

Trade promotion with Germany in the offing

Star Economic Report

Mr. Dieter Haury, Managing Director of Ostasiatischer Verein (East-Asian Association), Hamburg will visit Bangladesh from March 2-5, 1991, to explore trade possibilities in Bangladesh.

This was stated by the German Ambassador in Bangladesh Dr. Karl Heinz Scholtyssek at a discussion

Uptrend in DSE trading continues

Star Economic Report

The uptrend in trading continued at Dhaka bourse on Tuesday. Gainers were stronger on the floor.

Dhaka Stock Exchange (DSE) All Share Price Index, which is the indicator of price movements of all the listed stocks, advanced further to 338.3997 points compared with Monday's 337.4664.

Thirtyeight listed stocks were traded. Of them twenty-one gained, eight lost and nine remained unchanged at their previous quoted prices.

In all 10,395 shares and debentures changed hands compared with Monday's 6255. Traded issues valued Taka 531837.50. It was Taka 356277.00 on the previous day.

Afhab Automobile advanced Taka 25.85 to Taka 220.00 at closing.

A.B.Bank and Rupali Bank gained Taka 5.00 and Taka 2.00 to Taka 140.00 and Taka 85.00 respectively.

Eastern Cables, Chittagong Cement advanced Taka 2.71 and Taka 2.48 to Taka 88.71 and Taka 145.00.

Kohinoor Chemical and Bengal Food gained Taka 2.28 and Taka 2.00 to Taka 74.26 and Taka 175.00.

All the traded debentures gained. Quasem Silk, Apex Tannery and Beximco Pharma advanced Taka 25.00, Taka 10.00 and Taka 10.00 to Taka 1525.00, Taka 1000.00 and Taka 1670.00 respectively.

Eagle Star, Beximco, Talu Spinning, Ashraf Textile, Beximco Pharma, Rupali Oil, Renwick Jayneswar, Bangladesh Thai Aluminium, Atlas Bangladesh, Green Delta and BGIC insurance gained within the range between Taka 0.25 and Taka 1.55.

Satham Textile, Karim Pipe and Metalex Corp. lost Taka 2.74, Taka 150 and Taka 1.13 to Taka 85.26, Taka 115.00 and Taka 75.87 respectively.

Bangladesh Autocars and Howlader, PVC declined Taka 2.00 each to Taka 113.00 and Taka 115.00.

Ambee Pharma, 6th ICB Mutual Fund and G.Q.Ball Pen lost within the range between Taka 0.25 and Taka 1.00.

Unemployment to rise in China

Star Economic Report

BEIJING, Feb 19: China will have difficulty keeping its official unemployment rate from rising above 3.5 per cent in the next five years, Labour Minister Ruan Chongwu said Monday, reports AFP.

The ceiling compared with unemployment of 2.6 per cent currently, the official Xinhua news agency reported, adding that "Ruan admitted that it will not be easy to reach this goal."

As many as 11 million people may be without jobs as unemployment peaks in the five year period, the Minister was quoted as saying.

The state could give jobs to only seven million of the 11 million demanding jobs each year as "baby boomers" of the 1970s entered the workforce, he said.

Quoted Prices of Traded Stocks

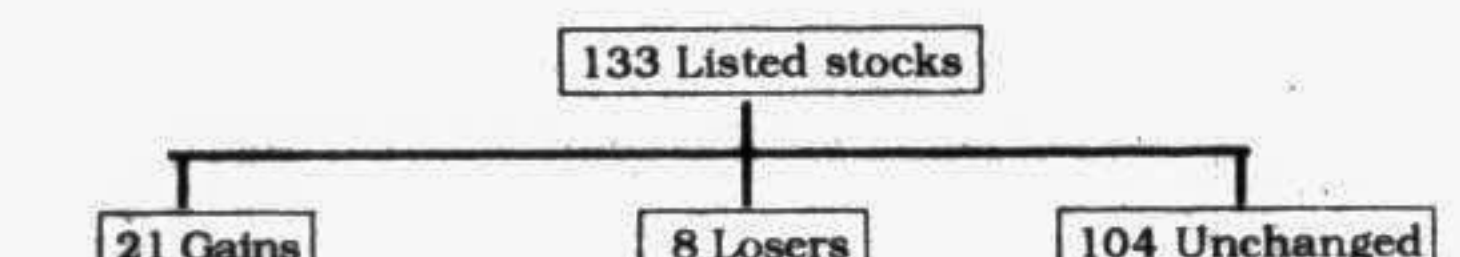
February 19

| Stocks | FM/ML | Closing (Taka) | Change (Taka) |
|---------------------|--------|----------------|---------------|
| A.B. Bank | 100/5 | 140.00 | (+5.00) |
| Apex Tannery | 1000/1 | 1670.00 | (+10.00) |
| Bangladesh Autocars | 100/5 | 113.00 | (-2.00) |
| Beximco Pharma | 100/5 | 85.00 | (+2.00) |
| Bengal Food | 100/10 | 87.00 | (+1.00) |
| BKIC | 100/10 | 104.67 | (+0.87) |
| Green Delta | 100/10 | 108.00 | (+0.50) |
| Peoples | 100/10 | 108.00 | Unchanged |
| United | 100/10 | 108.00 | Unchanged |
| Engineering | | | |
| Afhab Automobiles | 100/5 | 220.00 | (+25.85) |
| Atlas Bangladesh | 100/5 | 38.14 | (+1.14) |
| Bangladesh Autocars | 100/5 | 113.00 | (-2.00) |
| B. Thai Aluminium | 100/10 | 82.00 | (+1.54) |
| Eastern Cables | 100/5 | 88.71 | (+2.71) |
| Howlader PVC | 100/10 | 115.00 | (-2.00) |
| Karim Pipe | 100/5 | 115.00 | (-1.50) |
| Metalex Corp. | 100/5 | 74.26 | (-2.74) |
| Renwick Jayneswar | 100/5 | 56.00 | (+1.55) |
| Food & Allied | | | |
| Bengal Food | 100/5 | 175.00 | (+2.00) |
| Dhaka Vegetable | 100/5 | 154.00 | Unchanged |
| Rupali Oil | 100/10 | 7.08 | (+0.58) |
| Pharma & Chem | | | |
| Ambee Pharma | 100/5 | 14.25 | (-0.25) |
| Bangla Process | 100/5 | 60.00 | Unchanged |
| Beximco Pharma | 100/5 | 155.00 | (+0.76) |
| Bolton Chemical | 100/5 | 74.26 | (+2.28) |
| Petro Synthetic | 100/5 | 13.50 | Unchanged |
| Textile | | | |
| Ashraf Textile | 100/5 | 30.00 | (+1.00) |
| Dalmeida Cotton | 100/10 | 73.00 | Unchanged |
| Eagle Star | 100/5 | 33.50 | (+0.50) |
| Satham Textile | 100/10 | 85.26 | (-2.74) |
| Talu Spinning | 100/10 | 104.81 | (+0.81) |
| Miscellaneous | | | |
| Apex Tannery | 100/5 | 138.00 | Unchanged |
| Bata Shoe | 100/10 | 39.00 | Unchanged |
| Beximco | 100/10 | 8.75 | (+0.25) |
| Chittagong Cement | 100/5 | 145.00 | (+2.48) |
| G.Q.B. Ball Pen | 100/5 | 51.00 | (-1.00) |
| Debenture | | | |
| Apex Tannery | 1000/1 | 1000.00 | (+10.00) |
| Beximco Pharma | 1714/1 | 1670.00 | (+10.00) |
| Quasem Silk | 2000/1 | 1525.00 | (+25.00) |

* FM= Face Value, ML= Market Lot

** Changes: Plus signs mean gain and (-) signs losses.

Dhaka Stock Exchange Market Profile February -19



* 104 unchanged stocks include nine traded on the day at the previous day's quoted prices.

DSE All Share Price Index = 338.3997.

Issued Capital-Taka 4,602,377,190.00

Market Capitalisation-Taka 9,669,858,904.00

Turnover = Taka 531837.50 Value 10395 (Volume).

Mass Edn. Programme fails to achieve target

Tk 19 cr remain unutilised

Manzurul Haque

More than Taka 19 crore sanctioned for the mass education programme remained unutilized despite expiry of the three-year term in June last.

The programme, scheduled to start from June 1987, started in February 1988 and failed so far to achieve 20 per cent of its target.

Tk. 26.24 crore were allocated for the programme from which Tk. 5 crore were spent till June 1990.

The programme is now continuing as a spill-over project and nearly Tk. two crore were spent so far in fiscal 1990-91, according to the latest information.

The allocation this year for the project is Taka 4.75 crore and the entire amount will have to be spent by June next.

UNDP and UNICEF approved grants of Taka five crore and Taka 4.36 crore respectively for this project. In all, Taka 3.5 crore have been spent against the grants. The rest of the aid is likely to be refunded as these could not be utilized in time, the sources said.

The objective of the project is covering 2.30 crore illiterates in 15-35 age group, under literacy programmes. But according to the latest available report, only around four lakh people in the target group could be brought under the programme.

The target under the programme was to set up 60 literacy centres including 10 for female illiterates at upazila levels. But, only 27 centres have been set up until now.

Prof. S. M. Saifuddin, Executive Director of Mass Education Programme told the Star that negligence by the former government was held the former mainly responsible for lack of progress in implementation of the project.

He said the former government did not heed pay any importance to the programme. That was why the Ministry of Education did not approve this programme in time, he added.

The director said that an UNESCO advisor for this programme was available only in October, 1989, when the project was earlier due for closure.



Rice supply is abundant in Badamtali wholesale market after rich harvest of Aman crops this year. Retail prices did not come down but it remains steady in Dhaka city for the last two weeks. — Star photo

Japan tops investors' list

Outgoing Japanese Ambassador Mr. Takeo Iguchi said in Dhaka on Monday a good number of Japanese investors are already involved in industrial undertakings in Bangladesh.

He pointed out, some of the projects including the one under joint venture are now operating in Export Processing Zone (EPZ) at Chittagong.

Japan now tops the list of investment applications for setting up industries in the private sector in Bangladesh, he added.

BSS reported that the Ambassador reviewed Bangladesh-Japan bilateral relations at a farewell reception, with a positive note about more promising prospects for expansion of the same with wider mutual benefits for both countries.

The reception held at Hotel Sonargaon was organised jointly by the Japanese Association for Overseas Technical Assistance (AOTS), Bangladesh AOTS Alumni Society (BAAS) and Chittagong AOTS Alumni Society (CASS).

Mr. Iguchi leaves Dhaka next month to take up his new assignment in New Zealand after completing a tenure of two and a half years in Bangladesh.

He mentioned Bangladesh's Meghna-Gumti Bridge project which, he said, was his government's largest aided project in the world. He also mentioned the Multipurpose Jamuna Bridge Project and said his successor would take up the matter as to how best the Japanese government could help in the project.

Mr. Iguchi also referred to various projects in which his government was interested to extend help and assistance. The projects include Dhaka and Chittagong International Airports, Sadarghat Port in Dhaka, Water Supply Projects, and ICDDR, B.

OPEC unlikely to go for oil quotas

LONDON, Feb 19: OPEC is unlikely to reintroduce oil output quotas suspended after the Iraqi invasion of Kuwait last August unless the Gulf war is over when Oil Ministers meet in Vienna next month.

Arab OPEC delegates said on Monday, reports Reuters.

Even if oil-producing states involved in the conflict suffer a further drop in world prices, they are unlikely to review their policies at the Vienna meeting.

There are five OPEC members involved in the war it is a bigger thing for them than one or two dollars off the oil price, said one delegate. "I doubt if we are going to get an agreement while the war is going on."

Members of OPEC (the Organisation of Petroleum Exporting Countries) agreed last August to suspend their quota system to make up the shortfall caused by a UN embargo on Iraq and occupied Kuwait.

Any OPEC action hangs on Saudi Arabia, which produces more than one-third of the organisation's total oil output and whose current production is way above the quota set for last July.

But delegates saw little likelihood of change in Saudi policy despite the strains of financing the war and the possibility of oil prices weakening further.

The situation in the Gulf is more important, than the situation in the oil market, one remarked.

The delegates added that setting a new policy would be foolhardy without knowing the state of Iraq and Kuwait's oil industries once the fighting stops.

Hopes of peace last Friday pushed the price of Brent crude down around 2.50 Dollars to 16.30 Dollars within minutes of Iraq's apparent offer to withdraw from Kuwait.

The price recovered after the allies rejected the offer, which was headed with several conditions. On Monday the April futures contract for Brent blend crude, the International Benchmark, was quoted around 17.30 Dollars.

A report adds: OPEC President Sadek Bousenna denied on Monday a published report that OPEC Oil Ministers would meet in Vienna next week.

"On meeting of OPEC Oil Ministers, formal or informal, will take place in Vienna, next week," Bousenna, who is also Algerian Oil Minister, said in a statement released by the Organisation of Petroleum Exporting Countries (OPEC).

India's budget postponed

NEW DELHI, Feb 19: Prime Minister Chandra Shekhar on Monday postponed India's budget, due on February 28, by about three months, the Press Trust of India news agency reported says Reuters.

The move was apparently aimed at saving Shekhar's fragile minority government.

The agency quoted Shekhar as telling a late night news conference in the eastern city of Bhubaneswar that the budget was being delayed to let Members of Parliament campaign in elections in the southern state of Tamil Nadu.

He did not say when the polls would be held in the state, whose government was controversially dismissed last month after Shekhar alleged it was sheltering Sri Lankan Tamil guerrillas.

"Most of the members from the south will be out of Delhi for campaigning, so the budget session cannot be held because the position is not so secure", Shekhar said, acknowledging the precarious nature of his government.

Shekhar, who displaced

Gold & Silver

February 19

| Gold | (Taka for 11.66 grams) |
|-----------|------------------------|
| Taj Mahal | 6,000.00 |
| Widnes | 6,300.00 |
| Silver | 200.00 |

Source: Department of Agricultural Marketing

Air India struggles to stay afloat

BOMBAY, Feb 19: Troubled times are here for India's international carrier, Air India, struggling to stay afloat after the loss of its most profitable sector - the Gulf, reports AFP.

The war in the Gulf, coupled with a general slowdown in commercial air traffic that is sending airlines worldwide into a tailspin, is playing havoc with Air India's profit figures after a period of high growth.

On an operating revenue of 760 million US Dollars in fiscal 1989-90 (April-March), Air India made a profit of 38.8 million Dollars and was flying high with a record passenger growth when most airlines were in the red.

HIDES & SKIN

(Wet/Salted)

February 19

Taka per 100 pieces)

| Cow | 12,000.00 | 15,000.00 |
|------------|-----------|-----------|
| Light | 25,000.00 | 30,000.00 |
| Medium | 35,000.00 | 40,000.00 |
| Heavy | 50,000.00 | 55,000.00 |
| Very heavy | 65,000.00 | 70,000.00 |
| Rejected | 25,000.00 | 30,000.00 |

| Goat | 12,000.00 | 15,000.00 |
|----------------|-----------|-----------|
| Big & heavy | 12,000.00 | 15,000.00 |
| Light & Medium | 7,000.00 | 7,500.00 |
| Rejected | 3,000.00 | 3,500.00 |
| Sheep | 8,000.00 | 10,000.00 |
| BUFFALO | 55,000.00 | 57,000.00 |

Source: Department of Agricultural Marketing

Drought hits Philippines: \$38m crops damaged

MANILA, Feb 19: A drought which hit the Philippines last December has caused a total of 1,068 billion pesos (38.16 million Dollars) in damage to rice and corn crops alone, an Agriculture Department spokesman said here Tuesday, reports AFP.

The damage estimate from the continuing drought does not cover other major crops such as sugar, spokesman Noel Reyes said, adding that figures for these other crops were not yet in although large losses were expected.

Corn (maize) crops suffered the most with 1,24,322 tonnes worth 559.6 million pesos (19.98 million Dollars) lost, while rice, the country's staple, suffered losses of 101,787 metric tonnes worth 508.9 million pesos (18.175 million Dollars), Mr. Reyes said.

The drought has affected large portions of the southern island of Mindanao, certain provinces in the central island group of the Visayas and the northern portions of the main island of Luzon.

Mr. Reyes said it was not known how long the drought would last. The country's agricultural output already suffered from a similar drought last year.

War won't hit Malaysian economy

KUALA LUMPUR, Feb 19: Malaysia has expressed optimism that the Gulf war will not hurt its economic growth this year, although the long-term outlook is not rosy because of recessionary conditions in the major industrial nations, reports AFP.

Finance Minister Daim Zainuddin, addressing the Dewan Negara, the country's senate, late Monday said a 7.8 per cent expansion in Gross Domestic Product (GDP) forecast in December would likely be met despite fears of a downturn.

But Prime Minister Mahathir Mohamad, interviewed on government television, said economic growth prospects over the next few years will not be as good as last year, when GDP expanded by an estimated 9.4 per cent.

Mr. Daim, who will step down as Finance Minister in mid-March, said the government was monitoring the effect of the Gulf war

EC FM's meet

LUXEMBURG, Feb 19: European Community (EC) Foreign Ministers meet in Luxembourg Thursday to discuss the post-war rebuilding of the Gulf which they hope will have better success than their pre-war diplomacy, reports AFP.

They will also consider the lifting of a free zone economic cooperation with the Soviet Union following violent crack-downs in the Baltics states.

An EC ministerial mission to Moscow was sharply criticised by President Mikhail Gorbachev at the weekend for its sharp reaction to the crack-downs and for delaying emergency food and medical aid an technical records.

Economic crisis in Cuba

HAVANA, Feb 19: The collapse of the socialist bloc and cuts in Soviet fuel supplies have dealt "a terrible blow" to the economic pillars of the Cuban revolution, President Fidel Castro has said, reports AFP.

Mr. Castro, who was quoted by the official domestic news agency AIN Sunday set a 10-year period to develop Cuba's own resources to cope with the current critical shortages in fuel, raw materials, food and hard currency needed for foreign trade.

But the food supply plan must be developed "much more swiftly", the Cuban leader stressed. He said a far-reaching state programme proposed better application of technology and extensive irrigation in a bid to produce more rice, timbers and vegetables while boosting poultry, fish and pork production.

2,700 cattle die in Australia

BRISBANE, Feb 19: High humidity was blamed today for the deaths of nearly 2,700 cattle being fattened up for export at a huge Japanese owned feedlot in Australia, reports Reuters.

ED Casey, Queensland's Minister for Primary Industries, told state parliament today the humidity level at the feedlot at Texas 250 KM (160 miles) west of Brisbane doubled to 80 per cent in the space of 48 hours earlier this month.

Air temperatures remained warm to very warm and there was no breeze Casey said. The rare condition was the climatic equivalent of a once in a century flood.

Singapore oil market quiet

SINGAPORE, Feb 19: Trading in the Singapore oil market was quiet Tuesday morning with prices virtually unchanged from overnight London closing reports AFP.

Traders said there were more buyers than sellers.

"The uncertainty over the Gulf war and fear over the supply situation might have basically contributed to the buying interest," said one dealer.

North sea Brent, quoted at 16.80 US Dollars and West Texas Intermediate (WTI) at 18.90 Dollars, were both unchanged for April shipments.

"A majority of traders are still sitting on the sidelines after the lunar new year holiday," one dealer commented.

Japan's industrial output rises

TOKYO, Feb 19: Japan's industrial production in December rose six per cent from a year earlier and 0.9 per cent from the preceding month, the International Trade and Industrial Ministry said in a revised report Monday says AFP.

The report was a revision of a preliminary report in late January that gave 6.3 per cent year-on-year and 0.5 per cent month-to-month increases for December.

The revised report said Japan's mining and manufacturing index in December stood at 1323 against 100 for the year of 1985.

Raw Jute

February 19

| Kutcha bales | FOB | FOB |
|--------------------------|----------|-----------|
| Varities | (Ready)* | (Sight)** |
| White | Tk. per | \$ per |
| Medium | 1393 | 1500 |
| Bot. (B) | 1340 | 1447 |
| Bot. (C) | 1206 | 1286 |
| Bot. (X) | 1072 | 1125 |
| * FOB = Freight on board | | |
| ** Bot. = Bottom | | |

| Pucca bales | FOB | FOB |
|-------------|----------|-----------|
| Varities | (Ready)* | (Sight)** |
| White | Tk. per | \$ per |
| BW SPL | 3450 | 585 |
| BWA | 3350 | 570 |
| BWB | 3300 | 550 |
| BWC | 2900 | 480 |
| BWD | 2600 | 410 |
| BWE | 2000 | 365 |

| White/Tossa : | | |
|---------------|------|-----|
| Cutting | | |
| BWCA | 1450 | 235 |
| BWCB | 1300 | 220 |
| BTCA | 1600 | 250 |
| BTBC | 1500 | 235 |
| Mesha : | | |
| Spl. | 1950 | 355 |
| A | 1900 | 345 |
| B | 1800 | 330 |
| C | 1600 | 295 |
| SPL Cuttings | 1000 | 175 |
| Ord. Cuttings | 900 | 170 |
| SMR | 1125 | 200 |

* FOB ready = Narayanganj

** FOB sight = Chittagong/Mongla Ports. Indicative Price at which sales may be considered for EPC registration. The prices are exclusive of any selling commission. * O. D. (Sight) nontradable/applicable to export bills. One \$ = Tk. 35.4956

* MT = Metric Ton

Imports/arrivals of Kutcha bales at Narayanganj were seven to eight thousand mounds while at Daulatpur at six to seven thousands mounds. (One mound is equal to 37.32417 KOs.)