

Mymensingh to get gas

By Inam Ahmed

Mymensingh town will come under the facility of Titas Gas supply from September this year with the completion of the Taka 322 crore Brahmaputra basin project.

The project funded by Asian Development Bank (ADB) will also facilitate consumers in Jamalpur, Kishoreganj, Netrokona, Sherpur, Trishal, Valuka and Gafarganj.

The proposed 100 megawatt power station in Mymensingh will also get energy from the project. In the 20 years perspective of the project, 238 industries, 874 commercial and 84,833 domestic lines will be installed.

The project which was approved in 1989, has the provisions for supplying gas to the western part of the country by setting up pipes on Jamuna bridge.

The transmission pipe lines have crossed a number of rivers. Presently, a pipe is being taken across the river Meghna by directional drilling. It is the biggest river crossing by directional drilling in the world.

The project is now supplying gas to Jamuna Fertilizer Factory. The factory will go into full swing from July and will consume as much as 40 million cubic feet of gas a day.

Tea demand firmer in Ctg auction

Star Economic Report

After a slow start, demand for tea in Chittagong Auction on May 21 developed well and most teas were generally firmer to dearer. The market opened very hesitantly when prices were barely steady and often a little lower than last sale.

A Press release issued by the Unity Brokers Limited of Chittagong said that among the foreign buyers, Egypt operated for the Fannings while there some out market interest for the Broken. The demand for the Broken Broken was also witnessed. This was, however, an encouraging response as the market is quite unsteady over the last few weeks, experts say.

The market report said, as the Sale Number 3 progressed, further momentum led prices to improve. The prices appeared to be firming up, the report says.

Torrential rains and flash floods in the tea growing district of Sylhet badly disrupted the road and railway links with Chittagong. The arrivals of tea from Sylhet have been negligible and offerings in the next

few sales are expected to be low, the report predicted. The estimated crop up to the end of April 1991 is 4 million kg compared with 3.8 million kg during the same

Indian chambers suggest govt on tax deduction

NEW DELHI, May 24: The Federation of Indian Chambers of Commerce and Industry (FICCI) has suggested to the Government that the employer should be authorised to adjust excess tax deducted, against the tax to be deducted at source from the salary income of the employees, reports PTI.

In a communication to the income-tax department, the chamber said the rationale for this suggestion is that there were several cases where excess tax was deducted at source from the salary income of the employees.

As for instance, FICCI said, last year various investment plans under section 80 VCB were notified

period last year. In the Sale Number 3, 8647 packages along with 152 packages of old season teas were on offer.

Orthodox: Two lines of Broken sold at Tk 55 to Tk 47 respectively. CTC: Most Broken were dearer by up to Tk. 1.50. Selective best Broken sold at between Tk. 54.00 and Tk. 56.80. Fannings were generally fully firm on last with some selling by Tk. 1.00 over last. Selective popular types sold at between Tk. 55.00 and Tk. 59.00.

Dust: 1445 packages along with 62 packages of old season teas were offered. Prices were generally dearer at between Tk. 1.00 and 2.00. Powdery descriptions often gained more.

Sale No. 4 will be held on May 28, 1991 at 8.30 a m in which total offerings will comprise of approximately 13,000 packages Leaf and 2,000 packages Dust.

Sale No. 5 is scheduled to be held on June 4, 1991 and catalogues have closed with the arrivals on May 14, 1991.



Garment shops doing brisk business by road-side hampering pedestrians and traffic movement. The hawkers sell the items at an exorbitant price. — Star photo.

USSR likely to face huge budget deficit

BRUSSELS, May 24: The Soviet economy could face a budget deficit four times higher than expected this year, said a NATO report gloomy about prospects for its former cold war foe.

A copy of the report, prepared by NATO's Economic Committee and made available to Reuters, said it was still uncertain whether Soviet President Mikhail Gorbachev could implement badly-needed economic reforms.

The unclassified document draws on Soviet data and the alliance's own sources, which include secret intelligence.

It said the Soviet Union had projected a 1991 budget deficit of 26 billion Roubles but that this was optimistic because of squabbling between the republics and Moscow over economic control, declining revenues and popular pressure to spend more.

"It is estimated that a budget deficit, for the USSR as a whole, of more than 100 billion Roubles is possible," the report said. The Rouble is not freely convertible to hard currency.

It said Gorbachev and his team realised that the economy had to become more market-oriented

Snippets

EC food aid to USSR by July

BRUSSELS, May 24: A much delayed European Community food aid programme for the Soviet Union worth 250 million Ecus (300 million dollars) should be fully underway by July, a European Commission official said on Thursday, reports Reuter.

Director-General for External Relations Horst Kreuzer told a news conference after annual EC-Soviet talks the Commission was now satisfied the aid pledged at the EC's Rome summit in December would reach those who most needed it.

Soviet Deputy Foreign Minister Ernest Orbinsky, speaking at the same news conference, said both sides were to blame for delays in distributing the aid, which was first earmarked as emergency assistance to help the Soviets through the winter.

Japanese economy continues to expand

TOKYO, May 24: The Japanese economy continued to expand for the 54th consecutive month in May, helped by firm domestic demand, the Economic Planning Agency (EPA) said Friday, reports AFP.

The agency, quoting previously announced economic indications, said in its monthly report that the two main engines of the economy — consumer spending and corporate capital spending — remained firm but their pace of growth had slowed somewhat.

Agency officials said the continued economic expansion would likely match or even surpass the record period of uninterrupted expansion which lasted 57 months starting in October 1985.

Indian Rupee devalued

BOMBAY, May 24: The Reserve Bank of India (RBI) today announced a downward revision of the rupee by 0.42 per cent in relation to the Pound Sterling, making the British unit costlier by 15 paise, reports PTI.

The new middle rate now works out to Rs. 35.85 per Sterling against Rs. 35.70 previously. The new buying and selling rates for spot delivery are 2.7964 and 2.7824 Sterling per Rs. 100, corresponding to Rs. 23.76 and Rs. 35.94 per Sterling respectively.

The Rupee was depreciated twice on May 21 by 1.13 and 0.42 per cent in the morning and late afternoon respectively.

'USSR must earn West assistance'

WASHINGTON, May 24: The Soviet Union must earn economic help from the West by making tough political decisions to reform its economy and by starting to carry them out, the number two official at the US Treasury Department says, reports Reuter.

"You have to earn your way into the brotherhood of economic reformers. You've got to have some steel in your spine. There are political risks attached to it."

A team of Soviet experts is visiting the United States this week to try to put together an economic reform plan that they hope will win tens of billions of dollars in aid from the West.

Economic problems to dominate OAU meet

LAGOS, May 24: Regional political issues are likely to take second place to pressing economic problems at Monday's ministerial meeting and the forthcoming summit of the Organisation of African Unity (OAU), Nigerian experts said, reports Reuter.

The sources said increased economic cooperation and self-reliance in Africa would be major topics. This represents a significant shift away from politics, which traditionally have held sway at OAU meetings since the early 1960s.

The topic of South Africa and upheavals in other African nations may also be discussed at the June 3-5 summit and Monday's meeting of the OAU Council of Ministers in Abuja.

Dollar closes lower in NY

NEW YORK, May 24: The dollar closed lower, pressured by technical and speculative selling, as traders readied themselves for a three-day weekend, reports Reuter.

It's still range-trading, with the dollar trading between 1.71-1.73 Marks. And I expect that range to hold tomorrow. People are not going to be overly aggressive ahead of a three-day weekend, said Robert Hatcher, a dealer for Barclays Bank. Holidays will close trading in the UK and US Monday.

The dollar closed at 1.7115/25 Marks, down from the opening of 1.7280/90 Marks and Wednesday's Finish of 1.7223/30 Marks.

2.5 lakh tons foodgrains to be imported

By Chapal Basar

The government has decided to replenish the food stock by importing 2.5 lakh tons of foodgrains on an emergency basis.

Import of 1.5 lakh tons of wheat will be financed by cash resources and the rest one lakh ton will be brought under barter and special trading arrangements (STA).

The government has also requested the donor countries and agencies to provide two lakh tons of foodgrains as aid to meet emergency requirements.

Talking to The Daily Star, State Minister for Food Barister Najmul Huda said the final decision on the quantity of import will depend on the commitment of food aid by

the donors.

"We are not yet sure about the quantum of food aid, so we are planning to import," the State Minister said and adding the import be lower if substantial food aid is assured by the donors.

Barrister Huda said the present food stock in government's godowns is 9 lakh 60 thousand tons which is "satisfactory."

According to official sources, food deficit for the current fiscal year 1990-91 was roughly estimated at 19 lakh tons at the beginning of the year. Government has already imported 15 lakh tons of wheat this year and it was expected that the country's food requirement could be met with

the increased output of IRR-Boro.

But the food deficit is apprehended to rise due to loss of standing crops in the cyclone and flood affected areas.

When contacted, concerned authorities of the Ministry of Agriculture said loss of standing crops in the affected areas is yet to be determined accurately. However, they said the loss of standing crops in the coastal districts affected by cyclone and surge would be over two lakh tons.

The authorities believe that total loss of crops would be higher after the colossal damage caused to agricultural production in the flood affected areas of greater Sylhet region.

EC links human rights with aid package to Syria

BRUSSELS, May 23: European Community Commissioner Abel Matutes told Syrian Foreign Minister Farouq Al-Shara that concern over respect for human rights in Syria was holding up a 175 mln dir EC aid package, reports Reuter.

A spokesman for the EC's Executive Commission said Al-Shara told Matutes, who is Commissioner for Mediterranean Affairs, that Syrian was ready to help a fact-finding delegation from the European Parliament, which has yet to approve the aid.

The EC broke off relations in 1986 because of concern about Syrian links with terrorism. But the desire to win Arab friends during the Gulf crisis prompted it to resume ties last year.

Third World growth rates may double this decade

WASHINGTON, May 24: The 1980's were the "lost decade" for most developing countries, but the 1990's may see them get back on the track of economic growth despite persistent regional disparities and continued difficulties for Africa, according to a World Bank report released Thursday, reports AFP.

The study highlights rapid increases in international economic integration over the post-war period and their contribution to economic development, but it warns that politics may prevent the potential of technology from being realised," said World Bank chief economist Lawrence Summers.

The outlook for economic growth remains clouded and depends on a number of factors, particularly the economic performance of wealthier

countries and the liberalisation of trade worldwide, the World Bank said.

The study based predictions on four possible scenarios ranging from best case to "disaster".

Despite a slow start in 1991, the Third World could see growth double from its 1980 rates, with gross domestic products (GDP) rising on average as much as 2.9 per cent by the end of the century against 1.6 per cent from 1980 to 1989, according to Bank economists.

The acceleration in economic activity continues to mask potentially crippling regional disputes, though these have abated somewhat with the increase prosperity experienced in some countries, it said.

Under the most positive

scenario, Latin America's per capita GDP is expected to rise by two per cent during the decade, against the 0.4 per cent decline of the 1980's due largely to economic reforms undertaken by the larger countries like Brazil.

Asia by contrast, though still leading the Third World in economic growth, will see its expansion slow, falling to 5.2 per cent against 6.2 per cent during the past 10 years, the Bank said.

Sub-Saharan Africa will experience semi-stagnation, with growth rates settling at 0.5 per cent after a 1.2 per cent decline in the 1980's. The region's poor performance, despite rising aid levels, is due mostly to lower commodity prices, the primary source of Africa's income.

Market Prices of Listed Shares and Debentures with Dhaka Stock Exchange

At the close of trading on May 16 and May 23, 1991.

Company	EV/ML*	1990-91			
		May 16 Taka	May 23 Taka	High Taka	Low Taka
BANKS (Ten)					
Al Baraka Bank	1000/1	750.00	725.00	1135.00	725.00
AB Bank	100/5	180.00	180.00	255.00	135.00
City Bank	100/5	275.00	268.00	275.00	160.00
I.F.L.C.	100/5	195.00	190.00	235.00	140.00
Islamic Bank	1000/1	1196.67	1196.67	1200.00	925.00
National Bank	100/5	114.50	114.50	145.00	102.00
Pupali Bank	100/5	110.00	110.00	115.00	90.00
Rupali Bank	100/10	80.00	80.00	130.00	75.00
U.C.B.L.	100/5	130.00	130.00	155.00	130.00
Utara Bank	100/5	214.00	214.00	240.00	193.00
INVESTMENT (Eight)					
LCB	100/5	97.00	97.00	117.50	90.00
1st ICB M.Fund	100/5	420.00	422.00	575.00	405.00
2nd ICB Fund	100/5	195.00	190.00	220.00	170.00
3rd ICB M. Fund	100/5	154.00	154.00	173.00	143.00
4th ICB M. Fund	100/10	140.00	141.00	161.00	133.00
5th ICB M. Fund	100/10	124.00	124.00	142.00	115.00
6th ICB M. Fund	100/10	90.00	91.50	104.00	85.00
ICB Unit Cert.					
Sales Price		131.00	131.00		
Re-purchase		126.00	126.00		
INSURANCE (Four)					
BGC	100/10	111.00	112.00	117.50	104.00
Green Delta	100/10	116.17	117.00	122.00	104.50
Peoples	100/10	116.00AL	116.00AL	120.00	108.00
United	100/10	110.00XD	108.00XD	122.00	105.00
ENGINEERING (Nineteen)					
Atlas Automobiles	100/5	206.00	203.00	232.00	194.00
Atlas Bangladesh	1050	40.20	37.00	48.00	35.50
Aziz Pipes	100/5	235.00	235.00	250.00	180.00
Bangladesh Autocars	100/5	108.52	106.00	157.00	105.00
Bangladesh Lamps	100/5	290.00	290.00	365.00	230.00
B.Thal Aluminium	100/10	96.00	91.63	110.00	75.00
Bengal Carbide	100/5	400.00	400.00	450.00	320.00
Bengal Steel	10/50	18.00	18.00		
Eastern Cables	100/5	76.00XD	79.19XD	109.00	75.00
Hovladar PVC	100/10	120.00	100.00	122.00	100.00
Karim Pipe	100/5	124.00	124.00	139.00	115.00
Metalax Corp.	100/5	100.00	98.00	113.00	75.00
Monno Staffers	10/05	250.00	250.00	250.00	250.00
Monno Jute	100/5	350.00	350.00	400.00	350.00
National Tubes	100/10	110.00	103.00	137.00	102.00
Panther Steel	10/50	6.00	6.00		
Quasem Drycells	10/50	8.00	8.45	9.30	7.25
Renwick Jajneswari	100/5	64.00	655.00	75.00	40.00
Singer Bangladesh	100/5	1125.00	1125.00	1150.00	1125.00
FOOD & ALLIED (Twenty one)					
AB Biscuit	100/5	200.00	200.00	290.00	200.00
Alpha Tobacco	10/50	48.00	48.00	48.00	48.00
Amani Sea Food	100/5	36.00	36.00	40.00	36.00
Apex Food	100/5	340.00	340.00	340.00	260.00
Aroma Tea	100/5	45.00	45.00	52.00	45.00
Bargas	100/5	305.00	305.00		
Bengal Food	100/5	190.00	170.00XD	255.00	170.00
B.L.T.C.	100/5	600.00	600.00	600.00	600.00
B.T.C.	100/5	83.00	83.00	83.00	80.00
Cig. Vegetable	100/10	104.00	100.00	117.00	90.00
E.L. Cemellia	100/5	145.98	144.00	192.00	143.00
Frogleg Export	10/50	6.00	6.00	8.00	4.00
Gemini Sea Food	100/5	100.00	100.00	100.00	100.00
Modern Industries	100/5	150.00	150.00	150.00	120.00
N.T.C.	100/5	265.00	265.00	350.00	220.00
Rabeya Flour	10/100	NT	NT		
Rupani Oil	10/100	6.00AL	7.49AL	9.25	6.00
Tulip Dairy	100/10	101.00	90.00AL	105.00	90.00
Yousuf Flour	10/50	NT	NT		
Zeal Bangla	10/50	9.00	8.00XD	10.00	7.40
FUEL & POWER (Three)					
Padma Oil Co.	10/50	40.00	40.00	47.00	40.00
Eastern Lubricant	10/50	14.00	14.00	14.00	50.00
Oxyten	10/50	90.00	51.50		
JUTE (Twelve)					
Ahad Jute	100/10	NT	NT		
Anowara Jute	100/50	NT	NT		
Delta Jute	10/50	8.50	8.50		

\$278.8 b deficit in US budget

WASHINGTON, May 24: The House of Representatives approved a 1.45 trillion dollar budget for the US government and sent it to the Senate for final passage on Wednesday, capping an unusually easy budget year, reports Reuter.

Approval of the budget, which sets limits on spending for the financial year beginning on October 1, came on a 239-181 vote along party lines. It does not require a presidential signature.

The budget includes a projected record deficit of 278.8 billion dollars, exceeding the 1986 deficit of 221 billion.

This year's budget was comparatively easy because the limits were set in a five-year budget agreement that was reached last fall, after months of painful negotiations between the Republican administration and democratic Congress.

The Congressional budget recommends higher spending on education and lower spending on space exploration than

did the Bush Administration's budget proposal.

No spending above the caps may take place unless taxes are increased or offsetting cuts are made.

The budget sets caps of 200 billion dollars for domestic discretionary spending, 291 billion for military spending and 19.8 billion international spending.

Recession to end by June