

Huge sugar stocks likely to be cleared

Star Economic Report

Smuggling of Indian sugar into Bangladesh is expected to stop as the government has lowered the price of sugar to Taka 25.00 at godown level from earlier price of Taka 27.32 a kg.

Sources in the Bangladesh Sugar and Food Industries Corporation (BSFIC) hoped that the accumulated stocks of sugar would now be cleared with sales volume going up. BSFIC's stocks stand at 1.78 lakh tons.

The source said two lakh 30 thousand tons of sugar is expected to be produced in the country this year. The country's annual requirement of sugar is about two lakh 88 thousand tons, according to the source.

The prices of sugar can be kept stable if the country produces one lakh 80 thousand tons of sugar per year, it said.

Regarding the higher price of indigenous sugar compared to that of smuggled Indian sugar, the sources said the BSFIC buys sugarcane at Taka 40 a maund irrespective of its quality. Moreover, duty and surcharge were higher, leading to uneven competition with smuggled sugar and accumulated stocks.

Dhaka to lose \$ 354m due to Gulf war

From Mahfuz Anam

SEOUL, Apr 6: Bangladesh will suffer a loss of about 354 million US Dollars as a result of the Gulf war. The loss includes 230 million Dollars in remittances, 24 million Dollars in exports and about 100 million Dollars due to higher oil prices. This was revealed in a survey report of Economic and Social Commission for Asia and the Pacific (ESCAP) for 1990.

The loss figures for some other SAARC members countries are about 2.2 billion Dollars for India, 656 million Dollars for Pakistan and 230 million Dollars for Sri Lanka. The actual figures could be higher.

Bangladesh and the Philippines were the worst affected countries of the Gulf war, the survey said.

The total loss, suffered by eight countries of ESCAP — Bangladesh, India, Pakistan, Papua New Guinea, Philippines, Republic of Korea, Sri Lanka and Thailand — is estimated to be over seven billion Dollars in 1990. Of the seven billion Dollars, one billion Dollars are in exports, 1.5 billion Dollars in remittances and the rest 4.5 billion Dollars due to oil price hike.

However, the region's five

oil exporting countries — Brunet, Darussalam, China, Iran and Malaysia — all of whom suffered minor losses from exports, earned windfall profits to the tune of 3.7 billion Dollars by Iran, 1.8 billion Dollars by Indonesia, 1.2 billion Dollars by China from higher oil prices that resulted from the war.

The impact of the crisis was keenly felt by many countries of the region at the end of 1990 due to the sudden rise in oil prices and disruption in exports and tourism, said S. A. M. S. Kibria, the Executive Secretary of ESCAP. The adjournment of the Uruguay Round of multilateral trade negotiations was another setback and cause of dismay for the ESCAP region's economies, he said.

According to ESCAP survey, the annual flow of remittances were over two billion Dollars for India and Pakistan, 800 million Dollars for Bangladesh, 1.3 billion Dollars for the Philippines and 900 million Dollars for Thailand.

The impact of the Gulf war will worsen the balance of payment situation in most countries of the ESCAP region. The impact will be further

worsened by a slowdown in economies of the world. Before the Gulf war the US economy registered one per cent rise in growth and consumer demand. The Canadian economy was already in recession by the third quarter of 1990.

Economic growth in Europe was slowing down as well. The growth rate of unified Germany in 1990 was expected to be only half than that of FRG in 1989. The economy of the United Kingdom marked sharp decline.

The loss of remittances is likely to have serious consequences for countries like Bangladesh, Pakistan and Sri Lanka where remittances contributed 60, 46 and 24 per cent respectively of their total foreign exchange for 1988.

The most affected countries of the Gulf war in the ESCAP region are likely to face serious difficulties in financing the expected increase in their current account deficits for 1990. An important reason being that access to foreign loans will be restricted for them because of their relatively huge external debts which amounted to 10.5 billion Dollars and 28.5 billion Dollars for Bangladesh and the Philippines respectively in 1989.



A craftsman carving the body of a harmonium — a musical instrument — most in demand in the market.

— Star photo

Share prices show uptrend

Star Economic Report

The week began on Saturday at Dhaka bourse with thin transactions. Most of the traded issues moved up. Trading in volume terms advanced slightly but in volume terms it became thinner compared with Thursday's transactions both in volume and volume terms.

Dhaka Stock Exchange All Share Price Index, which is the broad indicator of price movements of all the listed stocks, moved up to 355.4566 points against last Thursday's 355.0483.

In all 4114 shares and debentures changed hands compared with Thursday's 33313. Traded issues valued Taka 3,83,695.00 against Taka 3,83,688.00 on Thursday.

Seventeen stocks were traded. Of them eight gained, four lost and five remained unchanged at their previous quoted prices.

Among the gainers City Bank and Bangladesh Lamps advanced most. They moved up Taka 10.00 each to Taka 245.00 and Taka 290.00 respectively.

Rahman Chemicals, Remvik Jajneswar and Aftab Automobiles Taka 2.05, Taka 2.00 and Taka 1.90 to Taka 57.05, Taka 71.00 and Taka 211.90.

Rupali Bank, BGIC Insurance and Fectimco gained within the range between Taka 0.03 and Taka 1.00.

Green Delta, Bangladesh Thai Aluminium, Zeal Bangla Sugar and Dextimco Pharma declined within the range between Taka 0.10 and Taka 1.60.

Quote d Prices of Traded Stocks

April - 6

	CV/ML	Closing (Taka)	Change (Taka)
Banks			
City Bank	100/5	265.00	(+10.00)
DFC	100/5	292.00	unchanged
Rupali Bank	100/10	93.50	(+0.50)
Insurance			
BSIC	11/30/10	115.00	(+1.00)
Green Delta	11/30/10	115.00	(+0.25)
Engineering			
Aftab Automobiles	100/5	211.90	(+1.90)
Remvik Jajneswar	100/5	292.00	(+10.00)
Zeal Aluminium	10/5/10	55.00	(-1.50)
Zeal Aluminium	100/5	100.00	unchanged
Zeal Aluminium	100/5	71.00	(+2.00)
Food & Allied			
Zeal Bangla Sugar	1/30/5	9.10	(0.10)
Fuel & Power			
Optima	11/30	58.00	unchanged
Pharm & Chem			
Dextimco Pharma	12/0/5	173.40	(-1.60)
Rahman Ch	10/10/10	57.05	(+2.00)
Paper & Printing			
Mempool Pa	10/5/5	105.00	unchanged
Miscellaneous			
Blue Star	10/1/00	42.00	unchanged
Blue Star	10/1/00	9.85	(-0.05)

* FV=Face Value, ML=Market Lot

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

Rich becoming unable to fund LDCs: Japan

NAGOYA (Japan), Apr 6: A senior Japanese Finance Ministry official warned today that rich countries were becoming increasingly unable to meet the demand for funds in developing nations, reports AFP.

"We are today face to face with a dangerous gap between capital supply and capital demand," Vice Minister of Finance for International Affairs Makoto Utsumi told a seminar at the annual meeting of the Inter-American Development Bank (IDB) in Nagoya.

The warning follows last year's surge in Japanese interest rates and comes amid growing signs of annoyance at Japan being perceived as an endless source of development aid.

Utsumi, an Alternate Governor to the IDB — a

10,000 being trained for ME employment in Hong Kong

HONG KONG, Apr 6: About 10,000 skilled workers in the field of construction in Indonesia are now trained and ready to be dispatched to the Middle East countries to help them reconstruct facilities damaged in the recent Gulf war, reports Xinhua.

According to the Indonesia Times yesterday, Soeramsihono head of the Manpower Ministry agency in charge of sending workers for overseas employment, told reporters in Jakarta on Wednesday night that the dispatch of Indonesian workers abroad, especially to Saudi Arabia and other Middle East countries, is expected to run smoothly starting next month.

The dispatch of workers, especially formal workers to Saudi Arabia, can even be boosted due to the increasing demand from the state-owned and private companies.

Soeramsihono also disclosed that after the end of the Gulf war, or from March 14 through 31, Indonesia has sent 700 workers, mostly formal ones, to various fields to Saudi Arabia 40 workers in the field of bank administration and 120 drivers are now under process to be dispatched soon in phase to Saudi Arabia, he added.

"At the same time, we have another voracious mouth to fill in the countries of central and eastern Europe," he said. "And now we also have the problem of finding the capital needed for reconstruction in the Gulf region."

"Where is all this money to be found," Utsumi asked, noting that many of the traditional sources of capital were now drying up.

"The demands of unification have seemingly made it impossible for Germany to be much of a capital exporter any more, at least for some years to come. The oil-producing countries are also busy financing their own and their immediate neighbours' needs."

Utsumi added that new capital adequacy requirements on banks in Japan, the United States and Europe were posing an additional burden.

The country's foremost role in commodity markets, excepting oil, is as the world's largest importer of grain.

"The most critical problems likely to be faced by grain suppliers to the Soviet Union are the breakdown in decision making at the centre and a chronic shortage of foreign exchange," said an analyst at a Geneva-based grain house.

The lack of foreign exchange has almost halted im-

10,000 being trained for ME employment in Hong Kong

HONG KONG, Apr 6: About 10,000 skilled workers in the field of construction in Indonesia are now trained and ready to be dispatched to the Middle East countries to help them reconstruct facilities damaged in the recent Gulf war, reports Xinhua.

According to the Indonesia Times yesterday, Soeramsihono head of the Manpower Ministry agency in charge of sending workers for overseas employment, told reporters in Jakarta on Wednesday night that the dispatch of Indonesian workers abroad, especially to Saudi Arabia and other Middle East countries, is expected to run smoothly starting next month.

The dispatch of workers, especially formal workers to Saudi Arabia, can even be boosted due to the increasing demand from the state-owned and private companies.

Soeramsihono also disclosed that after the end of the Gulf war, or from March 14 through 31, Indonesia has sent 700 workers, mostly formal ones, to various fields to Saudi Arabia 40 workers in the field of bank administration and 120 drivers are now under process to be dispatched soon in phase to Saudi Arabia, he added.

"At the same time, we have another voracious mouth to fill in the countries of central and eastern Europe," he said. "And now we also have the problem of finding the capital needed for reconstruction in the Gulf region."

"Where is all this money to be found," Utsumi asked, noting that many of the traditional sources of capital were now drying up.

"The demands of unification have seemingly made it impossible for Germany to be much of a capital exporter any more, at least for some years to come. The oil-producing countries are also busy financing their own and their immediate neighbours' needs."

Utsumi added that new capital adequacy requirements on banks in Japan, the United States and Europe were posing an additional burden.

The country's foremost role in commodity markets, excepting oil, is as the world's largest importer of grain.

"The most critical problems likely to be faced by grain suppliers to the Soviet Union are the breakdown in decision making at the centre and a chronic shortage of foreign exchange," said an analyst at a Geneva-based grain house.

The lack of foreign exchange has almost halted im-

Kuwait may open door to foreign banks

ABU DHABI, Apr 6: Kuwait may allow foreign commercial banks to operate in the Emirate by next year, a senior Kuwaiti official said in a report published here Thursday, reports AFP.

"The need for a more open monetary system and banking and for competition has now been recognised," Sheikh Salem Abdel Aziz Saud al-Sabah, Kuwait's Central Bank governor, told the United Arab Emirates (UAE) newspaper Gulf News.

He said permission for foreign banks to operate was part of plans to restore the efficiency of the banking system.

"It should be possible to allow foreign commercial banks to establish their presence here from mid-1992," he said.

Kuwait, which is reinstating a banking and monetary system severely damaged by seven months of Iraqi occupation, did not allow foreign banks to do business there before the invasion as other Gulf states did.

Iraqi invaders are thought to have removed gold bars worth 950 million Dollars, currency notes totaling a billion Dollars and gold and silver coins of several million Dollars.

Kuwaiti authorities, in regulatory measures after the liberation of the country in February, issued a new Dinar to replace the old currency, guaran-

Plan to boost coffee farming in India

AGARTALA, Apr 6: With the availability of limited land in the traditional coffee-growing areas of southern India, coffee cultivation is now poised for a great leap in the north-eastern region, reports PTI.

The coffee board has recently formulated a scheme to boost coffee cultivation in non-traditional areas, according to official sources here.

Till now, 6,879 hectares have been brought under coffee cultivation in the seven north eastern states.

Besides availability of land, the sources point out, agro-climatic conditions are also favourable for coffee cultivation in this region. Suitable temperature, well-distributed rainfall and proper elevation are conducive for the growth of coffee shrubs.

India earned Rs 359 crore in foreign exchange in 1989-90 by exporting coffee.

India earned Rs 359 crore in foreign exchange in 1989-90 by exporting coffee.

India earned Rs 359 crore in foreign exchange in 1989-90 by exporting coffee.

Gold & Silver

April - 6 (Taka for 11.66 grams)

Gold	6,000.00
Trajab	6,000.00
Gunee	6,300.00
Silver	200.00

Source: Department of Agricultural Marketing

Hides & Skin

(Wet/Salted) April - 6 (Taka per 100 pieces)

Cow	15,000.00	18,500.00
Light	28,000.00	34,500.00
Medium	40,000.00	45,000.00
Heavy	50,000.00	60,000.00
Very heavy	65,000.00	70,000.00
Rejected	25,000.00	30,000.00
Goat		
Big & heavy	12,000.00	14,000.00
Light & Medium	7,000.00	7,500.00
Rejected	3,000.00	3,500.00
Sheep	9,000.00	10,000.00
Buffalo	55,000.00	60,000.00

Source: Department of Agricultural Marketing

Exchange Rates

April - 6

SELLING AND BUYING RATES, offered by Commercial Banks, for Bank Cheques, (BC) and Overseas Drafts (ODs)		
One Unit of Foreign Currencies (FC) for Taka		
FCs	Selling	Buying
US Dollar	35.9226	35.4432
UK Pound Sterling	63.8491	63.0892
German Deutsche (AMU)	1.5598	1.5490
French Franc	6.3462	6.2593
Saudi Riyal	9.8101	9.4819
Dutch Guilders	19.0925	18.8277
Indian Rupee	1.5050	1.4950
Strapapore Dollar	20.1710	19.2018
UAE Dirham	9.8141	9.6631
Kuwait Dinar		Not available
AMU	1.8050	1.7879
S. Kroner	5.9463	5.9622

*AMU-Asian Monetary Unit

SECONDARY EXCHANGE MARKET

Wage Earners Fund/ Export	Buying	Selling
Performance Benefit (XPB) Fund	36.48	36.53
UK Pound	64.53	64.58

The rates of Pound Sterling are decided every day, based on the cross-rates of New York market

Source: Sonali Bank

EC may fund health complex project

Star Economic Report

As part of the 4th Population and Health Project presently being prepared by the government with the assistance of many donors in a World Bank-led consortium, the Commission of the European Communities (EC) considers funding a project entitled "Functional Improvement of Upazila Health Complexes".

In order to prepare the project in close consultation with the services of the Ministry of Health and Family Welfare, a preparatory expert mission has been fielded by the Commission for a period of three weeks since mid-March this year. Led by Doctors Zahidul Haque and Jaap Hamel, the 5-man team includes experts on, inter alia, health care, nutrition, mother and child care, training and hospital management, and planning in the health and family welfare sector. They will visit prospective project sites around the country, and meet all relevant officials and other concerned parties.

It is expected that the results of this mission will contribute to the negotiations between the government, the World Bank and the Commission of the European Communities which are scheduled to take place in Washington later this month.

Call money market

Star Economic Report

Money rates in the Call money market during the week ended April 3, 1991 ranged from 10 per cent 12 per cent. During the same week interest rates offered by the bank on Certificate of Deposits varied from 10 per cent to 14.50 per cent.

The bank rate, however, remained unchanged at 9.75 per cent.

1,000 plants distributed

BARISAL, Apr 6: Barisal district administration recently distributed a total of 1,000 plants among the 40 co-coon farmers of Babuganj upazila of Barisal district, reports BSS.

The farmers will cultivate cocoon on the bank of the Dighi Durgasagar of the district this season, cocoon was supplied to the farmers from Rajshahi.

Raw Jute

April - 6

Kutcha bales	FOB	FOB
Varities (Tk. per 100 Kg)	(Ready)*	(Sight)**
White	1393	1500
Tossa Meshla	1340	1447
Medium	1206	1286
Bot. (C)	1072	1125
Bot. (D)	1072	1125

* FOB = Freight on board

** Bot. = Bottom

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

Bangla Tossa

BT SPL	3500	595
BTA	3450	580
BTB	3400	560
BTC	2950	490
BTD	2650	420
BTE	2100	375

White Rejection (WRS)/Tossa Rejection (TRS): Habtjabi, Cut Ropes

BWR	1650	290
BWH	1300	220
BTR	1750	300
BTH	1400	230
BCR	1250	230

White/Tossa:

Cutting	1450	235
BWCB	1300	220
BWCB	1600	250
BTCA	1600	250
BTCA	1500	235

Meshta	1950	355
Spl.	A	1900
B	1800	330
C	1600	295
SPL Cuttings	1000	175
Ord. Cuttings	900	170
SMR	1125	200

* FOB ready = Narayanganj ** FOB sight = Chittagang/ Mongla Ports. Indicative Price at which sales may be considered for EPC registration.

The \$ prices are exclusive of any selling commission. O. D. (Sight) non-traditional/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 thousand mounds. (One maund is equal to 37.32417 KGs.)

Source: Bangladesh Jute Association

Snippets