.

Seven Soviet experts have come to Bangladesh for the extraction of limestone and the establishment of a cement plant. This will save foreign exchange for Bangladesh, Smirnov added.

Most Asian currencies slip against US Dollar

HONG KONG, Apr 22: Most Asian currencies slipped against the US Dollar during the week with only the Philippine, South Korean and New Zealand units gaining against the Greenback, reports AFP.

An improved balance of trade in the United States for February spurred Dollar-buying in Japan, where the local unit slipped 2.05 yen during the week.

The Australian, Malaysian, Singaporean, Taiwan, Thai and Indonesia currencies followed suit. The Hong Kong Dollar finished unchanged against the previous week's close.

The yen fell to close the week 2.05 yen lower at 137.90 yen to the Dollar, against the preceding week's 135.85 yen finish on the Tokyo foreign exchange market.

After opening at 136.00 yen Monday, the Dollar dropped Tuesday and Wednesday in the absence of new incentives. But it recovered later, moving between 134.13 yen and 138.20 yen.

The Australian dollar: The Australian unit lost ground slowly, as selling in Asian centres pushed it half a cent lower to close Friday at 77.20 US cents, against 78.31 US cents finish of 1.7590.

Taiwan Dollar: The Taiwan currency slipped to close at 27.37376 to the US Dollar, down 9.95 Taiwan cents from the previous week's finish of 27.2765.

Hong Kong Dollar: The Hong Kong unit was unchanged against the Greenback from the previous week, finishing at 7.7900-7.7910 to the US Dollar.

Singapore Dollar: The unit finished weaker against the Greenback to close the week at 1.7745 against the previous week's finish of 1.7590.

Indonesian rupiah: The rupiah closed at a record low of 1.935 rupiah to the Dollar, down from 1.933 rupiah a week earlier.

Spring meetings of IMF, WB this week 150 states to work to avoid global economic recession

WASHINGTON, Apr 22: The spring meetings of the International Monetary Fund (IMF) and the World Bank (WB) will start here this week at a worrisome time for the world economy, reports Reuters.

The United States and other English-speaking nations are struggling to climb out of recession while other industrialised countries are trying to avoid falling in.

Finance ministers and central bankers from over 150 nations will work to avoid a global economic recession, one that would affect every region.

Preliminary meetings of officials start Thursday.

"The big question is how widespread, deep and long this recession is going to prove to be," said John Williamson, a senior fellow at the Institute for International Economics in Washington.

"Basically the Anglo-Saxons, that is, the United States, Canada, Australia and the United Kingdom have a recession. The question is, is the rest of Western Europe — other than Germany — going to

join them," Williamson said. Other challenges facing the IMF are a potential worldwide capital shortage, the reforming of East European economies, the collapse of the Soviet economy and reconstruction in the Middle East after the Gulf war.

The IMF's own semi-annual forecast, which is due to be unveiled this week, expects a slowdown in the industrialised part of the globe. It says growth will slow to 1.4 per cent this year, the worst performance since 1982.

The IMF looks for growth to rebound to 2.8 per cent in 1992, paced by recoveries in the United States, Canada and Britain. At the moment, however, signs of recovery are scant.

US officials say their economy will start to turn around by summer, and a bullish Wall Street is betting on it. But mixed economic indicators, including weakness in the home-building industry and industrial sector, confuse the outlook.

In Canada, policy-makers also hope a rebound will start

China lowers bank interest rates

BEIJING, Apr 22: The People's Bank of China, China's central bank, has announced a cut in deposit and loan interest rates, a move seen as linked to a deal signed Saturday by the Government with a syndicate to underwrite state bonds and market them at an attractive interest rate to the public, reports Reuters.

The bank cut deposit rates by an average of one percentage point and loan rates by an average of 0.7 point, according to an announcement published in official newspapers on Sunday.

Analysts said the drop in rates was linked to the deal announced Saturday, a move seen as one most important economic reforms since hard-lines took power in China two years ago.

The Central Bank statement on Sunday did not give a new rate for three-year bank deposit rate, but the official economic daily said it would be 8.28 pct. It is currently set at 10 pct.

The difference between the interest rates on the government bonds and the fixed deposits will all but guarantee success for the underwriting, the analysts said.

Raw Jute

April-22

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

Table with columns: White, Tossa, Meshta, Medium, Bot. (B), Bot. (C), Bot. (X), Bot. (Y)

Table with columns: Pucca bales, White, BW SPL, BWA, BWB, BWC, BWD, BWE, BT SPL, HTA, HTB, HTC, HTD, HTE

Table with columns: White Rejection (WRS)/Tossa Rejection (TRS), Habijabi, Cut Ropes, FWR, BWH, BTR, BTH, BCR

Table with columns: White/Tossa, Cutting, BWCA, BWCB, BWCC, BWCD, BWCE, Spl, A, B, C, SPL Cuttings, Ord. Cuttings, SMR

Table with columns: Exchange Rates, April-22, Selling, Buying

Table with columns: Gold & Silver, April-22, Gold, Tejsbi, Guinea, Silver

Table with columns: Hides & Skin, April-22, Cow, Calf, Light, Medium, Heavy, Very heavy, Rejected, Big & heavy, Light & heavy, Rejected, Sheep, Buffalo

Gulf Arab bank Governors to meet

MANAMA (Bahrain), Apr 22: Governors of Gulf Arab central banks and monetary agencies are to meet in Riyadh today (Tuesday) to coordinate policy and discuss the role of commercial banks in rebuilding Kuwait, the Gulf News Agency said Sunday, reports Reuters.

Finance ministers of the Gulf cooperation council states—Bahrain, Saudi Arabia, Kuwait, Oman, Qatar and the United Arab Emirates—are to meet in the Saudi capital Monday.

Kuwait, without sufficient basic services since the US-led alliance drove Iraqi occupation forces out of the country late in February, is expected to spend tens of billions of Dollars on reconstruction.

Pakistan sets tax share rates for provinces

ISLAMABAD, Apr 22: Pakistan Prime Minister Nawaz Sharif announced on Saturday a long-delayed new award giving provinces a population-based share in major taxes, reports Reuters.

Sharif told a news conference his Federal Government would retain its current 20 per cent from a pool of five taxes— income and corporate tax, sales tax, export duty on cotton, and excise duty on tobacco and sugar.

Punjab, the most populous province, would get the largest share of the remainder of the tax pool, taking 57.88 per cent from the start of the new financial year on July 1.

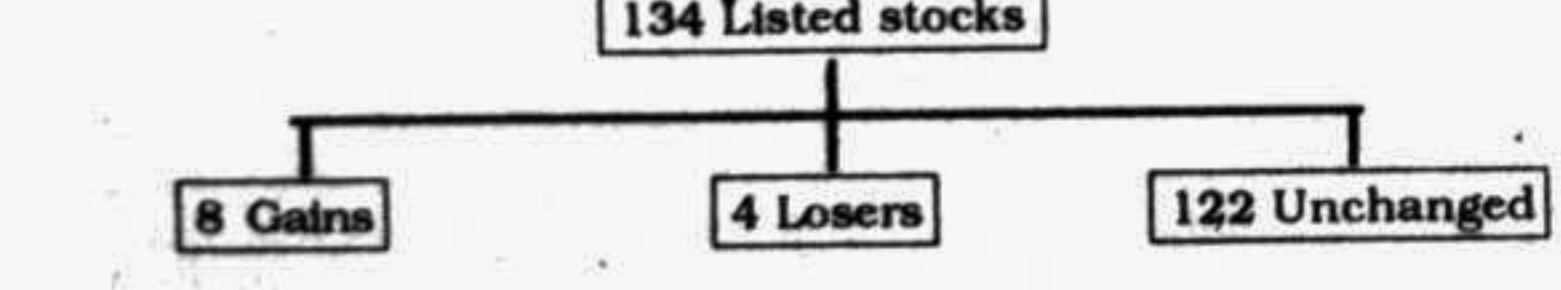
BCI officer dead

Khan Mohammad Omar Farooque (47), an officer of Bangladesh Commerce & Investment Ltd, died from jaundice on April 18 at his residence, a press release said.

He left behind wife, one son, two daughters and a host of relatives and well-wishers to mourn his death.

Dhaka Stock Exchange Market Profile

April - 22



122 Unchanged stocks include twelve traded on the day at their previous quoted prices. DSE All Share Price Index = 356.7190

Issued Capital = Taka 10,146,289,601.00
Market Capitalisation = 10,193,336,841.00
Turnover = Taka 2,47,925.00 (Value) 2,880 (Volume).