

India to offer 75 oil fields to prospectors

NEW DELHI, July 14: India will soon offer 75 oil and gas fields to foreign and domestic prospectors and throw of exploration open to its private sector in decisions delayed almost a year because of the Gulf crisis, reports AFP.

The onshore and offshore blocks offered for exploration include several proven fields, where the chances of a successful strike are 100 per cent, officials said yesterday.

The first time New Delhi has tendered fields with proven reserves to foreign bidders, who in the past have had little success in India.

The federal cabinet approved the move at a meeting here Wednesday, paving the way for prospectors to begin work in October.

Notices inviting tenders will be issued shortly here and abroad, Oil and Natural Gas Commission (ONGC), officials said here.

The move to allow Indian private sector companies to bid for oil exploration, until now a state monopoly, also clears the decks for Indian firms to team up with foreign prospectors.

ONGC sources said terms and conditions for prospective bidders would be published when tenders were formally invited. In the past bidders bore the entire exploration risk, with the option of pulling out if no oil was found.

The Business and Political Observer Daily said the latest bid documents were prepared with assistance from the US consultancy Arthur D Little and Co. and the government anticipated an enthusiastic response.

Five foreign companies won contracts in 1986, but they all gave up after failing to make any significant discovery in what proved to be dry fields.

New Delhi was to offer the latest round of exploration contracts in last September but delayed the announcement because of the Gulf crisis and domestic political turmoil.

More pharmacists in govt bodies stressed Pharmaceutical output falls

By Shahzad Monju

Production in pharmaceuticals in the country only produce five basic chemicals such as antacid, piperazine citrate, benzoyl metridazole, ampicillin and paracetamol.

On the other hand, most of the industries produces low quality drugs due to absence of sufficient modern instruments and qualified graduate pharmacists, Pharmacy Graduates' Association (PGA), Bangladesh alleged.

The PGA also urged the Government to appoint adequate number of pharmacists in different government organisations for a healthy growth in drug manufacturing.

T-shirts banned in China

BEIJING, July 14: T-shirts airing discontent over the communist leadership and frustration with the system have been banned in China, reports AFP.

The government here issued an urgent circular banning the production and sale of the T-shirts, which it charged were unhealthy and went against socialist spiritual civilization, the Beijing Legal Daily said in a recent issue.

The authorities raided private clothes stalls across the capital seizing some 1,000 shirts and confiscating 24 print designs, the newspaper said.

Chinese official sources said a national circular was issued that applied to other major cities, such as Shanghai, Xian and Guangzhou, where youths were snapping up the shirts.

They said the police and commercial authorities were also investigating shirt-printing factories.

Three national newspaper, including the Communist Party mouthpiece, the People's Daily carried lengthy commentaries last week harshly criticizing the T-shirts for being deceit.

G-7 sharply divided on aid to Moscow

LONDON, July 14: The group of seven leading western nations, on the eve of their summit beginning here Monday, appears sharply divided on the question of economic aid package to Moscow, reports FTI.

The G-7 is divided on the issue even as the Soviet President Mikhail Gorbachev in the end of the G-7 his most radical economic reform plan containing commitment to land reform and conversion of military plants to peaceful use.

The US and Britain have expressed disappointment over "minor" privatisation promised in the "Gorbachev plan".

Gorbachev, in a 23-page letter sent to British Premier John Major, is reported to have placed greater emphasis on the commercialisation of Soviet enterprise which according to observers here, would make it more difficult for Washington and London to

accept the pleas of immediate financial aid to Moscow. Japan, which has stopped playing "follow my leader" to the United States, has been lobbying strongly against any aid package to Soviet Union, although there are signs of some softening in its stand of "not to give Moscow a penny" until Gorbachev returned the disputed islands which Soviet soldiers occupied in the Second World War.

Reuter adds from London: Soviet President Mikhail Gorbachev stepped up lobbying for western help on the eve of the London economic summit, although he has already been told not to expect handouts.

Aid for Moscow is shaping up as the biggest issue before leaders of the Group of Seven (G-7) — the United States, Japan, Germany, France, Britain, Canada and Italy — at the three-day summit opening on Monday.

Another report from Islamabad adds: Many Pakistani businessmen, bureaucrats and politicians with deposits abroad are worried by the freezing of accounts at the Bank of Credit and Commerce International (BCCI), the Daily Dawn said Saturday.

Scores who had "fat" overseas accounts in the BCCI were in a "state of terrified suspense," the influential daily said.



A procession was brought out in city on Sunday demanding withdrawal of Value Added Tax (VAT) from plastic goods. —Star photo



THE HAGUE: Dutch Minister of Development and Cooperation Jan Pronk (L) and Indonesian Minister of Finance and Economy H E Rudi Pradi (R) react to a journalist's question during a press conference at the end of the 34th International Governmental Group for Indonesia (IGGI) conference. Indonesia will get \$ 4.75 billion in foreign aid for the coming year. Japan offered an extra half a billion dollar loan for smaller companies. — AFP photo

IDB team due in city today

A five-member Islamic Development Bank (IDB) delegation is due in Dhaka today (Monday) on a 10-day official visit to Bangladesh.

The delegation will be headed by IDB Director Tarik Kivance, official sources said. During the visit, the delegation will visit IDB-funded projects and review their progress of implementation in Bangladesh. The team is expected to identify new projects also.

The IDB has so far extended economic assistance worth 725.96 million US dollars to Bangladesh, the sources said.

Snippets

Indian stock market up

BOMBAY, July 14: Prices on India's stock markets went up in anticipation of major structural reforms in the country's industrial policy, expected early next week, reports AFP.

The Bombay Stock Exchange (BSE) sensitivity index moved up by 84.6 points or 6.2 per cent to 1441.9 while the BSE national index moved up by 43.5 points or 6.6 per cent to 702.9 during the five-day trading week ending Friday.

Authorities said the daily turnover at the Bombay exchange, the largest of India's 16 stock markets, had reached a peak trading level turnover of 2.5 billion Rupees (96 million Dollars) a day.

The hectic bull activity continued throughout the week despite large-scale selling by government-owned mutual funds, most of whom expected a downturn in the economy at least in the short run after liberalisation takes over.

Brokers however seem to think otherwise, and are going all out buying up stocks. Stocks which recorded steep gains included companies with foreign holdings, like Glaxo, Hoechst and Hindustan lever, in anticipation of a policy expected to make foreign investment in India easier.

Major open series of bilateral talks

LONDON, July 14: British Premier John Major opened a series of bilateral talks here today ahead of the Group of Seven economic summit, which opens tomorrow by meeting with Canadian Prime Minister Brian Mulroney, reports AFP.

The two met at Major's official Downing Street residence. Major was due to have lunch with Japanese Prime Minister Toshiki Kaifu and to meet later in the day with his Italian counterpart Giulio Andreotti.

In the evening Major will host a private dinner for US President George Bush, who is due here after talks near Paris with French President Francois Mitterrand.

Japan to pay more \$500m to US

WASHINGTON, July 14: Japan will give an additional 500 million Dollars to help the US pay for the Gulf war, Japanese Prime Minister Toshiki Kaifu informed US President George Bush during their meeting at Kennebunkport (Maine).

Kaifu told Bush he had taxed the Japanese people 10 billion Dollars to pay for the war.

The half billion Dollars represent the amount demanded by the US of Japan to make up the foreign exchange loss suffered by the former when the Japanese announced their aid in Yen.

Soviet economy worsening

LONDON, July 14: The European Bank for Reconstruction and Development has warned that the deterioration of the Soviet economy is accelerating, the BBC reported Sunday, says AP.

In a confidential discussion paper released ahead of the Group of Seven economic summit which begins Monday in London, the EBRD made it clear its anxieties about the state of the Soviet economy, the British Broadcasting Corp. said.

The bank warned that the Soviet Union must take measures over the next six months to halt any further worsening of its economy, including imposing fiscal or monetary controls and publishing long-term goals to create a free-market economy.

The West can help with technical assistance and later through trade and investment, the BBC reported the discussion paper as saying.

Y'slavia commits economic suicide

BELGRADE, July 14: Yugoslavia's secessionist crisis has brought the Balkan state to the brink of total economic collapse as it rips apart and commits a form of "economic suicide", top Yugoslav federal government officials and experts said, reports AFP.

He said that the country needed three billion Dollars in emergency assistance including one billion Dollars to refinance its external debt. Dusan Vlatkovic, the Governor of the National Bank of Yugoslavia, the country's central bank, said, however, that "not a single Dollar of aid from abroad should be expected until the end of September" and new credits "are under a big question mark" until the end of year.

Yugoslavia's foreign debt is estimated at some 14.5 billion Dollars with about 4.4 billion Dollars to be paid back this year including 2.6 billion Dollars in loans guaranteed by foreign governments.

Reserve Bank of India asked of accord details

NEW DELHI, July 14: The Finance Ministry has asked the Reserve Bank of India (RBI) the details of the agreement it had concluded with the Bank of England and the Bank of Japan for securing a loan against a security of 25 tons of gold lifted to London early this week, official sources said, reports PTI.

The sources while reacting to reports that an estimated loan of 200 million Dollars has been raised against the security, said theoretically the RBI had the power to raise the loans.

Pakistan relaxes restrictions on withdrawals from BCCI

KARACHI, July 14: Pakistan's central bank has relaxed restrictions on withdrawals from the local branches of the scandal-ridden Bank of Credit and Commerce International (BCCI), officials said today, reports AFP.

The State Bank of Pakistan, which imposed a 100,000 Rupee (4,070 Dollar) ceiling for withdrawals following a run on BCCI after its closure in several countries last week, is now allowing withdrawals of 100,000 Rupees or 20 per cent of deposits, whichever is greater, central bank officials said.

The run on BCCI subsided three days after the central bank announced on July 5 that BCCI would not be closed in Pakistan following its suspension in Britain and other

countries on charges of fraud. According to BCCI officials, depositors have already withdrawn one billion Rupees (40.6 million Dollars) from the Bank's three branches here.

The new relaxation would permit the BCCI to disburse another two billion Rupees (about 80 million Dollars) among depositors demanding withdrawals.

The BCCI here has 10 billion Rupees (406.8 million Dollars) in total deposits, while its liquid assets are estimated at six billion Rupees (244 million Dollars) and its fixed assets are valued at 891 million Rupees (36 million Dollars).

Oil market keeps an eye on Gulf development

LONDON, July 14: The fear of a US air strike on Iraqi nuclear installations sent Brent north sea crude prices well above the 19 Dollars a barrel mark and provided the highlight of the past week on commodity markets, reports AFP.

Production problems in the North Sea due to works on a pipeline which will be out of action until mid-August also encouraged gains.

The lifting of US trade sanctions against South Africa, the world's biggest producer of gold and silver, did not influence the metals as the move had been expected. But platinum was weakened by reports that US oil company Arco had developed a fuel which reduces the need for platinum in catalytic converters.

On the London Metal Exchange (LME) copper eased in anticipation that a 12-day-old strike at Chuquicamata in Chile, the world's biggest copper mine, would soon be resolved. Nickel reached a two-month high on August supply tightness.

GOLD: Easier after quiet start. Prices moved in a narrow range at the beginning of the week, the market falling to react to reports that India had transferred 25 tons of gold to the Bank of England as loan guarantee.

Prices then eased slightly due to the firm Dollar.

SILVER: Easier. Silver eased in the wake of the other precious metals and because of the strength of the Dollar.

COPPER: Easier. Gains made the previous week as the strike at Chuquicamata, the world's biggest copper mine, got under way were trimmed by profit-taking early in the week.

The easier trend was continued as a settlement at the Chilean mine began to look more likely.

LEAD: Slightly easier. In dull trading conditions lead drifted slightly below the level of the previous week. LME stocks rose 4,475 tons to 83,825 tons.

ZINC: Easier. Lack of interest saw prices ease, although traders indicated greater activity on future dates as the market looked forward to a recovery, notably in the United States, later in the year, LME stocks rose 150 tons to 115,850 tons.

TIN: Slightly easier. After firming slightly at the start of the week, tin prices eased below previous levels and traded in a very narrow range. An absence of fundamental news left the market lackluster. LME stocks fell 325 tons to 14,285 tons.

ALUMINIUM: Easier. News from the international primary aluminium institute (IPA)

that western world stocks of unwrought aluminium rose by 44,000 tons in May to their highest level since February 1987 encouraged a downtrend sparked by easier copper prices.

COFFEE: Stable. The London market refused to be influenced by the weakness of New York, giving more importance to fears of tightening supplies of robust as from Africa and Indonesia.

SUGAR: Easier after a firmer start. Raw sugar futures reached their highest level for six months at the beginning of the week, while white sugar futures rose to a three-month high. Gains were due to a fall in Cuban deliveries and high prices for Thai sugar. Profit-taking then saw prices ease back.

VEGETABLE OILS: Irregular. Coprah oil remained supported by supply tightness and increased prices in the Philippines, where buyers had to turn to overseas markets.

Malaysian government statistics, forecasting annual growth of 4.5 per cent in palm oil production for the next five years to 7.6 million tons in 1995 had no impact on prices of the oil.

OIL: Firmer. Brent crude prices were supported by a US threat to launch an attack on Iraq's nuclear installations.

The closure of the Dunlin pipeline, which normally carries 1,400,000 barrels of products from shell, BP and Conoco fields in the North Sea also brought support.

RUBBER: Slightly firmer. Prices of natural rubber registered a slight recovery on the London market, supported by the easier Pound against the Dollar at the end of the week.

Price Barometer: Essentials

Table with columns for commodity names (RICE, VEGETABLES, OIL, etc.), units, and prices. Includes sub-sections for July-14 and various market indicators.

Gold & Silver

Table listing prices for Gold and Silver in Taka per 11.66 grams.

Hides & Skin

Table listing prices for various types of hides and skins (Cow, Light, Medium, etc.) in Taka per 100 pieces.

Exchange Rates

Table showing exchange rates for various currencies (US Dollar, UK Pound, etc.) as of July 14.

Moderate rise in share trading

Trading at Dhaka bourse witnessed a moderate rise on Sunday. The All Share Price Index of Dhaka Stock Exchange (DSE), which is the broad indicator of price movement of all the listed stocks declined further to 305.9724 points from Saturday's 306.0478 with decliners domination in transactions.

In all 4,239 shares and debentures changed hands compared with Saturday's 2,895. Traded issues valued Taka 3,51,954.00 against Saturday's Taka 2,33,561.00.

Dhaka Stock Exchange Market Profile

July 14. 134 Listed Stocks. 2 Gainers, 10 losers, 122 Unchanged. 122 Unchanged stocks include ten traded on the day at its previous quoted prices.

DSE All Share Price Index = 305.9724. Issued Capital=Taka 5,439,880,590. Market Capitalisation = 8,743,239,910. Turnover = Taka 3,51,959.00 (Value) 4,239 (Volume).