### Japan to try to achieve GNP growth target

TOKYO, June 12: Japan will try to achieve the official target of Gross National Product (GNP) growth of 3.8 per cent in the current fiscal year ending March 31, 1992, Economic Planning Agency Director General Michio Ochi said, reports Reuter.

He also told the annual meeting of the Federation of Bankers Associations that Japan's economic growth should be supported by domestie demand, mainly from personal consumption and corporate capital spending.

The agency will closely watch movements in crude oil prices, exchange rates, the labour situation and conditions in firiancial markets, he said.

Ochi, who attended the annual meeting of the Organisation for Economic Cooperation and Development (OECD) in Paris earlier this month, said the world economy is widely expected to rebound in the second half of calendar 1991.

### Soviet agri sector in Crisis

MOSCOW, June 12 : Soviet agriculture is in a state of crisis as state food production falls for the first time in many years, Deputy Prime Minister Fyedor Senko said, reports Reuter.

"The situation is alarming. For the first time in many years food production is declining. Senko told the government weekly Pravitelstvenny Vestnik.

He did not give figures but the Communist Party daily Pravda said state procurements for the first four months of 1991 fell 14 per cent for livestock and 20 for milk.

The drop in sales by farmers has cut state food output by seven per cent aggravating shortages in the official trade system.

Senko blamed political turmoil for the crippling economic crisis. Collapse of state structures, the weakening of executive power confrontation between different political organisations, inter-ethnic conflicts and strikes have led to a wide-scale crisis.

The situation is critical and if we fail to change it resolutely this year, we will not be able to feed ourselves, Senko, responsible for agriculture in the Soviet government said.

Normalising food supplies was a key factor in stabilising the political, social and economic situation, Senko said.

But Prime Minister Valentin Pavlov, addressing Parliament, dismissed fears of famine and said those spreading them were either trying to cause panic or criticise the govern-

Despite a near record net grain harvest last year of about 218 million tonnes, the Kremlin had to import 36 mil lion tonnes to make up for a shortfall in state procure-

Pavlov said grain was sowed on 110 million hectares this year, about the same as last year, and forecast a gross har vest of about 205 million tonnes, down from 1990 due to adverse weather.

### Liquified gas output up in Malaysia

KUALA LUMPUR, June 12 Malaysia is moving towards rapid expansion of its liquified natural gas production that is already expected to rise to 8.06 million tones this year, 20 per cent up from 1990, a senior official said Tuesday. reports AFP.

Syed Hamid Albar, Minister in the Prime Minister's office, who oversees the oil sector, said that by 1995 natural gas would form more than 51 per cent if the energy mix for Malaysian power generation.

Natural gas will feature very prominently in Malaysia's energy scene in the immediate future and priority is being accorded to the development of this resource, he said.

Hamid said that a gas project called the peninsular gas utilisation project would vastly increase the use of natural gas.

The government has so far spent 2.6 billion Dollars (954 million US) on the first two phase of the scheme that includes a pipeline from northeastern Trengganu state to Singapore, gas processing plants and a gas terminal, officials said.

Hamid said that the increased use of gas for electricity generation would save Malaysia up to 1.5 billion Dollars (555 million US) annually over the next five years.

He said that other projects would boost Malaysia's economy as the demand for refined oil and petrochemical products firm in the Asia-Pacific region.

### Smuggled sugar floods markets: 1.6 lakh tons unsold

## Production all-time high

The sugar production in the country has reached an alltime high during the current sugarcane crushing season and has even exceeded the target and projected capacity of the sugar mills.

But officials at the Bangladesh Sugar and Food Industries Corporation (BSFIC) are not rejoicing over the bumper production as a large portion of the stock remain

Infiltration of cheaper smuggled sugar into the local market coupled with the high production costs in the local sugar mills have significantly reduced the demand, at least for the time being, for locally produced sugar, market sources said.

Production during the current sugarcane crushing season, which began in late October last year, at the 16 mills of SBFIC till June this year stood at around 245.000 tons. The

figure is likely to increase further as the extended crushing season still continues in some of the units, corporation officials said.

The volume of production this year has already exceeded the projected target and capacity of the mills of 199,000 tons. Last year the total production was 183,861 tons. The previous highest production at the mills was a little over two lakh tons during the 1981-82 crushing season.

. Although the government estimate of the total yearly requirement stands at 2,88,000 tons, more than 160,000 tons of sugar remain unsold in BS FIC godowns. As the sale of sugar was not picking up the retail price of sugar was reduced twice during the past few months. The price per ton of sugar was Taka 29,740 in February this year which was reduced to Taka 27,320 in March and further reduced to

# to USSR closed

US grain credit

WASHINGTON, June 12: A decision by US President George Bush on a Soviet request for 1.5 billion Dollars of US grain credits was closed, the White House said, reports

Asked when Bush's decision would come, spokesman Marlin Fitzwater replied: "I just can't say. We are close obviously, we want to do it before the summit, so clearly we're shooting for the next one, two, three (or) four weeks."

Fitzwater had earlier said that a summit between Bush and Soviet President Mikhail Gorbachev was unlikely before late July because of difficulties in wrapping up a treaty to reduce long-range nuclear missiles.

Fitzwater said the delay in reaching a start accord would not directly affect pending economic issues, including Gorbachev's request for grain

Agriculture Secretary Edward Madigan said in Berlin last week that the Sovict Union had been deemed credit-worthy - a precondition for the credits - and that a US announcement was expected soon.

### \$150m Japanese loan to India

NEW DELHI, June 12: Japan agreed to provide another 150 million Dollar loan on Tuesday to help India survive a severe foreign exchange shortage without defaulting, reports Reuter.

The loan aimed at providing India with a quickly disbursable foreign exchange commitment and enabling it to strengthen its foreign exchange reserve.

### USSR fails to meet \$1.5 b debt payment

MOSCOW, June 12: The Soviet Union has failed to meet debt repayment totalling 2.5 billion Roubles (1.5 billion Dollars ) during the last five months, Prime Minister Valentin Pavlov told the Soviet Parliament on Tuesday, reports AFP.

During the same period the Soviet Union re-paid 12-2 billion Roubles (7.3 billion Dollars) and obtained 7.7 billion Roubles (4.6 billion Dollars) in new credits.

Pavlov was giving an assessment of the economy before parliament went into recess for a week.

The Soviet Union's foreign debt is generally estimated to total about 60 billion Dollars.

"The entire world applies the special credit regime to US that is to say demands a downpayment ahead of orders," Pavlov said.

"External economic relations are extremely bad. Cred its which have been promised to us arrive as a trickle. We are keeping our heads above water solely because of a reduction of

The grain harvest this year was expected to total 205 mil lion tonnes, down from 235 million tonnes in 1990.

But Pavlov showed cautious optimism because the agreement signed between Soviet President Mikhail Gorbachev and nine of the Soviet republics in April opened the way to political stability which was vital if the economy were to recover.

The problems of taxation and of ownership remained to be settled between the central authorities and the republics, Pavlov said.

### Albanian economy faces severe crisis

TIRANA, June 12: The Albanian economy is in ruins and urgently needs help from the West to feed the population, even before the onset of winter, reports AFP.

"We cannot manage during the next new months without emergency food aid from abroad," a senior official at the Foreign Ministry said. A few days earlier outgoing Prime Minister Fatos Nano said that famine stalked the north of the country.

Even in Tirana bread is difficult to find by the afternoon, and basic foodstuffs such as rice, flour, pasta, sugar, coffee, eggs and meat have not been regularly available, despite rationing, for more than a

"It is impossible to obtain one's ration of sugar, flour and of oil. On the other hand, we usually manage to find half a kilogram of cheese per week and per family" said Mirela, a secretary in a sports institute.

For poor families, bread continues to be the staple food It is spread with sour milk or with cheese. The average national consumption of bread is 700 grams per head per day.

Average monthly pay is 500 Leks (50 Dollars), but the fruit which is occasionally available in the market is expensive. For example, cherries cost 10 Leks (two Dollars) per kilo. Meat, available from private butchers, costs 33 Leks (3.3 Dollars) per kilo.

Taka 25,000 in April. According to Corporation officials, the total amount of sugar sold till June this year

stands at about 82,000 tons. About 45,000 tons of sugar was sold at the reduced price of Taka 25,000 per ton. At the time the prices were reduced the government stipulated that no more than 50,000 tons will be sold at the reduced price. However, the Corporation officials are hoping that this limit for selling at reduced rates will

be further extended. Officials are estimating that even if 20,000 tons of sugar is sold every month for the next six months a good amount of the stock will be carried over to the next season. Officials also pointed out that under the government's sugar sales policy. 68,000 tons is yearmarked for the Ministry of Food for distributing through the rationing system.

Under this scheme, the Food Department was supposed to lift 5000 tons of sugar per month and an additional 4000 tons during the two festival periods.

However, only 7000 tons of sugar were lifted by the Food Department so far this year, the officials added. They said that if the Food Department goes on to lift the remaining 61,000 tons, then a big portion of the stock will likely be sold off by the year end.

### Loans boost Zimbabwe's mining industry

HARARE, June 12 Zimbabwe's mining industry. for long strapped for hard currency, is enjoying a new mood of optimism following the injection of a 75 million U. S. Dollar loan from British and Swiss banks to buy equipment and spares, reports AFP.

The loan 'is the industry's biggest break since independence (in 1980), an official of the Zimbabwe Chamber of Mines said Tuesday.

· The short term loan facility negotiated with three British and two Swiss banks, together with an export retention scheme introduced by the government, are meant to make foreign currency available to mining houses to buy capital equipment and spares.

In addition, remission of mining profits has been improved under the government's economic reform programme introduced recently to liberalise the tightly-controlled economy and encourage growth in exports as well as attract foreign investment.

"We are now witnessing a significant influx of exploration capital both from external and local investors which in time is bound to have positive results with the discovery of new ore deposits." Mines Minister Chris Andersen told a mining conference here Monday.

Chamber of Mines officials confirmed that 54 new applications for exclusive prospecting orders had been made with the government's Mining Affairs Board in 1990 compared to a mere 10 applications the previous year.

### Dollar ends mixed in US

NEW YORK, June 12: The Dollar ended higher against the Mark and other European currencies but lower against the Yen as it reversed Monday's trading pattern, reports Reuter.

But like, Monday, Dollar/Mark was not the main event. Instead, trades against the Yen and Sterling dominated. And sentiment for the U. S. currency remained generally bullish.

"The Dollar in general has good support at very high levels, said Axel Coym, a dealer at first Boston.

The Dollar ended at 1.7740/47 Marks, up from 1.7707/12 at the open, and at 141.20/27 Yen, down from 141.53/57.

Sterling finished at 1.6565/72 Dollars and 2.939 Marks. down from 1.6615/25 and 2.943 at the open.



### Reproductive health problem killer of LDCs' women

WASHINGTON, June 12: Reproductive health problems are the largest killer of women in the developing world but are largely neglected, the Worldwatch Institute reported here yesterday, reports Reuter.

"Taken together, illnesses and deaths from complications of pregnancy, childbirth and unsafe abortion, diseases of the reproductive tract and the improper use of contraceptive methods top the list of health threats to women of reproductive age worldwide," the Washington-based organisation said in a study.

"Worldwatch, a private nonprofit policy research group, estimated at least one million women will die of reproductive health problems this year and 100 million will suffer disabling illness.

Most of these disabilities and deaths could be prevented by even the poorest countries but women's health needs have the world, said Worldwatch senior researcher Jodi Jacobson, author of the report. Access to family planning.

a low priority in many parts of

maternal and child health care and the prevention of common diseases "are still denied to a majority of the world's women. And there is little to suggest that the picture will change markedly during the next decade," according to the re-In many third world na-

tions, such as Bangladesh, Brazil, Nigeria and Uganda, reproductive problems account for more than 50 per cent of deaths to women in their child-bearing years, said the report, which was partially funded by the United Nations Population Fund.

But some health threats, including a world epidemic of sexually transmitted diseases, a restricted range of contraceptive choices and poor ac-

cess to safe abortions \*transcend economic classifications (and) are of concern to every woman, on matter her income or national origin."

Some 250 million new infections are transmitted sexually each year but there is little or no screening for such diseases in most countries though the cost of screening would be minimal; the report

More than 500 million married wome worldwide want access to birth control methods but cannot obtain them, if

The institute recommended that public health authorities put a greater emphasis on maternal health needs, ease restrictions on contraception, build networks of communitybased health workers and clinics and provide access to safe abortion services.

### Tobacco consumption in 3rd World to rise

LONDON, June 12: Third tion will rise an average 2.5 World tobacco consumption is expected to rise four per cent a year in the next four years. while that in the industrialised world falls due to increased health awareness, according to 4.7 per cent and developing a study published here Tuesday, reports AFP.

The Third World will account for 30 per cent of world tobacco consumption by 1995, against 26 per cent in 1989, boosted by population increases, higher income, urbanisation and the greater freedom of women, 'the report from the economist intelligence unit, a research organisation, said.

The Third World and China whose already high consumption is expected to rise by 1.6 per cent a year - will together account for 66 per cent of world tobacco consumption in 1995 against 61 per cent in 1989, the study said.

Latin American consump-

per cent a year between now and 1995, while Middle Eastern consumption grows 3.2 per cent, North African 4.1 per cent, Sub-Saharan African Asian countries (excluding China) 7.1 per cent.

Consumption in the industrialised world meanwhile will fall 0.5 per cent a year in the next four years, partly due to increased awareness of the health risks associated with smoking.

But demand will fall more steeply than the average in the Soviet Union and Eastern Europe as economic reforms give the consumer more choice of things to buy with his or her money.

World consumption will increase at an average 1.3 per cent a year against a 1.1 per cent increase in production, virtually balancing supply and demand.

### Call to develop private sector in Indonesia

THE HAGUE, June 12: Dutch Development Cooperation Minister Jan Pronk told a meeting on aid to Indonesia on Tuesday that the country should do more to develop its private sector, reports Reuter.

He praised Indonesia's eco nomic restructuring efforts and last year's seven per cent growth rate, but said private industry would be key to

"Private industry in Indonesia is in a special position, being the engine of economic growth and the generator of employment and income," Pronk told the two-day meeting of the Inter-Government Group on Indonesia (IGGI).

"Accordingly, I feel it is

essential that this meeting focus particular attention on ways to maximise the contribution that the private sector can make to the development process in Indonesia," he added.

If it accepts a World Bank recommendation, the IGGI is expected to commit on Wednesday about 4.6 billion Dollars of new aid to Indonesia, up from the record 4.5 billion Dollars last year.

Pronk said Indonesia must do more to ensure that the benefits of private sector growth reached the poor.

The IGGI was considering one-time funding to help the country improve its balance of payments and avoid new debt, he added.

### Banana producers. consumers fail narrow gap

PARIS, June 12: Banana producers and consumers failed to narrow their differences over access to the European Community's highly protected market at a meeting in Madeira last week, a French delegate said on Tuesday, reports Reuter.

There was no consensus everyone remained very firm on his position," the official who attended the gathering of Food and Agriculture Organisation (FAO) countries

The difference were so wide the meeting put out a 33page statement instead of a usual two or three pages, he

Banana trade, the fifth largest tropical commodity market in the world with 10 million tonnes shipped annually, is such a sensitive issue that it was left out of the Uruguay Round of talks

### **Exchange Rates** June - 12

SELLING AND BUYING RATES, offered by

**US Dollar** 

Commercials Banks, for Bank Cheques, (BCs) and Overseas Drafts (ODs) One Unit of Foreign Currencies (FCs) for Taka Selling

35.9226

35.4432

UK Pound Sterling 59.9892 59.2631 German Deutsche 20.3217 French Franc 5.9981 5.9161 Saudi Riyal 9.6101 9.4819 **Dutch Guilders** 18.0425 Pakistan Rupee 1.4946 (AMU\*) 19.8940 Singapore Dollar 20.1631 **UAE Dirham** 9.8141 9.683 **Kuwait Dinar** Indian Rupee \*AMU-Asian Monetary Union

Wage Earners Fund/ Export Performance Benefit (XPB) Fund **US Dollar UK Pound** 60.94 60.99 Sterling \* The rates of Pound Sterling are

decided every day, based on the cross

rates of New York market

Source: Sonalt Bank

SECONDARY EXCHANGE MARKET

# Stock prices in most Asian markets firmer

TOKYO, June 12: Stock bound," Toranobu Sugai of prices in most Asian markets were firmer on Tuesday, pushed up by a rush on gold stocks in Australia and by bargain hunters elsewhere, while the dollar closed easier following joint intervention overseas on Monday, reports Reuter.

after a thin day's trade. Investor anxiety over futures expiry on Thursday kept volume thin, and there was no aggressive selling. "Yesterday's firmness is ba-

sically due to a technical re-

Tokyo stocks closed firmer

Lehman Brothers said. The Bank of Japan's short

term economic survey on Tuesday' contained no surprises, and the weak yen had done the worst of its damage on Monday, brokers said.

The 225-share Nikkei Average rose 0.26 per cent to 24,662.59, with 220 million shares traded. Bargain-hunters in Hong Kong targeted stocks which fell on Monday. The blue-chip Hang Seng index closed up 10.29 at 3631.48. "The market's stable at

these levels. Over the medium term the direction is still upwards. We just need something to spark it," a broker at Chintung Securities said.

Singapore shares traded slightly higher on selective bargain hunting. But brokers said lack of positive leads from major overseas bourses and the Stock Exchange of Singapore's recent rejection of rights and bonus issues dampened activ-

The Straits Times industrial index rose 6.69 points from Monday's close to 1,536.31 at

midday.

The Taiwan market ended mixed in quiet, narrow trade. Investors lacked interest as there was no major news to inspire the market. The weighted index ended 1.47 points lower at 5,851.16.

Wall Street slows to a crawl Another report from New

York adds: Street traders broke away from their quote machines on Monday to watch the Gulf war victory parade, slowing trading to

a crawl as the military marched up broadway through a blizzard of ticker tape and confetti. The slow pace left volume

on the New York Stock Exchange at its lowest level in two weeks. The Dow Jones Industrial average closed down 1.34

points to 2,975.40, which big

board volume at 127.7 million shares. The gold market provided some action, spurred by talk of buying by Middle East investors, gold rose 7.40 Dollars

to 373.70 Dollars on New York's commodity exchange.

Currency dealers sent the Dollar up against the Japanese yen despite intervention by nine central banks. Traders sold the Yen on signs the Japanese economy is losing steam, with the Dollar rising to 141.55 Yen, up from 140.45 Yen on Friday.

In another bearish sign for Tokyo, Japanese stocks fell 1.74 per cent, with 225-share Nikkei average down 436.73 points to 24,598.38.

### Snippets Attali to visit **Soviet Union**

LONDON. June 12 Reconstruction and Development (EBRD) President Jacques Attali plans to visit the Soviet Union for talks with President Mikhail Gorbachev ahead of next month's Group of Seven (G-7) economic summit, reports Reuter.

An EBRD spokeswoman said on Monday no date had been set for the visit, but it would be before the July 15-17 G-7 summit in London, which is expected to discuss aid for the Soviet Union.

Late last month, Attali invited Gorbachev to visit London in July for a working session at the bank. But the spokeswoman said the Soviet President had not yet replied to that invitation.

#### Japan's trade surplus expected to swell

TOKYO, June 12: Japan's foreign trade surplus is expected to swell to 64.9 billion Dollars in fiscal 1991, the highest level in three years, an industry group said Tuesday.

The amount estimated by the Japan Foreign Trade Council is the highest since fiscal 1988 when the trade surplus reached 78.9 billion

The organisation of major trading houses estimated that Japanese exports would grow 4.9 per cent to 311.1 billion Dollars, while imports would expand 1.7 per cent to 246.2 billion Dollars in fiscal 1991. ending March next year.

#### EC Finance Ministers fail to reach accord

LUXEMBOURG, June 12 **European Community Finance** Ministers failed to reach agreement Monday on measures to harmonise sales and excise taxes among the community's 12 member states, EC Taxation Commissioner Christian Scrivener said here. reports AFP.

Ms. Scrivener said the Ministers had decided to meet again on the issue on June 4.

Earlier reports had said the Ministers were close to agreement on harmonising the EC-wide value-added tax regime, a move which is considered essential if the com-munity is to achieve a single market from the start of 1993. "We were really close at

lunchtime, but it didn't work out, Ms. Scrivener said after the 10-hour meeting.

#### Iran buys two cargoes sugar

LONDON, June 12 : Iran bought two cargoes (10,000 to 12,000 tonnes each) of white sugar overnight, traders said

here Tuesday, reports AFP. One cargo is required for August and the other one for October shipment, they added.

#### Pound costlier by 10 paise

BOMBAY, June 12: The British currency has become costlier by ten paise following a downward revision of the rupee by 0.28 per cent in relation to the Pound Sterling, as announced by the Reserve Bank of India (RBI) here yes-

terday, reports PTI. The new middle rate now works out to Rs. 35.05 per Sterling as against Rs. 34.6

previously. The new buying and selling rates for spot delivery are 2.8602 and 2.8460 Sterling per Rs. 100, corresponding to Rs. 34.06 and Rs. 35.14 per Sterling respectively.

#### Gold closes up in Tokyo

TOKYO, June 12: Yen-denominated gold futures closed 29 Yen to 36 Yen per gram higher in active trade. Benchmark April closed up 29 Yen at 1,777, reports Reuter.

The market gained more than 30 Yen across the board at the opening, due to the Dollar's strength against the Yen overnight and strong gains in New York on Monday on talk of heavy Middle East buying, but then profit-taking selling by local investors emerged, which stemmed any further gains, dealers said.

#### Slightly down in Zurich

ZURICH, June 12: Gold ended slightly lower in lively trade at 371.00/50 Dollars an ounce after 371.90/372.40 at Monday's finish, reports Reuter.

Dealers said physical demand was brisk on a renewal of customer interest and evidence of limited producer selling, but this was not aggressive. "Gold seems to have woken

up a bit and we saw a bit of everything today. People tried to push gold down early. When that didn't work it jumped up to around 323 before profittaking set in, one dealer said.