

Pakistan to get \$10m Chinese loan

ISLAMABAD, Oct 28: China agreed on Sunday to give Pakistan interest-free loans and grants worth nearly 10 million Dollars for economic projects and Afghan refugees, reports Reuter.



ISLAMABAD: Pakistani Premier Nawaz Sharif (L) calls on the visiting Chinese President Yang Shangkun in Islamabad on October 27. Yang Shangkun is here on six-day official visit. He pledged a 10 million Dollar loan package to Pakistan during his visit. — AFP photo

IMF assures all possible help to Pakistan

ISLAMABAD, Oct 28: The International Monetary Fund (IMF) assured Pakistan that it will try to provide all possible assistance to the country's economic development, reports Xinhua.

Khan emphasised that the restructuring policies need to be encouraged by international monetary institutions like the IMF which should provide enough resources to sustain and carry them forward.

IMF Managing Director Michel Camdessus said at a meeting with Pakistan President Ghulam Ishaq Khan here Sunday night that if, as a result of readjustment policies, Pakistan's economy comes under pressure, the fund will provide the required safety net.

However Camdessus urged Pakistan to bring about meaningful reductions in defense expenditure — in order to transfer human and financial resources to more productive uses.

"Camdessus said the structural adjustments in Pakistan's economy have well laid down the ground now to take the country from the low income country status to the middle income group."

The IMF officials, who was in Lahore for a seminar on structural adjustment and macro-economic policy issues on October 26-28, arrived in Islamabad Sunday for formal talks with Pakistan officials.

Wildcat strike at Mongla Port \$65m given by shipping agents as demurrage

From Our Khulna Office

KHULNA, Oct 28: About six-fifty million dollars was given as demurrage by the local shipping agents for wildcat strike in Mongla Port during the last three years, according to a source.

an administrative body to control the labourers' unruly and lousy activities in the port.

Dock Labour Board started functioning at the port in 1987 with 18,000 registered and 3,000 unregistered workers due to mismanagement in the dock labour management board. The workers went on wildcat strike 84 times in three years causing loss of 124 working days. The shipping agents had to bear the loss three to five thousand dollar a day as demurrage for holding the ship beyond her scheduled time at the port.

The chairman, Mongla Port authority, who holds the post of the Chairman of the board as ex-officio told this Correspondent that due to prevailing socio-economic condition, the labourers became more unruly and impatient and went on strike being provoked by the outsiders. This problem should be solved by all concerned sitting in a table, he added.

US officials divulged BCCI action to drug dealers

NEW YORK, Oct 28: Government investigators suspect that some of the world's most powerful drug dealers who withdrew money from BCCI accounts days before the arrest of five bank executives in 1988 were tipped off by US government sources, the New York Times reported on Sunday, reports Reuter.

which underscored the enormous amounts of money that were being laundered at BCCI branches in Panama, New York, Miami and other cities.

Bank records show the dealers withdrew millions of Dollars from their accounts at the Bank of Credit and Commerce International (BCCI) just before federal undercover agents made a surprise arrest of five executives of the now-scandal plagued operation, The New York Times reported.

One day before the executives were arrested on October 8, 1988, two men described by the government as lieutenants in a large Colombian drug ring insisted that their accounts at BCCI's Panama city branch, worth about two million Dollars, be closed immediately.

Most Asian currencies weaker against US Dollar

HONG KONG, Oct 28: Asian currencies fell against the broad against the 45 Dollar this week, with the Taiwan Dollar the only regional unit to post a gain, reports AFP.

After opening at 129.72 Yen on Monday, the Japanese currency moved between 129.57 Yen and 131.75 Yen.

Domestic factors largely dominated a generally quiet week's trading.

After businessmen Chin Chi-ming was convicted, Chan sentenced him to three years and 11 months in prison. She did not comment on the case and a stone-faced Chin said he would appeal. Police escorted him from the courtroom.

Market players were also carefully watching the future course of Japanese interest rates as speculation grew that the Central Bank of Japan might soon cut its official discount rate.

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Camdessus for Indo-Pak arms cut

LAHORE, Oct 28: International Monetary Fund (IMF) head Michel Camdessus on Sunday pleaded with arch enemies India and Pakistan to cut their defence spending, reports Reuter.

Pakistan, which spends more than 40 percent of its budget on defence, always rejected cuts in armed forces spending, saying the enormous strength of India makes such cuts impossible.

A senior Pakistani official said the IMF chiefs remarks were valid but said India did not include some major armaments projects in its defence budget and it, too, must be asked to reduce its spending.

Zaire economy worsening

PARIS, Oct 28: France appealed to its 500 nationals remaining in Zaire to seize a last chance to flee before western troops withdraw from the riot-plagued central African country, reports Reuter.

The French embassy in Zaire has confirmed the seriousness of the situation... it could worsen in the next few days. Looting continues. The economic apparatus is being destroyed. The country's oil refinery has been virtually destroyed. Cooperation Minister Edwige Avice told state television.

World economy set for recovery

PARIS, Oct 28: International capital markets appear firmly set for recovery after suffering their first significant setback in a decade last year, the Organisation for Economic Cooperation and Development (OECD) said in a report released here Sunday, reports AFP.

Against the background of this year's projected economic recovery, the OECD reported a record amount of new offerings on the international securities markets during the January-August period.

The Dollar's share of the market fell off somewhat to 29.4 per cent against 33.3 per cent in 1990 — and over 45 per cent in 1989.

It said overall borrowing during the first eight months of the year totalled 320.5 billion Dollars, a 14 per cent year-on-year increase that was broadly in line with the average annual growth of the second half of the 1980s.

A Major downturn was meanwhile recorded in Syndicated Bank credit during the January-to-August period with newly signed loans barely attaining 63 billion Dollars.

The ECU moved ahead of the Yen with market share of 13 per cent against 8.1 per cent in 1990. The Japanese currency fell back from 13.5 per cent last year to 10.6 per cent, with Sterling hard on its heels at 10.4 per cent.

If sustained until year-end, this could bring total borrowing in 1991 to an all-time high of about 500 billion Dollars, the report said.

A major downturn was meanwhile recorded in Syndicated Bank credit during the January-to-August period with newly signed loans barely attaining 63 billion Dollars.

This was 16 per cent less than the year-earlier level and available information pointed to a 1991 lending total of about 100 billion Dollars in this sector, which would be the lowest since 1987, the OECD said.

GATT talks reach climax

GENEVA, Oct 28: GATT attendance by diplomats has rarely been higher and its calendar of trade negotiations rarely fuller as attempts mount to wind up five years of talks, reports Reuter.

appeared to be more one of hope than of desperation.

In Luxembourg last week Dutch Farm Minister Piet Bukman said his EC colleagues had agreed to give EC negotiators the elbow room needed to finish the negotiations, though French Minister Louis Mermaz denied this.

Ironically, however, the most important decisions in GATT's Uruguay Round of trade talks — those to break a deadlock on agriculture — will probably not be made anywhere near Geneva.

Most of the top-level discussions are so discreet that few negotiators in Geneva know where they are taking place or even between whom.

On the fringes of the Luxembourg meeting, GATT Director-General Arthur Dunkel discussed the farm negotiations with Macsharry and the European Trade Commissioner Frans Andriessen.

While the diplomats beavering away in meetings at the General Agreement on Tariffs and Trade (GATT) are doing legitimate and necessary work, everyone seems to be waiting for the moment when agreement finally is reached in the capitals.

Washing, supported by the Cairns group of farm-exporting nations including Australia and Argentina, is demanding deep cuts in subsidies and import barriers on the grounds that they rob their fair share of the market.

Dunkel has asked each of the Uruguay Round's seven negotiating groups, covering everything from Banking to patients, to present a draft agreement by November 1, though it has become apparent that there will be some slippage on that date.

Gulf War costs airlines \$4b

NAIROBI, Oct 28: The Gulf War is not yet over for the world's airlines, who face combined losses of up to four billion Dollars on scheduled services this year, officials said ahead of the industry body's annual meeting on Monday, reports Reuter.

Iraq's invasion of Kuwait in August last year.

to cope with congestion, environmental concerns and the increasing range of taxes being imposed on airlines by governments.

At the conclusion of the war most carriers were of the opinion that traffic would rebound and that 1990 levels would be regained by mid-year. This has not happened, said the International Air Transport Association (IATA) financial committee report released at the meeting.

The financial committee report adds: "It is expected that the industry will again show heavy financial losses for 1991."

The industry showed net profits of 2.5 billion Dollars in 1988 and 600 million Dollars in 1989.

After businessmen Chin Chi-ming was convicted, Chan sentenced him to three years and 11 months in prison. She did not comment on the case and a stone-faced Chin said he would appeal. Police escorted him from the courtroom.

IATA spokesman John Brindley said businesses and holiday-makers had canceled flights due to the Gulf War-related recession and fears of terrorism in late 1990 and early 1991.

Despite financial losses in 1990, passenger traffic grew by 6.9 per cent to 928 million on both international and domestic services. Freight grew by 0.6 per cent to 14.7 million tons.

Chin's trial began in July and unfolded like a soap opera, as people jammed the 60-seat gallery to hear steamy disclosures of sex, blackmail and compromising photos.

Things will be looking better by the end of the year, but we are doing nothing more than getting back to where we were, Brindley added.

A decline of 1.7 per cent in international passenger traffic is forecast for 1991, but the annual report adds — The global economy has still not recovered as quickly as expected by carriers and this could lead to an even worse decline.

New Zealand Dollar: The New Zealand Dollar plunged dramatically through the week to close at 55.80 US cents, against the preceding week's close of 56.65 cents.

The OCB Bank trade weighted index for the Singapore Dollar stood at 135.68, up from last week's 135.38.

The market was closed Friday for a three-day holiday here.

Philippine Peso: The Philippine Peso remained at 27 Pesos to the US Dollar all week, due partly to heavy central bank buying on the trading floor.

The index is calculated against the currencies of the island republic's top 12 trade partners.

That Baht: The Thai Baht weakened against the US Dollar here Friday, closing at a mid-rate of 25.57 Baht per Dollar, compared with 25.50 Baht a week ago, an official at the Bangkok Bank said.

South Korean Won: The Won marginally weakened from 749.50 Won a week ago to 750.0 Won Friday. Dealers said the Won was expected to continue sliding as South Korea's trade imbalance kept growing.

Taiwan Dollar: The Taiwan currency inched up to close Thursday at 26.371 to the US Dollar, up 3.9 Taiwan cents from the previous week's finish of 26.410.

The official said the Baht fell against the Greenback after traders switched to buying Dollars instead of holding the local currency due to high liquidity in the market.

FBCCI welcomes steps to reduce power system loss

Star Economic Report President of the Federation of Bangladesh Chambers of Commerce and Industry Alhaj Akram Hossain on Monday hailed the government for constitution of two steering committees in a bid to reduce system loss of electricity.

The steering committees would play an effective role in reducing system loss, he said in a statement adding that this was a timely step by the government.

He stressed the need of inclusion of FBCCI representatives at various levels of the steering committee.

IA resumes Ctg-Calcutta flight Nov 1

The Indian Airlines after nearly ten months of suspension because of the Gulf War is going to resume its once a week Calcutta-Chittagong-Calcutta flight from November 1, reports BBS.

The flight in this route with the introduction of winter schedule will be operated on every Saturday with Boeing 737 aircraft, a press release said.

The airlines said this flight will provide convenient connections to various metropolises of India.

Meanwhile, the airlines has slightly altered its departure timing from Dhaka. The airlines, which runs four flights (Monday, Wednesday, Friday and Saturday) will have its departure time advanced by 15 minutes from the current 15-45 hours.

First mother oil tanker in private sector

Star Economic Report The Government has approved acquisition of a Mother Oil Tanker by a private shipping company named Dynamic Shipping Lines Limited. The vessel with a dead weight capacity of 1,55,500 tons will be the ever biggest vessel in private and public sector, says a Press release.

Bangladesh Petroleum Corporation pays Tk 46 crore per year in foreign currency to the foreign chartered vessels which will be fully saved by acquiring this vessel. It had been possible by a private company to acquire such a prestigious vessel under Bangladesh Flag and have a major breakthrough in private sector shipping due to the massive privatisation policy of the present democratically elected government.

Price Barometer: Essentials

Table with columns for commodity names (RICE, VEGETABLES, OTHER FOODGRAIN, FISH, PULSES, etc.) and their prices in Taka per kg. Includes sub-sections for 'October-28' and 'October-29'.

Exchange Rates

Table showing exchange rates for various currencies (USD, UK Pound, German Deutsche Mark, etc.) as of October 28.

Gold & Silver

Table showing prices for Gold and Silver (per 100 grams) as of October 28.