

123p.c. rise in price of essentials in 10 years

By Inam Ahmed

Prices of essential commodities have risen over 123 per cent in the last 10 years starting from 1982, a Consumer Association of Bangladesh (CAB) report reveals.

Of the essential commodities, fishes of all kind recorded the highest rise of over 300 per cent. Pulses is in the second position in respect of price hike with 193 per cent inflation and milk product hit the third highest score with 159 per cent rise.

In the recent time, soybean oil price have shot up to Taka 40 in a week from Taka 34 a kg. It shows a rise of 14.70 per cent in a week.

Despite high inflation rate, income of the people increased marginally during the period. Presently, the per capita income of the country is only 170 dollars. It was about 100 dollar in 1982.

The CAB report reveals that

small shrimp recorded the highest price hike of over 590 per cent. One kg of shrimp was sold at Taka 30 in 1982 which is now sold at Taka 220 a kg. Ghee recorded an inflation of over 247 per cent. Onion which was sold at Taka eight a kg is now sold at a 200 per cent higher price of Taka 24. Garlic is now sold at around Taka 48 a kg. In 1982, the average price of garlic was Taka 15 only. The rise of price is again 200 per cent.

Aman (medium) recorded the lowest rise of 41 per cent in the rice category. It rose from Taka 9 a kg to Taka 12. Flour recorded the lowest rise of 83 per cent in wheat category. The price rose from Taka 7 a kg to Taka 13 a kg during the period.

The report reveals that soybean, turmeric and zira are the products which showed little upward trend in price in last 10 years. Soybean recorded over 14 per cent,

turmeric recorded over 24 per cent and zira recorded over 29 per cent rise in price.

Among the most used vegetables, potato recorded the average price of Taka 11 in 1990. Its average price in 1982 was Taka 5. Salt recorded 300 per cent rise in price. It was Taka 8 a kg in 1990 while it was sold at Taka 2 10 years back. Sugar price stood at Taka 32 in '90 from Taka 14 in '82. The inflation rate is 128 per cent.

Among the pulses, musur pulses recorded the highest rise of 275 per cent. The price has shot up to Taka 31 from Taka 8.25 a kg. The report says rice and wheat recorded moderate rise in price. Rices of all kind recorded the average rise of 61 per cent while wheat recorded 92 per cent rise. But, prices of rice in rationing system rose to over 97 per cent and that of wheat rose to over 100 per cent in 10 years.

World tin stocks fall

KUALA LUMPUR, June 1: World tin stocks have fallen, which should buoy prices, Malaysia's Primary Industries Minister said, but this brings little immediate cheer to tin miners who want government aid for the threatened industry, reports Reuter.

"Latest stock estimates indicate that the overhang has reduced slightly to around 44,300 tonnes at the end of the first quarter of 1991," Lim Keng Yauk told a luncheon organised by the Malaysian Chamber of Mines yesterday.

Stocks were 45,700 tonnes at the end of 1990, he said. He said despite the decline, the stock overhang remained significant and continued to dominate tin market sentiment.

Tin miners in Malaysia, the world's fourth largest producer after Brazil, China and Indonesia, say current weak prices in tin have forced many to shut operations or seek fortunes elsewhere.

"Never before has the industry been threatened as now," Chamber President Ibrahim Menudin told the luncheon. "We badly need government aid at this point of time."

Agri growth rate hits 5.1pc in Pakistan

ISLAMABAD, June 1: Pakistan's agricultural growth rate in the fiscal year 1990-91 hit a record of 5.1 per cent up 2.4 per cent from 1989-90, according to the country's economic survey released here, reports Xinhua.

The survey said favourable weather conditions, improved supply of inputs and price support policy have contributed to increasing the growth rate. Main contribution has come from major crops like wheat, cotton, gram and sugarcane. Wheat and cotton production has reached all time high of 15.10 million tonnes and 9.61 million bales respectively.

However, the output of masha and potatoes has recorded a decline by 7.6 per cent and 12.1 per cent respectively as against the previous year.

In the energy sector, the production of crude oil increased by 18 per cent and natural gas by 3.6 per cent. The production of coal's estimated to increase by 11.5 per cent over the last year.

Meanwhile, the transport and communications sector also registered considerable progress in the current financial year.

However, this fell short of the original target but has maintained last year's level. For example, in the manufacturing sector, the growth rate has declined by two per cent as opposed to the target of 7.7 per cent. The large scale manufacturing is expected to grow by 4.7 per cent and small-scale manufacturing sector by 8.4 per cent.

Call money market

Star Economic Report

Money rates in the Call money market ranged from 10.50 percent to 12.00 per cent during the week ending on May 29. During the same week interest rates offered by the bank on Certificates of Deposits varied from 10.00 per cent to 14.35 per cent. The bank rate, however, remained unchanged at 9.75 per cent.

Cuba's tourism industry grows

Havana, June 1: Cuba's tourist industry grew strongly in the first quarter of 1991 in spite of a worsening economic crisis and the Gulf War, a senior official said, reports Reuter.

Rafael Sed Perez, President of the National Tourism Institute, said on Tuesday night the Government would build new hotels and beach resorts in what has become a priority sector for the cash-starved, Communist-ruled Caribbean island.

"The outlook is good," he told a news conference.

He gave what he said was a "conservative" estimate that Cuba's tourist revenue in 1991 would grow by 15 per cent from the 250 million dollars earned the previous year. Cuba hoped to more than double this income by 1995.

Sed said the Gulf War had badly hit tourism around the world, as fears of terrorist attacks kept people at home. In the Caribbean, there had been a 20 per cent fall-off.

"However, in Cuba's case, the results were favourable. We had growth in the first quarter of the year," he said.

US to press Europe to boost growth

PARIS, June 1: The United States, risking a rift with some of its European partners, will renew its emphasis on the need for strong economic growth at the annual meeting next week of OECD Finance and Trade Ministers, reports Reuter.

Sources at the Paris-based Organisation for Economic Co-operation and Development said Treasury Secretary Nicholas Brady's main message to the 24-nation Think Tank is that sustained, low-inflationary growth is essential.

"There's been a tendency in the past year to overestimate inflationary pressures and to underestimate recessionary

pressures," a senior US official based in Paris said.

"We regard the persistence of high real interest rates as a problem, not a virtue," he said on Thursday.

That message might not sit well with everyone.

Germany and Japan bluntly rejected the call for cheaper money that Brady made at a meeting last month of the Group of Seven leading industrial nations in Washington. Britain and Canada saw room for rates to come down but they stressed the importance of capping inflation.

Although interest rates in a number of European countries have fallen in the past month,

Global initiative against drug traffickers

WASHINGTON, June 1: Paraguy's recent decision to require banks to report cash transactions of more than \$10,000 is part of a "global tidal wave" of initiatives designed to make it harder for drug traffickers to funnel their cash into legal channels, according to a US expert on money laundering, reports AP.

Charles H. Morley, president of a financial investigations firm in the Washington area and a former special agent of the Internal Revenue Service, said the growing international commitment to curb drug money laundering is surpassing the hopes of many experts in the field, according to a USIS report.

The European Community, the United States, and many Latin American governments have taken the issue and are running further and faster with it than we thought," Morley said at a recent news briefing. He said that in 1985, when he helped the Senate Permanent Subcommittee on Investigations prepare one of the first comprehensive reports on money laundering, "We were pessimistic. We didn't think so much would be done so quickly."

Switzerland just announced it is abolishing anonymous bank accounts and requiring banks to obtain written statements on the identity of the real owners by Sept 30, 1992, Morley said.

The Organisation of American States has drafted model anti-money laundering laws, and the European Community is finalizing action on a directive requiring each member state to prohibit money laundering

Exchange Rates

June - 1

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

One Unit of Foreign Currencies (FC) for Taka

FCs	Selling	Buying
US Dollar	35.9226	35.4432
UK Pound Sterling	62.0034	61.2703
German Deutsche Mark	20.9544	20.6726
French Franc	6.1786	6.0930
Saudi Riyal	9.6101	9.4819
Dutch Guilders	18.5695	18.3358
Pakistan Rupee	1.5973	1.4929
Singapore Dollar	20.4291	20.1565
US Dollar	9.8141	9.6831
Not available		
AMU	1.7290	1.7125
S. Kroner	5.8909	5.8104

*AMU-Asian Monetary Unit

Wage Earners Fund/Export

Performance Benefit (P/B) Fund

US Dollar 36.48 36.53

UK Pound 63.77 63.82

Sterling

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

Source: Sonali Bank

Gold & Silver

June - 1

(Taka for 11.66 grams)

Gold 6,000.00

Silver 200.00

Source: Department of Agricultural Marketing

Hides & Skin

(Wet/Salted)

June - 1

(Taka per 100 pieces)

Cow 10,000.00 - 12,000.00

Light 25,000.00 - 30,000.00

Medium 30,000.00 - 35,000.00

Heavy 44,000.00 - 50,000.00

*Very heavy 50,000.00 - 55,000.00

Rejected 18,000.00 - 20,000.00

Goat 10,000.00 - 12,000.00

Light & Medium 5,000.00 - 5,200.00

Rejected 2,500.00 - 2,800.00

Sheep 8,000.00 - 8,200.00

Buffalo 55,000.00 - 56,000.00

Source: Department of Agricultural Marketing

Commodity prices slightly easier

LONDON, June 1: Nissan Motors' announcement that it had created a catalytic conversion using palladium sent platinum and rhodium prices tumbling in the past week on London's commodity markets reports AP.

Although pallium reduced its losses, the market remained cautious.

US manufacturer Ford announced similar development at the end of 1988 and although its convertor as yet to see the light of day, analysts interpreted the latest development as evidence that car producers are increasingly looking for substitutes for expensive platinum and rhodium.

GOLD: Steadier. Prices advanced strongly Tuesday

thanks to rumoured Middle Eastern buying and the weakening of the dollar.

SILVER: Steadier. As with gold, silver benefitted from rumoured Middle Eastern buying and the weaker dollar. Gains were trimmed briefly Thursday, before prices started to move up again towards the weekend.

COPPER: Easier. Prices drifted lower as the market discounted the threat of a strike at Codelco's operations in Chile.

LEAD: Stable. In quiet trading lead prices moved in a narrow band close to previous levels.

ZINC: Slightly easier. An absence of interest allowed

prices to drift slightly lower in quiet market.

TIN: Slightly easier. News of a legal ruling in Brazil allowing independent prospectors to resume mining at Bom Futuro, the world's largest tin deposit had only a small impact on prices.

ALUMINIUM: Easier. Liquidations by Far East operators sent aluminium to its lowest level since the current LME contract was launched in June 1987.

NICKEL: Easier. News of an agreement between unions and management in negotiations at Inco's massive complex in Sudbury, Canada, sent prices lower despite miners still having to ratify the agreement.

COFFEE: Steadier. After last weeks fall to a 16-year-low,



WASHINGTON: US President George Bush (L) leans across the table in the Cabinet Room of the White House May 31 to shake hands with Soviet envoy Yevgeny Primakov as they meet to discuss Soviet economic reforms. Soviet economists are saying that the failure of the West to overhaul their system could unleash "most dangerous problems". — AFP photo

Pakistan hopes to reach new accord with IMF

ISLAMABAD, June 1: Pakistan hopes to reach a new accord with the International Monetary Fund after meeting some of the Fund's demands in the federal budget, Finance Minister Sartaj Aziz said, reports Reuter.

Speaking the day after presenting his Government's first budget, he said he hoped the 1991/92 (July/June) fiscal deficit would be close to the IMF target.

He forecast the deficit would drop to about five per cent of gross domestic product next year from about 5.9 per cent in 1990/91. The IMF target is 4.8 per cent.

Asked whether that and his tax measures would be enough to get the fund to lift its suspension on further disbursement of aid to Pakistan, Aziz said, "I think so."

The IMF suspended payments a year ago after the previous government failed to meet fund targets.

A key IMF demand is that the tax base be broadened and bureaucratic abuses eliminated.

Earlier this year Pakistan met another important IMF demand by raising certain charges, including those for electricity and railway use.

On Thursday the Finance Minister announced revenue-

earning measures that should raise 13.9 billion Rupees (586 million Dollars).

He announced a switch to capacity tax for some industries, a reduction in the maximum rate of income tax for individuals, and efforts to bring more small traders into the tax net.

Rates of duty on many imports were reduced, but Aziz swept away many areas of discretion which previously allowed the system to be abused.

Tunisia may have zero growth due to Gulf War

TUNIS, June 1: Tunisia's Foreign Exchange reserves have sunk to a new low and the economy may have zero growth this year because of the Gulf crisis, Finance Minister Mohamed Ghannouchi said today in an interview, reports Reuter.

Ghannouchi said the reserves had fallen to 350 million dollars at the end of May. He predicted the gross domestic product would remain unchanged and, unless tourism picked up, the balance of payments deficit for 1991 could reach 650 million dollars. Tunisia had lost nearly 500 million dollars in the Gulf War but had received no aid from a UN fund that gives such help, he said.

While demand on OPEC oil is expected to be little changed in the third quarter, the onset of the northern hemisphere winter could strain capacity of 11 of the 13 members now exporting oil.

Nick Antill of Stockbrokers Hoare Govett doubted that OPEC could get away with a rise in its output ceiling. "The danger is that there might be some downside (on prices) if they do that," he said.

Analysts expect fourth quarter demand for OPEC oil to be between 23.5 and 24.5 million BPD. If Iraqi oil remains embargoed, a rundown in stocks could force up the price of benchmark grade North Sea Brent crude from its recent tight range of 19 US dollars to 20 US dollars a barrel to 25 US dollars, one analyst said.

Price Barometer Essentials

June - 1

RICE (Taka per kg)

Aman (Very fine) 16.50-17.00

Aman(fine) 14.75-15.25

Pajam 14.50-15.00

Ufai 13.00-13.50

VEGETABLES (Taka per kg)

Potato(White) 3.50-4.00

Bhujal 16.00-16.00

Lady's finger 12.00-14.00

Karola 10.00-12.00

Lalchak 6.00-7.00

Pepya 7.00-8.00

Green Banana (Four Pieces) 8.00-9.00

OTHER FOODGRAIN (Taka per kg)

Flour 12.00-14.00

Ata 10.00-11.00

Wheat 8.00-8.50

Suzi 18.00-20.00

FISH (Taka per kg)

Rshu(big) 110.00-150.00

Karla(big) 90.00-110.00

Hilsha 45.00-50.00

Pangas 110.00-120.00

Shrimp(big) 80.00-90.00

Singi 90.00-100.00

Koi 100.00-120.00

PULSES (Taka per kg)

Mash 30.00-32.00

Mustard 26.00-28.00

Mung 22.00-24.00

Mooga 22.00-24.00

Chholia 22.00-24.00

Maar 22.00-24.00

Kharuri 16.00-18.00

MEAT (Taka per kg)

Beef 55.00-60.00

Mutton 80.00-90.00

Chicken (Taka per Litre)

Mustard 32.00-35.00

Soyaband 57.00-58.00

Coconut (Colombo) 60.00-70.00

Vegetable Ghee 50.00-52.00

SPICES (Taka Per kg)

Onion 14.00-16.00

Garlic 45.00-48.00

Chillies 52.00-60.00

Tumeric(Round) 44.00-48.00

Green chillies 44.00-48.00

Cinget 18.00-20.00

Cinnamon* (10gms) 2.00-3.50

Cardamom* (large) 3.50-4.00

Chira (50gms) 7.00-8.00

MISCELLANEOUS (Taka)

Chef 22.00-24.00

Sugar 27.00-27.50

Melassas 18.00-20.00

Source: Department of Agricultural Marketing

Snippets

Tobacco to fetch \$15m for Zambia

LUSAKA, June 1: Tobacco is expected to earn Zambia 15 million US dollars this year and is likely to replace copper as the country's foreign exchange earner, reports WPHUS.

Officials in the tobacco industry have predicted that about 2,000 tons of burley tobacco is expected to be cropped this year, as against 1,000 tons in the 1988-89 season and 610 tons in 1987-88 season.

Argentine Customs chief freed on bail

BUENOS AIRES, June 1: The former head of Argentine Customs, arrested last month on multiple charges of smuggling, was released Thursday on 100,000 dollars' bond, judicial officials said, reports AFP.

Juan Carlos Delconte was detained in the alleged illegal entry of 1,000 tonnes of merchandise at the capital's Ezeiza international airport in late 1988. When he was customs director under then-president Raul Alfonsin.

The latest indictment is the fourth he faces in connection with his management of the customs agency, officials said.

Japan's jobless rate lower in April

TOKYO, June 1: Japan's long-running economic expansion helped push unemployment lower in