

\$12m EC aid for cyclone victims

Star Economic Report

The Delegation of the Commission of the European Communities in Bangladesh signed an agreement on May 8 with Ireland-based NGO Concern-Bangladesh to disburse part of EC aid for emergency relief to the cyclone victims. The EC aid disbursed through Concern is a part of 10 million Euro (about 12 million US dollars) grant provided to Bangladesh by the EC on May 3, says a press release. According to the agreement signed between Ambassador J. Baily, Head of the European Commission Delegation, Dhaka and Mr. Paul Crowe, Field Director, Concern-Bangladesh, the Concern will receive 648,000 Euro (about Tk 2.79 crore) for emergency relief operation.

Agriloans for affected areas assured

Star Economic Report

Bangladesh Bank (BB) Saturday announced that necessary agricultural loans would be provided with a view to overcoming the severe losses in agricultural sector caused by the cyclone and tidal bore of April 29 in the coastal belt.

The Bank in a press release asked the affected farmers to contact the branches of five nationalised banks — Sonali, Janata, Rupali, Agrani and Bangladesh Krishi Bank in their respective areas.

Marked rise in share trading

Star Economic Report

The week began Saturday at Dhaka Stock Exchange (DSE) with a marked rise in trading. In volume terms it stood at 5,420 from last Thursday's 2,842.

Declines dominated transactions. And the DSE All Share Price Index went down to 349.2384 points from 349.4341 at the close of business last week.

Index is the indicator of price movements of all the listed stocks.

Traded issues valued Taka 4,03,541.00 against Thursday's Taka 1,87,035.00.

Transactions involved twenty issues. Of them twelve lost five gained and three remained unchanged at their previous quoted prices.

Beximco Pharma, the lone traded debenture declined Taka 6.52 to Taka 1725.00.

IGIC Bank and Pharma Aids lost Taka 5.00 each to Taka 195.00 and Taka 190.00 respectively.

Paper Processing and Usmania Glass declined Taka 3.00 and Taka 2.00 to Taka 107.00 and Taka 128.00.

Green Delta Insurance, Bengal Food, 6th ICB Mutual Fund, Rupani Oil, Ambee Pharma, Apex Tannery and Bata Shoe declined within the range between Taka 0.10 and Taka 1.38.

City Bank and Chittagong Cement moved up Taka 5.00 and Taka 3.49 to Taka 270.00 and Taka 140.49 respectively. United Insurance, Atlas Bangladesh and Beximco gained within the range between Taka 0.13 and Taka 1.00.

Quoted Prices of Traded Stocks

Stock	Price	Change
City Bank	270.00	+5.00
IGIC	195.00	-5.00
Green Delta	112.50	-0.12
United Insurance	128.00	+1.00
Atlas Bangladesh	107.00	+0.13
Beximco	1725.00	-6.52
Pharma Aids	190.00	-5.00
IGIC Bank	195.00	-5.00
Pharma Aids	1725.00	-6.52

Dhaka Stock Exchange Market Profile

May-11

134 Listed stocks
5 Gainers
12 Losers
117 Unchanged

117 Unchanged stocks include no traded on the day at their previous quoted prices. DSE All Share Price Index = 349.2384. Issued Capital=Taka 10,146,289,601.00. Market Capitalisation = 9,979,579,379. Turnover = Taka 4,03,541.00 (Value), 5,420 (Volume).



Shattered homes being rebuilt at a Cox's Bazar hamlet.

—Star photo

Tk 400cr shrimps cashed off : Exports to be affected

Crippling blows to frozen food sector

By Moazzem Hossain

The colossal damage wrought by the devastating cyclone and tidal bore of April 29, to the frozen food sector will adversely affect export receipts in last quarter of current fiscal year.

The natural disaster, the worst one in country's recorded history, dealt crippling blows to sea food processing units, fishing trawlers, shrimp culture projects and other production facilities in the frozen food sector in Chittagong, Cox's Bazar and other coastal areas of the country.

In first three quarters of current fiscal 1990-91, export receipts by the units in the sector totalled 112 million US Dollar. The earnings were 16 million Dollar higher than those of the corresponding period last fiscal year.

In volume terms, exports were up between July and

March in current fiscal year by seven million pound over those of the corresponding period in fiscal 1989-90. The average unit price of frozen food exports were however slightly down in current fiscal year to 2.62 Dollar from last year's 2.65 Dollar.

In the frozen food sector, shrimp alone fetched 101 million Dollar of export receipts in first three quarters of fiscal 1990-91. Frogleg export was earlier banned in consideration of environmental hazard and ecological imbalance.

The cyclone and tidal bore has now caused havoc with frozen food sector in the coastal belt. Shrimps worth Taka 400 crore were cashed off, the industry sources at Chittagong told The Daily Star. The damage was most extensive in Cox's Bazar, Maheskhal, Kutubdia, Chokoria

and Banskhal areas. The industry sources said, about 70 per cent of basic raw materials of the industry were lost. Thousands of workers employed in the overall frozen food sector would face unemployment with the industry itself placed in extreme odds.

Bangladesh Marine Fisheries Association at Chittagong told The Daily Star that six out of its 46 fishing vessels in the coastal belt of the port city sank in the Karnaphuli river. Twenty six vessels were grounded while 14 more were badly damaged. The resultant loss would be about Taka 40

crore. The association sources said that about three months would be needed for proper replacement and repair of the fishing vessels before going for trawling in the deep sea. This will mean a substantial amount of export loss, the same sources added.

Besides the mechanised fishing vessels around the port city, over one thousand country-made fishing boats remained still missing. The loss or damage to deep-sea trawlers in Cox's Bazar and other coastal areas is also extensive. The plant and installation loss for the overall frozen

food and deep sea fishing sector will run into several hundred crore Takas, the industry circles in Chittagong said.

Taher Sobhan, Chief Adviser to Frozen Food Association, said that the sector suffered losses on two accounts. These are: crop and plant loss worth Taka 400 crore, and loss of another Taka 200 crore advanced to growers of shrimps. He estimated the outstanding bank credits of the units in the frozen food sector at Taka 170 crore and most units would be unable to clear off their outstanding bank dues because of extensive damage inflicted by the cyclone and tidal bore.

He suggested that accrued interests on outstanding bank credits should be waived for frozen food units in view of their extreme hardship. Segregation of loans and arrange-

ments for fresh working capital support will be needed to salvage the sector from the dire straits, he observed. He pointed out that the frozen food sector suffered losses in 1989-90 following the plummeting prices in the international markets. "When efforts have been on to overcome the gnawing effects of the earlier crisis, the cyclone has hit the industry below the belt".

The frozen food exports increased consistently during the eighties, though receipts stagnated in 1989-90. While post-cyclone recovery and rehabilitation programme will obviously call for effective support and innovative policy moves in favour of frozen food sector, the country's potentials in this area will also need to be enhanced by developing measures to improve yield in fish and shrimp farming.

Year	Value ('000 US Dollar)	Quantity ('000 Lbs)	Unit Price (US Dollar)
1980-81	39950	16552	2.41
1981-82	52811	20573	2.57
1982-83	72000	27490	2.62
1983-84	95000	38462	2.47

War payment hits German current account

BONN, May 11: Germany's contribution to the allied war against Iraq pushed its current account into a record deficit in March, but analysts said a deteriorating trade position was of greater concern than such capital transfers, reports Reuters.

The current account deficit rose to 5.3 billion marks in March from 1.5 billion in February, the Federal Statistics office said. The trade balance showed a surplus of 2.8 billion marks after 2.6 billion in February.

Economists said the recent trend towards declining exports and growing imports strengthened further in March.

For the full year the trade balance is expected to show a slight surplus, but one not large enough to offset transfers from Germany to other countries and international organisations.

Economists see the 1991 current account slipping into the red, after a record surplus of 75.5 billion marks in 1990. "We have moved into negative current account territory," said Jonathan Hoffman of Credit Suisse First Boston in London.

Germany's foreign trading pattern has changed dramatically with last year's unification

and the slowdown in many western economies.

Imports have surged to meet demand from former East Germany while exports have slipped as foreign orders both western and eastern Europe dropped.

In March imports rose 5.4

pet to 53.36 billion marks while exports fell 13 pct to 56.20 billion.

In the first quarter of this year the Pan-German current account deficit rose to 8.9 billion marks while the trade balance showed a surplus of 6.8 billion marks.

63,07,198 tons cargo handled at Ctg Port

Star Economic Report

Chittagong Port handled 54.48 lakh tons of import cargo 8.59 lakh tons of export cargo in first three quarters of current fiscal 1990-91 up to March, the port authority sources at Chittagong told The Daily Star.

The number of vessels calling at the port between July and March in current fiscal year stood at 847.

In 1989-90 fiscal year, 67.79 lakh tons of import cargo and 6.95 lakh tons of export cargo were handled by the port. A total of 1,080 vessels called at the port in the year.

The port is presently capable of handling 80 lakh tons of cargo a year.

The cargo trends at Chittagong port over the years is as follows:

Year	Import	Export	Total (metric ton)
1983-84	56,81,067	3,93,057	60,74,124
1984-85	68,28,187	3,29,968	71,58,155
1985-86	58,14,148	3,38,033	61,52,181
1986-87	55,35,838	4,03,335	62,39,173
1987-88	71,08,729	6,38,648	77,47,377
1988-89	71,22,310	8,34,320	79,56,630
1989-90	67,79,521	6,95,289	74,94,810
1990-91	54,48,176	8,59,022	63,07,198

(upto March)

Although overall orders for German industry still remain very strong, foreign orders have dropped significantly.

"While domestic orders currently show a 13.6 pct annual gain, foreign orders show a 9.4 pct decline from March 1990," economist Gary Smith of Merrill Lynch INC said.

A spokesman for the Bundesbank said the current account in March was affected by a payment of 6.5 billion marks in connection with the Gulf war.

"The size of the transfers is due to the payment to the US, France, Britain and Israel," said a Bundesbank spokesman.

This pushed transfers to other countries in March into a deficit of 10.3 billion Marks, up from its normal amount.

The deficit in the transfer account in the first quarter of this year alone was 22 billion marks, compared with 36 billion in the whole of 1990.

An improvement in Germany's trade and current account balance is first expected once the economies of the US and other key trading partners in western Europe accelerate.

"I am first expecting a turnaround in foreign orders in September," said Juergen Kaurisch of Bank Julius Baer AG in Frankfurt.

Raw Jute

May-11
Kutchha bales
FOB Narayanganj/Daulatpur Varieties (Tk per 100 Kg)

White	Tossa	Meshta
Medium	1393	1500
Bot. (B)	1340	1447
Bot. (C)	1206	1286
Bot. (X)	1072	1125

* FOB = Freight on board

** Bot. = Bottom

Pucca bales FOB (Ready) (Sight)

White bale* MT*

BW SPL 3450 585

BWA 3350 570

BWB 3300 550

BWC 2900 480

BWD 2600 410

BWE 2000 365

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)

Habitabi, Cut Ropes

BWR 1700 290

BWH 1350 220

BTR 1800 300

BTH 1450 230

BCR 1300 230

White/Tossa:

Cutting

BWCA 1500 235

BWCB 1350 220

BTCA 1650 250

BTCB 1550 235

Meshta

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 nontraditional/applicable to export bills). One \$ = Tk. 35.4956

* MT = Metric Ton

Imports/arrivals of Kutchha bales at Narayanganj were five to six thousand mounds while at Daulatpur at four to five thousands mounds. (One mounds is equal to 37,3217 KGs.)

Source: Bangladesh Jute Association

Exchange Rates

May-11

SELLING AND BUYING RATES, offered by Commercial Banks for Bank Cheques, B/Cs and Overseas Drafts (ODs)

One Unit of Foreign Currencies (FC) for Taka

FCs	Selling	Buying
US Dollar	35.9226	35.4432
UK Pound Sterling	61.7453	61.0038
German Deutsche	220.7465	20.4574

French Franc 6.1312 6.0463

Saudi Riyal 9.6101 9.4819

Dutch Guilders 18.4171 18.0694

Pakistan Rupee 1.5233 1.5087

(AMU)*

Singapore Dollar 20.2861 20.0154

UAE Dirham 9.8141 9.6831

Kuwait Dinar Not available

Indian Rupee 1.7730 1.7564

AMU 5.8184 5.7361

S. Kroner

*AMU-Asian Monetary Union

SECONDARY EXCHANGE MARKET

Wage Earners Fund/Export Performance Benefit (XPB)	Fund
US Dollar	36.48
UK Pound	63.00

Sterling

* The rates of Pound Sterling are decided every day, based on the operations of New York market.

Source: Sonali Bank



A.S.F. Rahman, Vice Chairman, IFIC Bank Ltd. opening the 33rd branch of the bank at Nitaiganj under Narayanganj district on Thursday.

Snippets

Value of smuggled goods rises in China

BEIJING, May 11: The value of smuggled goods seized in the southern Chinese city of Shenzhen which borders Hong Kong, increased 40 per cent in the first quarter to 22.15 million Yuan (4.2 million Dollars), the Xinhua News Agency said yesterday, reports AFP.

The goods were transported by land and sea and consisted mainly of computers, cameras household appliances, walkie-talkies and typewriters, the official agency said.

It said customs officials were focusing on goods hidden in trucks declared empty of vehicles with hidden compartments. They were also combating smuggling at sea and set 22 vessels in the first three months of the year.

New car navigation system to be marketed

TOKYO, May 11: Pioneer Electronic Corp. said yesterday it would start marketing a new car navigation system that displays the direction the car is travelling and the route it is following, reports AFP.

Pioneer introduced its first generation car navigation system which shows the car's position on a four inch liquid crystal display to the Japanese market last June.

The new system to go on the market on May 21 priced at 510,000 Yen (3,695 Dollars), has a new feature that displays the car's direction and route on updated road maps of Japan.

Unemployment rate rises in Australia

CANBERRA, May 11: Australia's seasonally adjusted unemployment rate rose to 9.9 per cent in April from 9.2 per cent in March and 6.3 per cent a year ago, it was announced yesterday, reports AFP.

The government's Bureau of Statistics said the number of unemployed rose from 777,100 in March to 844,000 in April.

One year ago, the jobless total was 524,700, the Bureau said.

Although the workforce has grown in the last year from 8,390 million to 8,565 million, there were 144,000 fewer people in jobs last month than in April last year.

The rate of full time unemployment among teenagers in April was 27 per cent, an increase of 1.2 pct in March and a full 10 pct in April last year, the Bureau said.

India allows export of 3 silk waste types

NEW DELHI, May 11: The Indian government has allowed the export of three new types of silk waste on a merit basis retroactive from May 1, newspapers said here yesterday, reports AFP.

The order reverses a ban on the export of all but select varieties imposed two years ago on the basis that value added products brought more foreign exchange into the country, the business and political observer said.

Quoting government sources the paper identified the three types as Tassar, Muga and ERI, but said mulberry waste remained barred.

India's main export market for silk wastes is the spun silk industry in Italy, but its main domestic market in the northern state of Jammu and Kashmir has been affected by a Muslim separatist campaign there in the past year.

Industrial output rises in China

BEIJING, May 11: China's industrial output was 197 billion Yuan (37.17 billion Dollars) in April, an increase of 12 per cent against last year, the official New China News Agency said, reports Reuters.

It quoted the State Statistical Bureau as saying state-owned enterprises increased their output by 7.4 per cent while output by collectively owned firms rose 17.7 per cent. It gave no detailed figures.

Production of cement motor vehicles, tractors machine tools and switchboards increased to 10 per cent but energy production fell by 0.4 per cent against last year, it said.

US inflation at wholesale level rises

WASHINGTON, May 11: U.S. inflation at the wholesale level rose a modest 0.2 per cent in April, the first rise following four months of energy-driven declines, the labour department said yesterday, reports Reuters.