

### ESCAP likely to set up standing body

SEOUL, Apr 4: The ESCAP is expected to set up a Standing Committee to provide a boost to on-going efforts for greater regional cooperation among the member nations, reports BSS.

Executive Secretary of the Commission SAMS Kibria told newsmen here today that the Secretariat has made this proposal to the current 47th annual session of the ESCAP and the member nations were discussing the issue.

The idea of the standing committee stemmed from the fact that this could serve as an important catalyst for the regional cooperation which was vital for a balanced growth of the Commission covering Asia and the Pacific, he said.

The proposal envisaged a 12-member Standing Committee but it was up to the members to discuss the details of the proposal. The idea had been well received, the Executive Secretary said. The theme of the current ESCAP session is industrial restructuring in the member countries and greater regional cooperation would be needed to implement the policy guidelines that would emerge from the current conference.

### Week ends with thin trading at DSE

#### Star Economic Report

The week closed Thursday at Dhaka Stock Exchange (DSE) with trading thinning out again. The uptrend in trade volume witnessed on Wednesday lost its momentum. Transactions declined by over 50 per cent in a day. The bourse showed an erratic trade pattern all throughout the week with marked ups and downs in transactions. No steady course for the market was in sight.

DSE All Share Price Index however rose on the closing day of the week, as most of the traded issues advanced in prices. The Index, a broad indicator of price trends of all listed stocks, stood at 355,043 points compared with Wednesday's 354,845.1.

Twentytwo stocks were traded. Of them ten gained four lost and eight remained unchanged at their previous quoted prices.

In all 3,333 shares and debentures changed hands. It was 7,302 on Wednesday. Traded issues valued Taka 3,88,688.00 against the previous day's Taka 5,34,278.00.

Among the advanced Pharma Aids, Modern Industries and Bangladesh Lamps gained most. They moved up Taka 25.00, Taka 15.00 and Taka 10.00 to Taka 200.00, Taka 150.00 and Taka 280.00 respectively at closing.

City Bank gained Taka 5.00 to Taka 255.00.

BOIC Insurance, 5th ICB Mutual Fund, Eastern Cables, Zeal Bangla Sugar, Modern Dyeing and Apex Tannery advanced with the range between Taka 0.05 and Taka 1.00.

Progressive Plastic declined Taka 2.48 to Taka 51.00.

Dhaka Vegetable, Quisem Silk and Bata Shoe lost within the range between Taka 0.09 and Taka 0.98.

### Quoted Prices of Traded Stocks

April 4

Bank	PV/ML	Closing	**Change
		(Taka)	(Taka)
City Bank	1005	255.00	(+1.00)
Eastern Bank	1005	1150.00	unchanged
ICB Bank	1005	95.00	unchanged
Investment	1005	125.00	(+0.36)
5th ICB M Fund	1005	114.00	
BOIC	1005	114.00	
Engineering	1005	49.00	unchanged
Adar Bangladesh	1005	280.00	(+1.00)
Bangladesh Lamps	1005	100.00	(+1.00)
Eastern Cables	1005	100.00	
Food & Allied	1005	159.02	(-0.98)
Dhaka Vegetable	1005	150.00	(-1.50)
Modern Industries	1005	9.20	(+0.20)
Zeal Bangla Sugar	1005	9.20	
Pharma & Chem	1005	15.00	unchanged
Adar Pharma	1005	200.00	(+2.00)
Pharm-Aid	1005	51.00	(-2.48)
Progressive Plastic	1005	51.00	
The Books	1005	85.00	unchanged
Paper & Printing	1005	13.00	unchanged
Eight Box	1005	36.00	(+0.52)
Modern Dyeing	1005	6.36	(-0.09)
Quisem Silk	1005	85.50	unchanged
Bata Shoe	1005	85.50	
Middleman	1005	146.50	(+1.17)
Apex Tannery	1005	42.00	(-0.20)
Debon	17461	1720.00	unchanged

\* PV/ML Value - ML/ML/ML  
\*\* Change - Plus sign means gain and (-) signs losses.

### Dhaka Stock Exchange Market Profile

April - 4

134 Listed stocks

10 Gains     4 Losers     120 Unchanged

112 Unchanged stocks include twenty one traded on the day at the previous day's quoted prices.  
DSE All Share Price Index = 354,845.1  
Issued Capital-Taka 4,620,377,190.00  
Market Capitalisation = 10,145,595,607.00  
Turnover = Taka 3,88,688.00 (Value) 3,333 (Volume).

# USAID to absolve \$292m debt

The United States Agency for International Development (USAID) has decided to absolve Bangladesh of 292 million dollars in development assistance debt. This was officially communicated by the Administrator of USAID Ronald W Roskens to US ATS Atul Karim. The Ambassador met the administrator in Washington recently.

A press release of the United States Information Service (USIS) issued in Dhaka on Thursday said, since 1972 the United States has provided Bangladesh with 3.3 billion dollars in food, humanitarian, and development assistance. About half of that was in long-term concessional loans, which Bangladesh has been repaying on schedule.

US assistance has helped fund many of Bangladesh's priority projects, including rural electrification, fertilizer distribution, and other development projects, the press release added. In addition, loans

channeled through the Financial Sector Credit and Private Rural Initiatives Projects have encouraged development of small and micro enterprises.

### EC unable to reach accord with US

GENEVA, Apr 4: The European Community (EC) lost an initial procedural skirmish on Wednesday in its trade conflict with the United States concerning German subsidies to the European Airbus Consortium, sources said at the General Agreement on Tariffs and Trade (GATT), reports AFP.

The EC was unable to reach a compromise with the United States, which took the long-standing dispute to GATT on February 15, on the mandate to be applied by the GATT Arbitration Panel tasked with resolving the conflict, the sources said.

Debt relief granted to Bangladesh is expected to free up more hard currency for economic activity that will stimulate growth, improve living standards and promote democratic institutions, it stated.

Administrator Roskens, noting that Bangladesh elected a new government on February 27, assured Ambassador Karim that US cooperation with this new government would be sustained and strengthened.

USAID is the government agency that administers US economic and humanitarian assistance programmes in more than 80 countries worldwide.



Bangladesh Ambassador to the US ATS Atul Karim (left) is seen with Ronald W. Roskens, Administrator of the US Agency for International Development (USAID). Ambassador Karim met Roskens recently in Washington. — USIS photo

## Assistance for garments export to Swedish market discussed

#### Star Economic Report

Ambassador of Sweden in Bangladesh, H. E. Carl Olof Cederbald and Anni Burstrom, Regional Manager, South Asia of IMPOD, an agency of Swedish government, visited the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) office on Thursday.

They discussed matters of mutual interest with President of BGMEA Mohammed Mosharrif Hossain and members of the association.

The Ambassador and Ms. Burstrom enquired about the present situation and future prospect of the garment industry of Bangladesh in general and discussed the need for any assistance to develop the same in the Swedish marketplace. Burstrom made a brief presenta-

tion of the infrastructural services and various publications of IMPOD designed to develop the exports of developing countries to Sweden.

The BGMEA President briefed the team on the present status of the garment industry of Bangladesh, its development over the last decade and growth potentials in future.

Mr. Mosharrif Hossain pointed out that it was the only sector which was completely self-financing and where almost no entrepreneurs borrowed from the industrial financing institutions to set up their industries.

In response to suggestions invited by the visiting team, as to how Sweden can assist in the future growth of the industries, Mr. M. Shamsur Rahman,

Member, BGMEA Executive Committee, requested Swedish assistance in the development of the textile sector for production of fabrics for exports, either through joint-venture or by making capital fund available for the purpose, which is the policy followed by some of the other Scandinavian countries.

The Swedish team expressed the hope that Bangladesh would also enter the highly rewarding markets of leather garments, electronics, toys, etc.

M. R. Ali, Member and Atiqul Islam, Member, Executive Committee of BGMEA also participated in the discussions. Khasrul Islam, Asst. Director, EPB, accompanied the Swedish team to the meeting.



Ambassador of Sweden Carl Olof Cederbald and Regional Manager, South Asia of Impod Anni Burstrom holding discussions with BGMEA President Mosharrif Hossain and other members of the Association.

## Flow of remittances to Dhaka hit by Gulf war, says ESCAP

#### by Zaglul A Chowdhury

SEOUL, Apr 4: The Persian Gulf crisis has reduced remittances to Bangladesh and several other countries of Asia-Pacific region in addition to other adverse effects, a survey of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) has said.

The survey, prepared for the current 47th session of the commission, now being held here, notes with dismay that the scenario, a backlash of the crisis, has made the economic condition depressingly bad in eight developing member nations of the ESCAP.

Although the balance of payments (BOP) data for the 1990 were still unavailable, says the survey, the emerging

trade situation, the fall in the remittances and also the decline in tourism would worsen the DOP of the most countries with the possible exceptions of net oil exporters. The Asia-Pacific region is a net oil importer. Only China, Indonesia, Iran, Malaysia and Brunei Darussalam are the exporters.

The survey estimates the aggregate direct cost of the crisis on the balance of payments of eight severely affected developing members of the ESCAP—Bangladesh, India, Pakistan, Papua New Guinea, the Philippines, Republic of Korea, Sri Lanka and Thailand—as over US Dollar seven billion in 1990. The United Nations trade embargo on Iraq, it adds, accounts for these

countries loss in exports of almost Dollar one billion and loss in remittances of nearly Dollar 1.5 billion.

Bangladesh, India, Pakistan, Sri Lanka and the Philippines, in addition to higher a loss of remittances from their citizens living and working in the Gulf region.

The annual flow of remittances for India and Pakistan were more than US Dollar two billion each, 800 million for Bangladesh, and 1.3 billion for the Philippines. The large deficit in the balance of payments of these countries would only worsen, the survey notes.

The survey underlined the importance of remittances to these nations.

## Foreign tourist offered Roubles five times more in USSR

MOSCOW, Apr 4: The Soviet Union increased by nearly five times the number of Roubles offered foreign tourists for their hard currency, just below that offered on Moscow streets by black market

traders, reports Reuter. Rates posted at an agency of the official foreign trade bank offered foreign residents and tourists 27.6 Roubles for a Dollar against the previous tourist rate of 5.74.

The rate is equivalent to that posted at currency auctions held periodically in the past year that enable Soviet official organisations and enterprises to acquire convertible currency.

The Rouble cannot be traded officially on international currency markets, and three rates are now quoted within the Soviet Union for various purposes.

#### Concessions to miners

AP adds from Moscow: The government on Wednesday offered economic concessions to striking coal miners, but President Mikhail S.

Gorbachev rejected their demand that he resign, an independent news agency reported.

The Interfax news agency said the government agreed to double miners' pay, that the question of early retirement has been settled, and that some compensation will be increased. Other, unspecified economic demands remained unresolved, the report said.

Another report from Moscow said: Strike leaders in the two largest Soviet coal mining regions Thursday urged miners to reject a Kremlin offer that called for improved living conditions but ignored demands that the government resign.

The agreement, which would double miners' pay, make more miners eligible for early retirement and improve living conditions, was signed,

## \$ 5.4 b Indian budget deficit in 10 months

NEW DELHI, Apr 4: India's trade deficit surged by more than 30 per cent to 5.4 billion Dollars in the first 10 months of the financial year ending March 31, official figures released here Wednesday showed, reports AFP.

Imports during April-January climbed to 20.2 billion Dollars, an increase of 15.9 per cent over the corresponding period of the previous fiscal year.

Exports grew by 11.2 per cent to 14.8 billion Dollars.

The adverse balance represented a jump of about 31 per cent over the deficit India had recorded in the same period of fiscal 1989-90, according to a government statement that gave no explanation for the

rise.

New Delhi has previously blamed higher oil prices following the Gulf crisis, a loss of export markets in the region and falling remittances for a financial crunch that reduced its foreign exchange holding to precarious levels and forced its credit rating to plunge.

It has announced measures to rein in all but the most essential of imports in a bid to conserve its meagre foreign exchange reserves, said to be sufficient for less than two months imports.

India is hoping for a two billion Dollar loan from the International Monetary Fund to rescue its cash-strapped economy amid fears that it might default its loan repayments for the first time.

## Crude oil prices firm in Europe

LONDON, Apr 4: Oil prices were firm in Europe on Wednesday, buoyed by slightly higher gas (deating) oil prices, reports Reuter.

Crude oil prices were also supported by the view that demand might soon pick up as refineries' spring maintenance work comes to an end.

Britain's North Sea Brent blend, used as a reference for internationally traded crudes, was quoted at 18.08 Dollars a barrel for May on London's futures market at 1950 GMT, nine Cents above Tuesday's

close.

Brent prices were also underpinned by concern over maintenance which began this week on the North Sea Brent system.

But traders said business was very thin. "It's bit firmer but I see no momentum behind the firmer numbers."

Crude oil futures traded on the New York Mercantile Exchange were slightly lower, depressed by American Petroleum Institute buildup in crude oil stocks of 6.7 million barrels.

## Walesa urges West to avoid rich-poor gap

BRUSSELS, Apr 4: Polish President Lech Walesa urged the West to buy more Polish goods and help to avert a new division of Europe into rich and poor countries, reports Reuter.

European Commission President Jacques Delors spoke of the possibility of Poland becoming a full EC member in a few years, but warned that a rush to join would be dangerous.

The two men addressed a news conference at Commission headquarters after a meeting that was the highlight of Walesa's three-day visit to Brussels to press Warsaw's case for closer relations with the 12-nation community.

"We would not like the Iron Curtain (Europe's cold war divide between East and West) to

be replaced by a silver curtain between a rich West and a poor East," Walesa said.

He said trade between the West and Poland was a one-way affair with Warsaw shops full of Western products "while here you see no Polish goods."

Walesa said his country was not "holding out our hands like beggars" but wanted equal treatment and the chance to show Western businessmen they could prosper by investing in Poland.

Walesa said EC-Polish negotiations for an association accord were going very well and should be ready for signing this year.

But, he said, a compromise would be needed on the question of access to EC markets for steel, textiles and food.

### Indonesia earns 15 pc over budget

JAKARTA, Apr 4: Indonesia earned over 15 per cent more than expected in the fiscal year ended last Sunday because oil prices were a third higher than budgeted. Finance Minister Johannes Sumartini said, reports Reuter.

He told reporters the oil price averaged 22.60 Dollars a barrel over the year against a budgeted 16.50 Dollars. Production too was up, averaging 50,000 barrels a day more than the 1.40 million in the budget.

Revenues rose to 49,447 billion Rupiah (25.6 billion Dollars) from 42,873 billion Rupiah (24 billion Dollars) originally budgeted.

But higher oil prices meant higher subsidies for domestic fuel, Sumartini said. This cost the government 3,300 billion Rupiah (1.6 billion Dollars), over five times that planned.

"Although our economy looks positive, we are still cautious about the future as oil prices are still uncertain."

### Air India likely to buy four Boeing planes

SINGAPORE, Apr 4: India's national carrier, Air India, may ask banks in Singapore to help raise funds to buy four Boeing aircraft worth some 850 million US Dollars, press reports said Wednesday, reports AFP.

Subhash R Gopte, Air India's Managing Director, was quoted by the Straits Times as saying the Airline was waiting for New Delhi's clearance to go ahead with the purchases, which it hoped to get by June.

Air India is said to have options on four 747-400 Jumbo aircraft with US-Firm Boeing.

Gopte said the hard currency problem faced by India would not affect the planned purchases as the airline had always acquired aircraft against international commercial borrowings and had serviced its loans without help from the Indian government.

### Reforms can boost Tunisian economy

TUNIS, Apr 4: Tunisia can raise economic growth to an average of six per cent a year between 1992 to 1996 if it carries through long-awaited economic reforms, according to a draft Five-Year Plan which is close to completion, reports Reuter.

The plan, Tunisia's eighth since independence in 1956 says that continuing with present practices would lead in the long term to low growth, rising indebtedness and high unemployment.

"Even if it could achieve acceptable levels of development, investment and job creation during the period of the eighth Plan, it would later lead to a serious deterioration which would threaten the country's future," it says.

The alternative is a "high-growth" strategy based on the ideas of a 1986 Structural Adjustment Plan approved by the World Bank and the International Monetary Fund.

### CAB demands price cut of essentials

#### Star Economic Report

Consumers' Association of Bangladesh (CAB) has demanded reduction of fuel prices and fares of transports as the situation which caused the price spiral exists 'no more'.

The CAB in a press release on Thursday also demanded of the government to bring down prices of essentials.

It said with the end of Gulf war there was no reason to keep the prices at the level where it skyrocketed after the outbreak of the war.

### Exchange Rates

#### April 4

SELLING AND BUYING RATES offered by Commercial Banks, for Bank Cheques (B/C) and Overseas Drafts (O/D)

One Unit of Foreign Currencies (FCU) for Taka

	Selling	Buying
US Dollar	35.022	35.433
UK Pound Sterling	63.8491	63.0892
German Deutsche	21.5170	21.2235
Mark		
French Franc	6.3462	6.2593
Swiss Franc	8.6101	8.4819
Dutch Guilder	19.0925	18.8277
Pakistan Rupee	1.5568	1.5469
(AMU*)		
Singapore Dollar	26.1710	19.2018
US Dollar	9.8141	9.6851
Kuwait Dinar		Not available
Indian Rupee		
AMU	1.8050	1.7879
S. Kroner	5.9463	5.9622
*AMU-Asian Monetary Unit		

SECONDARY EXCHANGE MARKET

Wage Earners Fund/ Export Performance Benefit (XPB) Fund	Buying	Selling
US Dollar	36.25	36.53
UK Pound	64.53	64.56

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

### Snippets

#### Asian states urged to solve disputes

SEOUL, Apr 4: A senior Soviet official urged Asian and Pacific countries Thursday to develop their own ways of solving regional disputes but said this should not impair current security relationships, reports Reuter.

Soviet Deputy Foreign Minister Igor Rogachev told a United Nations meeting here that some 30,000 Soviet, firms and organisations had been given the right to have direct access to the external market since Moscow reformed its economic policies.

#### Dollar closes lower in Tokyo

TOKYO, Apr 4: The Dollar closed lower at 137.45 Yen on the Tokyo foreign exchange market Thursday, down 0.33 Yen from Wednesday's finish of 137.78 Yen, reports AFP.

Reuter adds from Tokyo: Yen-denominated gold futures ended mixed, with prices ranging from five Yen per gram easier to one Yen firmer. Benchmark February closed unchanged at 1,673 Yen, after peaking at 1,677. Spot April was unchanged at 1,598.

#### Soviet economist for quick reforms

PARIS, Apr 4: State-decreed price increases could lead to run-away Soviet inflation and demand efforts to overhaul the economy unless the Kremlin adopts a more ambitious reform programme soon, a leading Soviet economist said, reports Reuter.

Abel Aganbeyan, a former Adviser to President Mikhail Gorbachev, said reforms including higher interest rates, greater liberalisation of prices and privatisation of enterprises would help damp inflationary pressures. Such a package could even lead to the convertibility of the Rouble next year, he said.

#### Macao gets ESCAP membership

MACAO, Apr 4: The Economic and Social Commission for Asia and the Pacific (ESCAP) of the United Nations accepted Macao as its members at its 47th annual meeting held in Seoul, South Korea, on April 1, according to the information department of the Macao government, reports Xinhua.

Sources here believed that this is an important result achieved through cooperation by the Sino-Portuguese joint liaison group in settling issues related to Macao's joining related international organisations and this will pave the way for Macao's joining other organisations in the Asia-Pacific region.

#### Poland won't fully privatise

WARSAW (Poland), Apr 4: Poland will not follow other East European countries in trying to return all property nationalized after World War II because that would be too expensive, a government minister said, reports AP.

Poland does not have the resources to return all property to its former owners, said Privatization Minister Janusz Lewandowski, adding that only property illegally confiscated will be returned.

#### War contributions boost UK reserves

LONDON, Apr 4: March contributions of 236 million Dollars to Britain towards the cost of the Gulf war from countries not engaged in hostilities again boosted UK gold and currency reserves, reports Reuter.

A total 416 million Dollars was received during February, bringing the total addition to reserves to 652 million Dollars.

However, not all the contributions will be seen within the reserves data, the UK Treasury said.

#### Argentina's trade surplus exceeds \$8b

BUENOS AIRES, Apr 4: Argentina's trade surplus exceeded eight billion Dollars last year -- 52.3 per cent higher than the previous year -- the government announced Tuesday, reports AFP.

The National Institute of Statistics and Census (INDEC) said exports last year totalled 12.2 billion Dollars.

Imports, however, totalled only 4.1 billion Dollars.

#### Cubans spend half of income on food

HAVANA, Apr 4: Cuban families spend more than half of their income on food, but that expenditure only accounts for goods bought legally and not on the island nation's burgeoning black market, the government said, reports AFP.