

Cyclone causes Tk 58 cr loss to jute mills in Ctg

By S. Y. Bakht

The jute mills located in and around Chittagong incurred an estimated loss of about Taka 58 crore in damages due to the cyclone and accompanying tidal wave that struck the coastal areas late last month, according to preliminary reports reaching in Dhaka.

All jute mills located in the Chittagong area suffered damages due to the catastrophe. Damages to raw-jute, finished products, machinery and infrastructure including housing is reported to be quite extensive in the area.

Many of the jute mills have remained closed either because of the extent of damages or because of power supply suspension in the area. Attendance in the jute mills is poor and, in many cases, below 50 per cent of the total workforce.

Bangladesh Jute Mills Corporation (BJMC) has 11 jute mills in the area. Besides there are eight jute mills in the private sector in Chittagong.

According to preliminary reports, the 11 BJMC jute mills in the public sector incurred an estimated loss of about Taka 9.55 crore. The eight private jute mills which are member units of Bangladesh Jute Mills Association (BJMA) suffered a total loss or damage to the tune of Taka 48 crore.

BJMC sources said that the

stock loss in the public sector mills on the basis of preliminary estimates would be about Taka 2.09 crore worth of raw jute and Taka 1.9 crore worth of finished goods. Infrastructural damages were estimated at Taka five crore. Other types of damages to the 11 public sector jute mills value Taka 54.5 lakh.

However, a BJMC standing committee on insurance claims is currently in Chittagong to make on the spot damage assessments, to ascertain the net amount of damages. The Chairman of the Corporation is also in Chittagong at the moment.

The BJMC jute mills are insured by the Shadharan Bima Corporation.

Out of the 11 BJMC jute mills, eight have been already reactivated as of April 5. The other three remain closed due to power supply suspension.

The most affected jute mills of BJMC in the area is Amin Jute Mills Ltd. With an estimated loss in damages of about Taka 3.68 crore. Four units of this industry has been damaged. In addition, the stocks of raw-jute and also of finished goods worth Taka 1.4 crore and Taka 1.3 crore respectively were lost. Infrastructural damage is estimated at Taka 94.7 lakh, including that of

housing for workers and officers.

An estimated damage of Taka 1.84 crore was also caused to Hafiz Jute Mills under BJMC. However, the unit was made operational as of April 5.

Among the member jute mills of the BJMA, Chittagong Jute Manufacturing Co. Ltd. (CJMCL) suffered colossal damages. Initial reports place damage loss at an estimated Taka 22 crore. In addition to damages to raw-jute and finished products, CJMCL suffered extensive infrastructural damages including damages to machinery and housing for employees.

A total of about Taka 3.77 crore worth of raw-jute and about another Taka six crore of finished goods were damaged at CJMCL, the second largest jute mills in the country.

In addition, Victory Jute Products Ltd., Quasem Jute Mills Ltd. and A. K. Khan Jute Mills Ltd. also suffered extensive damages, according to a preliminary report available with BJMA. Four other member units of BJMA have also submitted their reports about loss to the BJMA. However, damage reports from three other member mills in the area are still awaited.

NBR offers tax rebate in cases of damages

Star Economic Report

National Board of Revenue (NBR) has decided to facilitate the businessmen with tax rebate and other special exemptions in cases of damage or loss to imported consignments at the Chittagong Port by the cyclone and tidal surge of April 29.

The offer intended to enable the importers to have quick delivery of goods in the port, a NBR press release said.

According to the NBR, the office of one of the NBR members will be transferred to Chittagong on temporary basis. The NBR member will assess extent of loss for every consignment for rebate and tax exemptions in appropriate cases.

Industrial financial course ends

A 12-day long regular course on 'Industrial Financing', organised by the Bangladesh Institute of Bank Management (BIBM), ended in Dhaka on Saturday, reports BBS.

The concluding session of the course was presided over by the Director of the Institute, Mr. A. B. M. Mahbubul Amin Khan while Mr. Abdul Karim, Managing Director, Bangladesh Shilpa Bank gave away the certificates among the participants.

Donors warn poor states against suppression

JAKARTA, May 12: The head of a powerful group of donors to Indonesia warned on Saturday that rich nations were less and less likely to give money to developing countries which suppress criticism, reports Reuter.

"Many donor agencies are becoming very critical of developing countries when they don't allow a discussion domestically and that does have consequences for development aid," said Johannes Pronk, Chairman of the Inter-Governmental Group on Indonesia (IGGI) donors' club.

Senior Indonesian Security Minister Sudomo this week justified a 17,000 person blacklist forbidding dissidents from leaving the country by saying if they criticised the government abroad Indonesia might lose development aid.

Pronk, also Dutch Minister for Development Cooperation, pointed to the flood of funds to Eastern Europe which began as citizens raised their voices against their governments.

"The volume and quality of assistance is not going down due to critical statements... but is getting a boost," he told reporters.

Non government groups who say Jakarta sometimes

sacrifices the welfare of poor people for the sake of grandiose development plans complain they have no voice and the strictly controlled press rarely puts their point of view.

Pronk, in Indonesia for talks with ministers and aid agencies ahead of an IGGI meeting, said he would stress the need for development programmes that involved ordinary people at all levels.

The 21-member group will meet in June to agree on aid to the country for this financial year which ends next March.

The next stage of poverty reduction will require policies not from the top down but from the bottom up," Pronk said.

Such bottom up policies would include allowing workers more freedom to organize to improve life in one of the world's lowest-paying nations.

Indonesia, a model borrower which always pays its debts on time and in return gets new chunks of low-cost money from the IGGI each year, may have to pull in its belt, Pronk said.

Indonesia worried needlessly about Eastern Europe stealing away its aid last year but the post-war Middle East was a more serious competitor, he said.

Manila to present 3 debt relief options to Paris Club

MANILA, May 12: The Philippines will present three debt relief options under the "Toronto terms" when it meets with its official creditors in the so-called Paris Club, Finance Department Officials said here Saturday, reports AFP.

The Toronto terms are debt relief schemes normally available only to the poorest nations. Manila is seeking to obtain such terms when it meets with its official creditors in the 14-nation Paris Club on June 18.

Option A of the Toronto terms involves writing off one third of the country's bilateral debts, with the rest to be re-scheduled. However, finance officials previously said Manila would not seek a debt write-off because it could jeopardize new foreign loans.

Option B involves a re-scheduling of debt service with a 25-year repayment period and a 10-year grace period.

The third - option C - involves reducing the country's interest payments on its debt stock by as much as 50 per cent. The officials said.

The officials said option B was likely to be most attractive to the Paris Club members, especially Japan, which has threatened to cut off loans to any country that obtains debt write-offs.

Snippets

Brazil's economic cabinet replaced

BRASILIA (Brazil), May 12: Brazilian President Fernando Collor de Mello replaced his controversial Economic Cabinet on Friday with mainstream diplomats and businessmen but said he would not change economic policies, reports Reuter.

Led by Economy Minister Zelia Cardoso de Mello, the Economic Cabinet, including the central bank President, followed by the head of the giant Infrastructure Ministry resigned on Wednesday and Thursday.

Indian stock trading listless

BOMBAY, May 12: Trading was largely listless on the Indian stockmarket this week as the country inched its way towards its second general election since November 1989, reports AFP.

The Bombay Stock Exchange (BSE) Sensitivity Index gained 16.3 points to close at 1288.4, while the BSE National Index moved up by five points at 639.0 at the end of the five-day trading period.

Brokers say the volume of trading was low and that the Index would have actually lost value but for some major buying by financial institutions during the latter part of the week.

Mongolia to privatise 40 pc state firms

BEIJING, May 12: The Mongolian government plans to privatise 40 per cent of state enterprises in two to three years, the Xinhua news agency has reported, reports AFP.

Chief Assistant Premier Dawadorj Ganbold said the process would be carried out through auctions, share issuance and free-of-charge allocation, Xinhua reported from the Mongolian capital Ulan Bator.

The move to private ownership is primarily designed to introduce open competition to the economic arena, and as part of a gradual transition to a market economy, will completely change the country's long-standing system of economic management, Ganbold was quoted as saying.

Household income grows in S Korea

SEOUL, May 12: South Korea's urban household income grew in real terms last year by more than seven per cent - the lowest level in five years primarily due to inflation, according to figures released by the Bureau of Statistics on Saturday, reports Reuter.

The monthly income by an average urban South Korean family in nominal terms rose 17.14 per cent to 943,000 Won (1,300 Dollars) against 805,000 Won (1,110 Dollars).

But after adjustment for inflation, the real growth rate of the average monthly income increased only 7.9 per cent compared with 17.8 per cent increase in 1989.

Chinese imports up 20.9 pc

BEIJING, May 12: China's imports in April soared 20.9 per cent to 5.21 billion Dollars over the same 1990 period, customs figures released Saturday showed, reports AFP.

Exports increased 10 per cent to 5.28 billion Dollars, according to the figures. Import volume of both raw materials and commodities outstripped export volume, the statistics showed.

The surge in imports appeared to reflect the effects of trade reforms introduced by China at the start of the year, when government subsidies that had encouraged exports were abolished.

Dollar rises 10 pc in Peru

LIMA, May 12: The US Dollar has risen about 10 per cent against Peru's Inti currency since the beginning of May, but economists predict the currency should stabilize at around 800,000 Intis by the end of the month, reports Reuter.

The Dollar was quoted on Friday at 750,000/760,000 Intis to the Dollar compared with 690,000/710,000 Intis on the first of the month.

Kuwait a worrying borrower

LONDON, May 12: Uncertainties surrounding Kuwait will make it a worrying prospective sovereign borrower, said Paul Barker, an economist who has tracked the finances of the Emirate, reports Reuter.

At a conference on the Gulf, Barker said commercial banks were concerned about uncertainty as to the purpose of lending and the overall size and time horizon of the finan-

Moderate fall in share transactions

Star Economic Report

Dhaka bourse witnessed a moderate fall in transactions on Sunday.

Most traded issues declined in prices. But advancers involved transactions in larger volume. Because of this the downward trend in the Composite Share Price Index of Dhaka Stock Exchange was halted.

The index, which is the broad indicator of price movements of all the listed stocks, moved up to 349,245.55 points from Saturday's 349,238.4.

In all 4,605 shares and debentures changed hands compared with Saturday's 5,420.

Traded issues valued Taka 3,57,210.00 against the previous day's Taka 4,03,541.00.

Transactions involved twenty-two stocks. Of them five gained, nine lost and eight remained unchanged at their previous quoted prices.

Chittagong Cement advanced Taka 251 to Taka 143.00.

Green Delta Insurance, Eastern Cables, Dhaka Vegetable and Bata Shoes gained within the range between Taka 0.07 and Taka 1.00.

Bengal Food lost Taka 3.32 to Taka 191.01. Atfab Automobiles, 6th IC Mutual Fund, Renwick Jaineswar, Kohinoor Chemical, Paper Processing, Ashraf Textile and Beximco declined within the range between Taka 0.08 and Taka 1.00.

Quoted Prices of Traded Stocks

May-12

Stock	100/5	100/10	Change
LEFC	100/5	195.00	unchanged
Investment	100/10	142.00	unchanged
4th ICB M. Fund	100/10	92.00	(-1.00)
6th ICB M. Fund	100/10	92.00	(-1.00)
Insurance	100/10	116.00	(+0.71)
Green Delta	100/10	122.00	unchanged
United	100/10	122.00	unchanged
Engineering	100/5	208.00	(+0.89)
Atfab Automobiles	100/5	98.00	(+1.00)
Eastern Cables	100/5	98.00	(+1.00)
Renwick Jaineswar	100/5	65.00	(-1.00)
Food & Allied	100/5	45.00	unchanged
Avana Tea	100/5	191.01	(-3.32)
Bengal Food	100/5	144.33	(+0.33)
Dhaka Vegetable	100/5	144.33	(+0.33)
Bata Shoes	10/100	6.50	unchanged
Pharma & Chem	100/5	79.00	(+0.50)
Kohinoor Chemical	100/5	90.00	unchanged
The British	100/10	106.00	(+1.00)
Paper & Printing	100/10	106.00	(+1.00)
Textile	10/50	31.50	(+0.75)
Atfab Textile	10/50	34.00	unchanged
Eagle Star	10/50	37.78	(+0.07)
Miscellaneous	100/5	142.00	(+0.82)
Apna Tannery	10/100	37.78	(+0.07)
Bata Shoe	10/100	9.80	(+0.08)
Beximco	100/5	143.00	(+2.51)
Chittagong Cement	100/5	143.00	(+2.51)
Deben	1000/1	1035.00	unchanged

** Changes: Plus signs mean gain and (-) signs losses.

Dhaka Stock Exchange Market Profile

May-12

134 Listed stocks

5 Gains 9 Losers 120 Unchanged

120 Unchanged stocks include eight traded on the day at their previous quoted prices.
DSE All Share Price Index = 349,245.55
Issued Capital=Taka 10,146,289,601.00
Market Capitalisation = 9,979,781,159
Turnover = Taka 3,57,210.00 (Value) 4,605 (Volume).

Soyabean price reaches record low in Chicago

CHICAGO (Illinois), May 12: Wheat advanced yesterday on the Chicago Board of Trade, while soybean prices reached record contract lows, reports AFP.

Soyabean futures dropped between 9 cents and 11-1/2 cents, with May contracts closing at 5.64-1/2 Dollars per bushel.

Wheat advanced between 4 cents and 5-1/2 cents, with May contracts closing at 2.38-1/2 Dollars per bushel, a four-month low.

But its futures rose by between 1/4 cent and 1 cent, with May contracts closing at 1.27 Dollars per bushel.

The dramatic fall in soybean and corn futures prices appeared to be set off by an Agriculture Department report released late Thursday, saying 1991 winter wheat output was estimated at fewer than 1.5 billion bushels, or 26 per cent below last year's 2.03 billion bushel harvest.

Price Barometers Essentials

May-12

Commodity	Unit	Price
RICE (Taka per kg)		
Aman (Very fine)		17.00-17.50
Aman (fine)		14.50-15.00
Patil		14.00-14.50
Ushi		13.00-13.50
VEGETABLES (Taka per kg)		
Brinjal (White)		3.00-3.50
Brinjal		8.00-12.00
Lady's finger		8.00-10.00
Karolla		10.00-11.00
Laloluk		5.00-6.00
Papa		5.00-7.00
Green Banana (Four Pieces)		5.00-8.00
OTHER FOODGRAIN (Taka per kg)		
Flour		12.00-14.00
Atta		10.00-11.00
Wheat		8.50
Suzi		18.00-20.00
FISH (Taka per kg)		
Ruhi (big)		110.00-130.00
Katla (big)		90.00-100.00
Sh. fisha		45.00-48.00
P. sungs		100.00-110.00
Shrimp (big)		90.00-100.00
Sis. sgi		70.00-80.00
Ko. r		80.00-110.00
PU LSES (Taka per kg)		
Mas h		30.00-32.00
Mas. ur		26.00-28.00
Moos. th		28.00-30.00
Chholi 'a		22.00-24.00
Matar		24.00-26.00
Khesari		16.00-18.00
MEAT (Taka per kg)		
Beef		Not Available
Mutton		Not Available
OIL (Taka per Litre)		
Mustard		52.00-56.00
Soyabean		33.50-34.00
Palm Oil		40.00-41.00
Cocunut (C. olombo)		64.00-68.00
Vegetable G. hce		40.00-48.00
SPICES (Taka Per kg)		
Onion		12.00-14.00
Garlic		40.00-48.00
Chillies		50.00-60.00
Tumeric (Round)		40.00-45.00
Green chillies		16.00-20.00
Ginger		20.00-24.00
MISCELLANEOUS (Taka)		
Buffalo		220.00-240.00
Cheer		27.00-28.00
Sugar		18.00-20.00
Molasses		18.00-20.00

Source: Department of Agricultural Marketing



CHITTAGONG: Wreckages remain scattered in the port area following devastating cyclone of April 29. — Star photo

EC likely to accept single currency

LUXEMBOURG, May 12: European Community Finance Ministers on Saturday appeared willing to accept Britain's opposition to a single currency in their ambitious plans for an economic and monetary union, British officials said, reports AP.

But German sources predicted the British government would eventually go along with plans to create a single money for the dozen West European nations that belong to the trading bloc.

"They will see that this is a good thing for them economically," said a German source.

Denmark, meanwhile, proposed narrowing the band within which the European currencies fluctuate as a way of bringing the nations' economies closer in line before forming a monetary merger.

Anders Fogh Rasmussen, the Danish Economics Minister, said "only real economic progress... can create a real economic and monetary union."

The ministers' day-long talks were an effort to narrow their differences over blueprints for a joint central

bank and a single currency by the end of the century.

Leaders of the community nations last December opened a special conference to negotiate changes in their 1957 founding treaty for an economic and monetary union.

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Bush's party eager for economic growth

HOT SPRINGS (Va), May 12: Top Republicans meeting with US corporate leaders said they will push for cheaper capital to stimulate economic growth, otherwise President Bush could face a tough re-election campaign in 1992, reports Reuter.

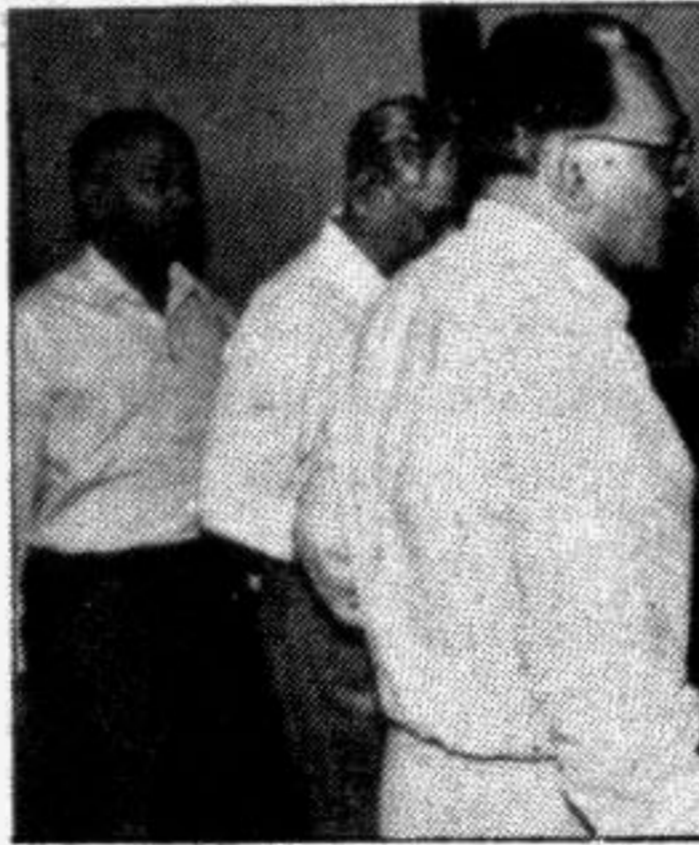
If the economy is in trouble in 1992, it is going to be tougher election, no doubt about it, said US Commerce Secretary Robert Mosbacher.

Any thought that George Bush will be automatically re-elected in 1992 goes out window if we are still in recession, said House Republican Whip Newt Gingrich.

High on the agenda for economic growth must be changing the US tax code to lower the cost of capital. This will stimulate business investment, restore growth and create jobs in an economy that's been contracting since last July, Mosbacher and Gingrich said.

Republicans are starting to grow nervous about election prospects, seeing over one million jobs lost from the US economy in the past nine months and corporations announcing still more cutbacks as they endure their first recession in eight years.

Already one democratic candidate, former Sen. Paul Tsongas of Massachusetts, is making restoring economic vitality and US competitiveness a centerpiece of his presidential campaign.



On behalf of the members of Metropolitan Chamber of Commerce and Industry, Dhaka, the Chamber President, Syed Manzur Elahi handed over a cheque of Taka 12 lakh to the Prime Minister, Begum Khaleda Zia on Saturday.

