

# PDB fails to live up to WB prescription System loss rises to 40.6 pc

By Shahzad Monju

The present system loss of Power Development Board (PDB) rose to 40.6 per cent, according to the figures computed till December 1990. It was 40 per cent during the last fiscal year.

PDB has, however, failed to live up to the prescription of World Bank to reduce its present system loss to 32 per cent. The system loss of PDB is over 8 per cent than that of the World Bank suggestion.

World Bank also suggested PDB to reduce the duration of receivable electricity bill standing at three and half months back. But PDB is now standing at about five months back to recover its electricity bill.

power stations which need more energy to run.

The other causes are mainly management and organisational inabilities of the Board to survey the metre reading of consumers in every month, dearth of meters, illegal use of power and meters and unit pilferage.

The extent of power variations is measured in terms of load factor which is the ratio of average and maximum demand. These variations cause system loss, PDB pointed out, arguing that the power demand in July 1989 was 1535 mw but it increased to 1562 mw in July, 1990.

PDB had launched a project of setting up capacitor in co-operation with World Bank and

other donors in order to reduce system loss in the country. But the project has not been completed due to fund shortage.

An initiative was also taken to establish Capacitor Bank in order to reduce technical system loss but the task has been postponed at the middle of the project after setting up 450 Megavar capacitor bank.

In 1989 the government created a board comprising eight magistrates to take legal action against those who are responsible for meter and unit pilferage.

The drive to eliminate widespread pilferage in meter and unit pilferage has not achieved its desired target, reliable sources said.

# Keep markets open, says IMF chief

WASHINGTON, May 25: Countries which kept their markets open, both at the domestic and external level, coupled with restricted intervention in all areas are more likely to succeed in the coming years, reports FTI.

Michel Camdessus, the Managing Director of the International Monetary Fund made this observation while addressing a conference on foreign relations yesterday.

He said the developing countries should effect structural reforms, integrate their economies with global economies and the industrialised countries should not prevent the inflow of products from the developing countries.

There has been a regrettable hardening of pressures in favour of protectionism in the industrial countries, said Camdessus.



US Marines and Bangladeshi take metal slabs from a truck that will later be transported to Sandwip Island to be used in the restoration of homes. The homes were destroyed in a recent cyclone. — USIS photo

# Snippets

## Italy for Gorbachev in G-7 summit

TOKYO, May 25: Italian Foreign Minister Gianni De Michelis urged Japan on Friday to support the idea of inviting Soviet President Mikhail Gorbachev to the Annual Group of Seven economic summit in London, but Japan remained non-committal, reports Reuter.

The summit of leading industrialised countries, scheduled for July 15-17, brings together the leaders of Italy, Japan, Britain, Germany, Canada, the United States, and France.

De Michelis said at a news conference that he had told Japanese Prime Minister Toshiki Kaifu that Italy was in favour of inviting Gorbachev to the summit. Kaifu said Japan would consider the argument, he said.

## GATT welcomes Bush's authority

GENEVA, May 25: The world trade forum GATT on Friday welcomed the US Congress's renewal of President George Bush's special authority to pursue negotiations in the Uruguay Round of global trade talks, reports Reuter.

But it said movement was still needed to push forward the talks, which have bogged down over a dispute between the European Community and most other countries on cutting trade-distorting agricultural support.

## Dollar closes lower in New York

NEW YORK, May 25: 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 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.

## ADB grants for five countries

MANILA, May 25: The Asian Development Bank said here that it had approved a total of 569,000 dollars in technical assistance grants to Bhutan, Indonesia, Nepal, Pakistan and Sri Lanka, reports AFP.

The Manila-based ADB said in a statement that the 100,000 dollar grant to Indonesia would be used for a study of geothermal energy pricing in that country which is developing this indigenous energy source.

A 100,000-dollar grant will go to assisting the Bhutan Government prepare a plan for the development of its agriculture, livestock and forestry industries while and equal-sized grant will go to improving the financial accounting and reporting systems of Sri Lanka's National Water Supply and Drainage Board. Another 97,000-dollar grant will fund a study for the rationalising of the fertiliser marketing system in Sri Lanka, the ADB statement said.

## Flower seeds aboard space shuttle

TOKYO, May 25: Sakata Seed Corp said Wednesday it would send flower and vegetable seeds up on the US space shuttle Columbia to study the effects of space on agriculture, reports AFP.

Japan's largest General Seed Company said the seeds would be left for 10 days in space conditions of zero gravity and widely changing temperatures. The effects on their genetic makeup will be studied later, it said.

The National Aeronautics and Space Administration (NASA) plans to launch the Columbia on June 1.

## Exxon withdraws guilty pleas

ANCHORAGE, Alaska, May 25: Exxon Corp and Exxon Shipping Co on Friday withdrew the guilty pleas they had entered under an Exxon Valdez oil-spill settlement that collapsed, reports AP.

US District Judge H Russel Holland had given the companies until Friday to decide whether to withdraw their four guilty pleas to misdemeanor pollution charges. The pleas were part of a 100 million-dollar criminal agreement reached with the federal government in March and rejected by Holland last month.

That deal was part of a 1-billion-dollar civil and criminal settlement between Exxon and the state and federal governments over the 1989 spill in Alaska's Prince William Sound.

# Pakistan, Iran, Turkey cut customs tariffs

ISLAMABAD, May 25: Pakistan, Iran and Turkey have agreed to reduce customs tariffs among them as a first step towards liberalising trade with each other, Pakistani Foreign Ministry Secretary General Akram Zaki said, reports Reuter.

The official APP news agency quoted him as saying a 10 per cent cut in the tariffs was provided in a protocol signed in Tehran on Thursday at a ministerial-level meeting of the Economic Cooperation Council (ECO) of the three countries.

Zaki told reporters on re-

turn from the meeting that an ECO summit meeting later this year in Teheran would discuss whether the tariffs could be reduced further.

Zaki said the ECO had also decided to establish an investment and development bank. The heads of the countries' central banks would meet in July to finalise the project.

He said the Teheran meeting, at which he led the Pakistani delegation, had discussed and finalised a number of measures to make the previously slow-moving ECO "an effective and efficient body".

# US plays down opposition to EAEG

KUALA LUMPUR, May 25: The United States on Friday played down its opposition to Malaysia's proposed East Asian Economic Grouping (EAEG) which Vice-President Dan Quayle has insisted Washington be allowed to join, reports Reuter.

Opposed is a wrong word for our attitude toward the EAEG, however, we do have serious questions about the EAEG, as do other countries in the Asia-Pacific region, a statement issued by the US embassy in Kuala Lumpur said.

A US embassy official said the statement, prepared by the State Department in Washington, was also sent to Malaysia's Foreign Ministry and the Ministry of International Trade and Industry.

Diplomats said it was aimed at calming Malaysian criticism of Quayle's statements last week that the United States did not want to be excluded from development talks in the region.

"I think it would be counter-productive, Quayle told Asian journalists in Washington before leaving on a visit to Japan, Indonesia and Singapore.

Malaysia had proposed setting up the EAEG with members of the Association of South East Asian Nations plus Japan, China, South Korea, Hong Kong and Taiwan to counter other emerging trade blocs.

# Bush waiting to see new Soviet reform plan

WASHINGTON, May 25: President George Bush has indicated new Soviet reform proposals will be a major factor in his decision on whether to grant Moscow more US aid and support inviting President Mikhail Gorbachev to a western economic summit, reports Reuter.

In two different sessions with reporters on Thursday, Bush repeatedly referred to what he said was a new economic reform plan to be brought to Washington next week by Yevgeny Primakov, a top adviser to the Soviet leader.

Bush said his administration was anxious to see that plan to determine whether Moscow was now mapping out a genuine reform course. If so, he hinted bilateral ties would improve and a way might be found to invite Gorbachev to the Group of Seven industrial nations meeting in London this July.

"Well, you see, we got Primakov coming over here with a plan. Let's see what it is," Mr Bush told reporters who asked under what conditions Gorbachev might be invited to the London talks.

"If it makes sense, we'll encourage it. If we have some reservations about it, we owe Mr Gorbachev, who is a friend, to say hey, look, this has

some difficulties," Bush said.

Bush said the present time was critical for US-Soviet relations and the G-7 meetings agenda.

# Bush still cool on Soviet plea for \$100b

WASHINGTON, May 25: President George Bush reacted coolly on Thursday to a request from Soviet President Mikhail Gorbachev for 100 billion dollars in Western aid to bail out his economy and questioned whether huge cash infusions would lead to genuine Soviet reform, reports Reuter.

Bush said he had yet to see Gorbachev's aid suggestion, which the Soviet leader tossed off to reporters on Wednesday in what may have been a hypothetical comment, but he observed that a hundred billion is a large piece of change.

In two news conferences, Bush was non-committal on whether he wanted Gorbachev in mid July London economic summit of the seven largest industrial nations.

Gorbachev asked to be invited on Wednesday to discuss new forms of cooperation between the Soviet Union and the West. A senior Soviet envoy visits Washington next week to discuss Gorbachev's new reform ideas.

"We're in a critical time here in terms of meetings, in terms of G-7, or summit, and I'm anxious to hear from Mr Primakov, who is Gorbachev's special emissary," he said.

Gorbachev on Wednesday asked to be invited to the G-7 meeting — an annual economic meeting of the leaders of the United States, Britain, France, Germany, Italy, Canada and Japan.

The Soviet leader said he wanted to discuss new forms of cooperation between the Soviet Union and the West.

Senior US officials are hesitant to invite Gorbachev to London, questioning whether it would simply be an attention-grabbing stunt to seek massive aid instead of part of a true effort to reform the Soviet Economy.

Grigory Yavlitsky, a leading radical Soviet economist, who says he has Gorbachev's lesson, is currently discussing an economic rescue plan with US experts at Harvard University.

It is unclear to what extent Yavlitsky is coordinating his project with Primakov, Gorbachev's main adviser on foreign economic relations. Moscow is also seeking 1.5 billion dlrs in new credits from Washington to buy US grain.

# Week begins with moderate rise in share trading

Star Economic Report  
The week began on Saturday at Dhaka Stock Exchange (DSE) with a moderate rise in trading.

In volume terms, transactions moved up to 4,429 from Thursday's 3,143. Traded issues valued Taka 2,79,722.00 against Thursday's Taka 2,75,228.00.

Advancers were more in number. But decliners involved more transactions in value terms. As a result DSE All Share Price Index lost to 343,422.5 points from Thursday's 344,019.2.

Transactions involved twenty six stocks. Of them ten gained, nine lost and seven remained unchanged at their previous quoted prices.

Eastern Cables and 5th ICB Mutual Fund advanced Taka 3.33 and Taka 1.22 to Taka 82.52 and Taka 125.22 respectively.

BGIC Insurance, Peoples Insurance, 4th ICB Mutual Fund, 6th ICB Mutual Fund, Bangladesh That Aluminium, National Tubes, Dhaka Vegetable and Osmania Glass moved up within the range between Taka 0.25 and Taka 1.00.

NTC in the Food and Allied sector and Beximco Pharma declined Taka 5.00 and Taka 3.00 to Taka 260.00 and Taka 175.00.

Green Delta Insurance and Pharma Aids lost Taka 2.00 each to Taka 115.00 and Taka 178.00 respectively.

Atlas Bangladesh, Rupan Oil, Monospool Paper, Eagle Star and Tallu Spinning declined within the range between Taka 0.02 and Taka 1.14.

# Quoted Prices of Traded Stocks

May-25

Stock	Price	Change
4th ICB Mutual Fund	100/10	141.86 (+0.86)
5th ICB Mutual Fund	100/10	125.22 (+1.22)
6th ICB Mutual Fund	100/10	92.12 (+0.82)
Green Delta	100/10	112.25 (+0.25)
NTC	100/5	115.00 (+2.00)
Peoples	100/10	117.00 (+1.00)
BGIC	100/5	36.66 (+1.34)
Pharma Aids	100/10	92.00 (+0.37)
Pharma Aids	100/5	82.52 (+3.33)
National Tubes	100/10	104.50 (+1.00)
Dhaka Vegetable	100/5	145.00 (+1.00)
NTC	100/5	260.00 (+5.00)
Beximco	100/10	6.35 (+1.14)
Zal Bangla Sugar	10/50	8.00 unchanged
Pharm & Power	10/50	80.00 unchanged
Pharm & Chem	100/5	175.00 (+3.00)
Pharma Aids	100/5	178.00 (+2.00)
The Institute	100/10	90.00 unchanged
Pharm & Printing	100/5	110.00 (+1.00)
Monospool Paper	100/10	34.48 (+0.02)
Tallu Spinning	100/10	114.50 (+0.53)
Eagle Star	100/5	142.00 unchanged
Beta Show	100/10	38.00 unchanged
Chittagong Cement	100/5	142.00 unchanged
Osmania Glass	100/5	128.00 (+6.00)

# Price Barometers Essentials

May-25

Category	Item	Price
RICE	Anon (Very fine)	16.50-17.00
	Anon(fine)	14.75-15.00
	Pajani	14.50-15.00
	Ufahi	13.00-14.00
VEGETABLES	Potato(White)	3.75-4.00
	Brijani	12.00-16.00
	Lady's finger	10.00-12.00
	Karolla	10.00-12.00
	Lalshik	7.00-8.00
	Papsi	7.00-8.00
	Green Banana (Four Pieces)	6.00-8.00
OTHER FOODGRAIN	Flour	12.00-14.00
	Atta	10.00-11.00
	Wheat	8.00-8.50
	Suzi	18.00-20.00
	FISH	
Rubi(big)	110.00-160.00	
Katta(big)	100.00-110.00	
Hilaha	55.00-56.00	
Pungas	120.00-130.00	
Shrimp(big)	80.00-100.00	
Singi	90.00-100.00	
Koi	100.00-120.00	
PULSES	Mash	30.00-32.00
	Mashor	26.00-28.00
	Moogh	28.00-30.00
	Chholo	22.00-24.00
	Matar	24.00-26.00
	Khesari	16.00-18.00
	MEAT	
	Beef	55.00-60.00
	Mutton	80.00-90.00
	OIL	
	Mustard	52.00-56.00
	Soyabean	37.00-38.00
	Coconut (Colombo)	66.00-70.00
	Vegetable Ghee	50.00-52.00
SPICES	Mustard	16.00-17.00
	Cardamom (Large)	35.00-40.00
	Chillies	52.00-58.00
	Tumeric(Round)	42.00-48.00
MISCELLANEOUS	Ginger	20.00-24.00
	Cinnamon* (10grams)	3.00-3.50
	Cardamom* (large)	3.50-4.00
MISCELLANEOUS	Jhira (50grams)	7.00-8.00
	Ghee	220.00-240.00
	Sugar	27.00-28.10
	Sugar	18.00-20.10
	Molasses	

# USSR, Eastern Europe look for new forms of trade finance

MOSCOW, May 25: "No money, no funny," sums up the view of senior Soviet official Ronald Piskoppel on Moscow's dwindling trade with its former allies in Eastern Europe, reports Reuter.

Trade in the region is running at a tiny fraction of last year's levels, after governments, in a burst of free-market enthusiasm, broke up foreign trade monopolies and decreed that in future enterprises would trade in hard currency.

The slump in trade has exacerbated recession at home, fuelling popular disenchantment with reform.

Now Soviet and East European officials, aware that it is money that oils the wheels of trade, are looking at new, and some old, forms of trade finance to get things moving again.

"We should once again study the whole question of payments so it may contribute to our cooperation and not be a hindrance," said Stepan Sitaryan, one of President Mikhail Gorbachev's top advisers, at a news conference last Saturday announcing the dissolution of the Comecon trade bloc.

The shift to hard currency

dealings this year in Comecon from transferable roubles, which were just an accounting device and not real money, had been eagerly awaited on all sides.

Moscow thought it would at last get a fair price for its neighbours for oil and other raw materials, while countries such as Poland and Hungary, hoped that adopting normal world market practices in place of the artificial Comecon system would help modernise their economies.

They had overlooked one thing.

"When the transition from roubles to dollars took place a tragic thing occurred — it

turned out neither we nor our partners have dollars," Piskoppel, in charge of Eastern Europe at the Foreign Economic Relations Ministry, said in an interview.

Some in Eastern Europe thought Moscow was trying to wreck their economies in revenge for abandoning communism by not buying anything, but Soviet officials say a fall in Soviet oil exports just left them with less money to buy goods with.

Breaking up the Soviet Government's monopoly on foreign trade also created confusion and uncertainty.

Ministers in Eastern Europe agree that a lack of Soviet

# Gold & Silver

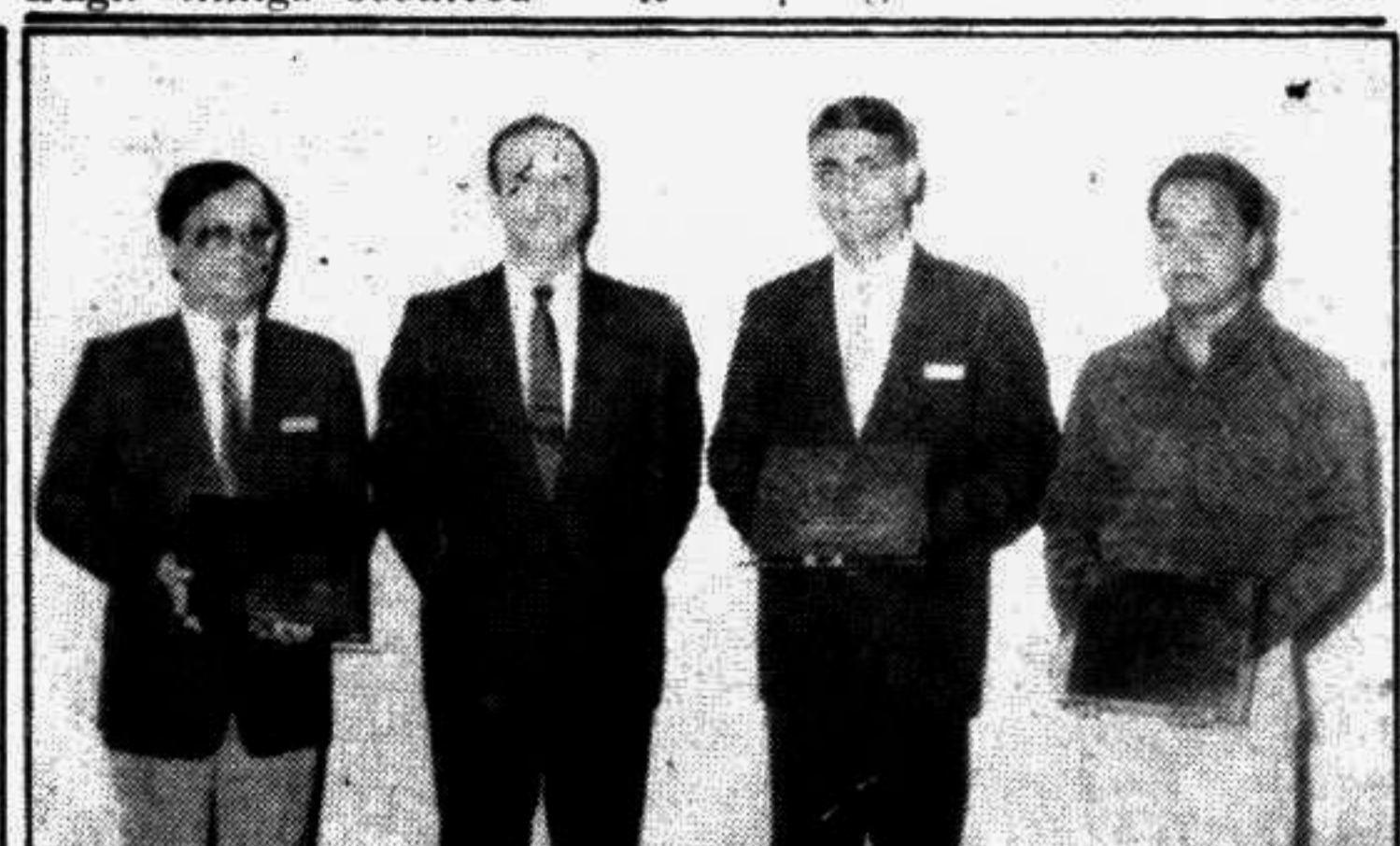
May-25

Gold	(Taka for 11.66 grams)	6,000.00
Tejahi		6,300.00
Guinea		6,300.00
Silver		200.00

# Hides & Skin (Wet/Salted)

May-25 (Taka per 100 pieces)

Cow	10,000.00	-	12,000.00
Light	30,000.00	-	32,000.00
Medium	35,000.00	-	40,000.00
Heavy	50,000.00	-	52,000.00
Very heavy	55,000.00	-	60,000.00
Rejected	18,000.00	-	20,000.00
Goat			
Big & heavy	12,000.00	-	13,000.00
Light & Medium	5,500.00	-	6,000.00
Rejected	2,800.00	-	3,000.00
Sheep	8,200.00	-	8,500.00
Buffalo	55,000.00	-	56,000.00



General Manager of Dhaka Sheraton Hotel recently gave away special plaques and certificates sent from Sheraton Regional Headquarters to three outstanding executives and employees of the hotel. They are (from left) Mujibur Rahman, Controller of the Year, Abul Moazzem, nominee for President's award and A Latif Khan, nominee for Employee of the Year award.



The officials of Bangladesh Tobacco Company Ltd (BTC) distributing relief materials among the cyclone victims in Chittagong recently.

# Exchange Rates

May-25

Country	Selling	Buying
US Dollar	35.9226	35.4432
UK Pound Sterling	62.0428	61.2987
German Deutsche Mark	20.8573	20.5706
French Franc	6.1469	6.668
Saudi Riyal	9.6101	9.4919
Dutch Guilders	18.5455	18.2885
Pakistan Rupee	1.5073	1.4929
(AMU)		
Singapore Dollar	20.3148	20.0436
UAE Dirham	9.8141	9.6831
Kuwait Dinar		Not available
Indian Rupee	1.7496	1.7326
AMU	5.8307	5.7384
S. Korea		
*AMU-Asian Monetary Unit		

SECONDARY EXCHANGE MARKET  
Wage Earners Fund/Export Performance Benefit (KPB) Fund  
US Dollar 38.48 36.53  
UK Pound 63.37 63.42

\* The rates of Pound Sterling are decided every day, based on the rates of New York market.  
Source: Sonali Bank

# Dhaka Stock Exchange Market Profile

May-25

134 Listed stocks
10 Gains
9 Losers
115 Unchanged

115 Unchanged stocks include seven traded on the day at their previous quoted prices.

DSE All Share Price Index = 343.4225  
Issued Capitalisation = Taka 10,146,289,601.00  
Market Capitalisation = 9,813,385,996  
Turnover = 2,79,722.00s (Value) 4,429 (Volume).