

# BCCI scandal threatens to spill over into politics

**HONG KONG, July 15:** BCCI's woes are squeezing individuals and businesses alike in Asia, particularly in the sub-continent where the scandal threatens to spill over into politics, reports AFP.

"We don't have much more money left," said a frustrated depositor in this British Colony Sunday as he and about 100 followers urged the government to reopen the Hong Kong subsidiary to allow withdrawals.

With 25 offices here holding 1.4 billion US Dollars in deposits, BCCI Hong Kong was closed early last week after the majority owner of the Bank of Commerce and Credit International (BCCI), Abu Dhabi's ruler, rejected calls to prop up the ailing bank.

But most affected in the region by the worldwide crackdown on the Luxembourg-based BCCI are the needy countries of South Asia, where the bank got its start and where it continues to do

much of its business.

The bank's appeal in many of those countries is that it is owned and run by Arabs and Asians, and some bankers in South Asia ventured to call the sloop initiated July 5 by the bank of England for alleged fraud a "Zionist conspiracy."

Pakistan's Minister for Industry and Interior Chaudhury Shujat Hussain called Friday for Muslim countries to develop a "parallel banking system."

He said he hoped Sheikh Zayed al-Nahyan, ruler of Abu Dhabi and owner of a 77 per cent stake in BCCI, would retrieve the bank to "save its valued clients who are mostly from Asia, the Muslim and Arab world."

That country's influential daily Dawn Saturday quoted sources as saying many top officials and "politicians in power" had "fat" overseas accounts in the BCCI. It alleged that some had acquired their money through drug trafficking.

The report added that some government agencies kept their "secret funds abroad for use in clandestine operations."

The New York Times reported over the weekend that the US Central Intelligence Agency allegedly used BCCI to funnel money to the Afghan Mujahideen, most of whom receive their aid through

Indian community in the Gulf and also in Britain, where more than 55,000 Asian businesses were reportedly affected by the closure.

In Sri Lanka, all four BCCI branches were ordered to suspend operations pending an investigation by the central bank of Sri Lanka.

While the backlash from the crisis was muted in countries such as the Philippines, Thailand and Australia, in South Korea it also took on political implications.

The closure of the BCCI in Seoul threatened to unleash a diplomatic row as angry diplomats from 33 countries met late last week to coordinate strategy after the Central Bank of Korea ignored their protest.

And in Japan where BCCI was only the 69th largest foreign bank operating in the country before its suspension, it still had a considerable deposit base 360 million Dollars as of March.

The financial daily Nihon Keizai Shimbun quoted financial sources as saying the closure of the Tokyo branch of the Bank was squeezing several large Japanese companies.

One depositor, a major heavy machinery maker, feared that it would not be able to collect more 71.4 million Dollars in large-loan deposits, the sources said.

## Sharp rise in share trading

**Star Economic Report**

Trading at Dhaka Stock Exchange (DSE) witnessed a sharp rise on Monday.

In volume terms, transactions went up to 14,521 from Sunday's 4,239. Traded issues valued Taka 4,91,344.00 against the previous day's Taka 3,51,954.00.

Decliners dominated transactions. And the DSE All Share Price Index went down to 305.4277 points from Sunday's 305.9724. Index is the broad indicator of price movements of all the listed stocks.

Transactions involved thirty-one stocks. Of them eighteen lost, five gained and eight remained unchanged at their previous quoted prices.

Green Delta Insurance declined Taka 13.00 to Taka 106.00.

Apex Tannery, the lone traded debenture, lost Taka 4.00 to Taka 986.00.

Kohinoor Chemical declined Taka 3.25 to Taka 66.00.

City Bank and Apex Tannery lost Taka 3.00 each to Taka 265.00 and Taka 144.00 respectively.

Dhaka Vegetable and Aftab Automobiles declined Taka 2.67 and Taka 2.00 to Taka 130.83 and Taka 196.00.

Rupali Bank, 4th ICB Mutual Fund, 5th ICB Mutual Fund, 6th ICB Mutual Fund, BGIC Insurance, Bangladesh Thai Aluminium, Quasem Drycells, Bengal Food, Ambee Pharma, Bestimo Pharma and GQ Ball Pen lost within the range between Taka 0.10 and Taka 1.84.

AB Bank and Islami Bank advanced Taka 5.00 each to Taka 185.00 and Taka 1215.00 respectively.

UCBL, Howlader Pvc and National Tubes gained within the range between Taka 1.00 and Taka 2.00.

## Quoted Prices of Traded Stocks

Stock	Price	Change
AB Bank	1215.00	5.00
AB Automobiles	196.00	-2.67
ABU Bank	185.00	5.00
Apex Tannery	986.00	-4.00
Bestimo Pharma	66.00	-3.25
BGIC Insurance	106.00	-13.00
City Bank	144.00	-3.00
Dhaka Vegetable	130.83	-2.67
GQ Ball Pen	144.00	-3.00
Green Delta Insurance	106.00	-13.00
Howlader Pvc	1.00	1.00
Islami Bank	1215.00	5.00
Kohinoor Chemical	66.00	-3.25
National Tubes	1.00	1.00
Quasem Drycells	1.00	1.00
Rupali Bank	196.00	-2.00
UCBL	1.00	1.00

## Insurance helps build national savings

**Star Economic Report**

Referring to the flourishing life insurance business in India and its contribution to the Indian economy, the Minister said, "Our country could not achieve its desired goal in life insurance business as yet."

He, however, assured the Officers' Welfare Association that he would try his best to solve the problems prevailing in this profession through holding discussion with the relevant minister.

Salam Talukder said, "As people's government BNP government will solve all the problems accumulated in the country for many years but it will not be possible to solve all the problems in a day."

Commerce Secretary Nasim Uddin Ahmed was the special guest at the function. President of the association Fazlur Rahman presided over it while General Secretary of the association Altaf Rahman read out a report on the occasion.

Fazlur Rahman, in his welcome speech, urged the government to reorganise Jiban Bima Corporation to make the corporation a profitable concern.

## Price Barometer: Essentials

Item	Price	Change
RICE (Taka per kg)		
Amari (Very fine)	18.50-19.00	
Amari (fine)	15.50-17.00	
Pajani	13.50-14.50	
Ufahi	13.50-14.00	
VEGETABLES (Taka per kg)		
Potato (White)	3.50-4.00	
Brijani	12.00-16.00	
Lady's finger	10.00-12.00	
Karolai	14.00-16.00	
Lalshak	6.00-8.00	
Pappa	6.00-8.00	
Green Banana (Four Pieces)	6.00-8.00	
OTHER FOODGRAIN (Taka per kg)		
Flour	12.00-14.00	
Ans	9.00-10.00	
Wheat	7.50-8.00	
Suzi	17.00-18.00	
FISH (Taka per kg)		
Ruhi (big)	160.00-180.00	
Kanla (big)	110.00-130.00	
Hilsha	55.00-60.00	
Parang	120.00-130.00	
Shrimp (big)	100.00-120.00	
Singi	80.00-100.00	
Koi	80.00-90.00	
PULSES (Taka per kg)		
Mash	34.00-35.00	
Moohar	26.00-28.00	
Mogoh	27.00-28.00	
Chhola	22.00-23.00	
Matar	24.00-26.00	
Khesari	16.00-18.00	
MEAT (Taka per kg)		
Beef	Not Available	
Mutton	Not Available	
OIL (Taka per litre)		
Mustard	56.00-58.00	
Soybean	39.00-40.00	
Coconut (Colombo)	75.00-80.00	
Vegetable Ghee	55.00-56.00	
SPICES (Taka per kg)		
Onion	15.50-16.00	
Garlic	32.00-44.00	
Chillies	70.00-75.00	
Tumeric (Round)	52.00-60.00	
(Long)	52.00-60.00	
Green chillies	16.00-20.00	
Ginger	18.00-20.00	
Cardamom* (10gms)	3.00-3.50	
Cardamom* (large)	3.50-4.00	
Jhira (50gms)	7.00-8.00	
MISCELLANEOUS (Taka)		
Ghee	220.00-240.00	
Sugar	28.00	
Molasses	20.00-22.00	

## BCCI scandal hits UAE stocks

**ABU DHABI, July 15:** The Bank of Credit and Commerce International (BCCI) scandal has hit the United Arab Emirates stock market, scaring away investors, depressing its share index and forcing out the Bank of Credit and Commerce Emirates, reports AFP.

"The BCCI problem has had a big impact on the stock market here," said Mohammed Abu Qabain of the Emirates commercial centre, a leading UAE stockbroker house. "It has pushed down the share index and created stagnation in the market," he told Agence France-Presse.

Abu Dhabi, one of the seven emirates forming the UAE, owns about 77 per cent of BCCI, which was shut down in Britain and several other countries last week after alleged fraud practices.

BCCI does not trade its shares in the UAE market but several local banks and companies have deposits with it.

Reuter from London adds: The Bank of England Britain's Central Bank may be questioned in Parliament over its delay in closing the troubled Bank of Credit and Commerce International (BCCI).

## US Dollar closes mixed against Asian, Pacific currencies this week

**HONG KONG, July 15:** The US Dollar closed mixed this week against Asia-Pacific currencies as major central banks intervened late in the week to cap the Greenback's surge, reports AFP.

The Indonesian Rupiah, the New Zealand Dollar, the Philippine Peso, the South Korean Won, the Taiwan Dollar and the Thai Bhat all fell, with the New Zealand Dollar hitting its lowest level in two years.

The Japanese Yen, Australian Dollar, the Hong Kong Dollar, the Malaysian Ringgit and the Singapore Dollar all strengthened on the previous week.

**JAPANESE YEN:** After a firm start, the Yen eased against the US currency in Tokyo to close the week at 138.73 Yen, before touching the weekly low of 138.30 Yen Monday, as the US unit was

## Crash programme to improve city's drainage

**Dhaka Water and Sewerage Authority (WASA)** has taken up a crash programme to improve city's drainage system.

Reliable sources said 15 projects have been finalised to this effect and work is expected to be launched from the next day season.

The projects would cost Tk 12 crore approximately and negotiations for the fund was in progress with the Asian Development Bank (ADB), the source said.

At the first phase, Dhaka WASA decided to take up three canals at Segunbagicha, Paribagh and Khilgaon-Bashabo for implementation.

Emergency work to make the canals wide-open, elimination of slums and earthwork will be carried out in the first phase.

Illegal occupants of the land along the canals have been given notices to give up their occupation in 24 hours. The authorities are taking further steps to help free the government land from illegal occupation.

Earlier, two project proposals were submitted to the government for the development and re-excavation of 13 canals in the city. But shortage of funds prevented their implementation.

The sources said work on a drainage project has started with Japanese grant. Its implementation will be done in three phases and the period of its completion may take at least nine years, the sources added.

Assuming the prolonged period needed for its implementation, the Ministry of LGRD

## Kuwait gets its past grandeur

**KUWAIT, July 15:** Despite the chastening experience of the seven-month Iraqi occupation and the Gulf war, Kuwait is as conspicuous in its consumerism as ever, reports Reuter.

The fleets of Mercedes and gleaming Cadillac are out in force again on Kuwait's streets.

# 'Neither West, nor Sheikh Zayed responsible' I'm going to open new bank: Abedi

**KARACHI, July 15:** Agha Hasan Abedi, the Pakistani founder of the Bank of Credit and Commerce International (BCCI) President said, "We donated money to charities and other human causes, Sheikh Zayed was aware of this policy and approved it."

To a question about the Asian businessmen affected by

holders, mainly the oil-rich Gulf Sheikhhs, during his tenure, the former BCCI President said, "We donated money to charities and other human causes, Sheikh Zayed was aware of this policy and approved it."

To a question about the Asian businessmen affected by



**Agha Hasan Abedi**  
BCCI's closure in Britain and elsewhere, Abedi said. "They will recover and get loans from other banks."

When he left the BCCI in February 1988, he said, the liquidity was good and the bank was solid. "There were problems, but these were manageable," he said, adding that the bank was subject to no investigations, charges or indictments during his time.

In 1988, the Bank of England considered allowing another BCCI subsidiary in the Britain, which would never have been possible if wrongdoing had already been detected in the bank, he said.

Asked why the Bank never paid dividends to its shareholders, Abedi said, "I don't think myself responsible because I have not had anything to do with the affairs of BCCI for the past three years," he said.

Asked if he held the West responsible for discriminating against the BCCI and bringing about its downfall, he said, "I don't blame anyone, neither the West nor Sheikh Zayed (of Abu Dhabi). These things happen."

The collective management of the Bank should take responsibility, he said, adding, "Everybody can make mistakes."

Abedi underwent a heart transplant operation in London, following two consecutive strokes in February 1988.

## Snippets

**Soviet foreign trade to fall sharply**

**MOSCOW, July 15:** Soviet foreign trade will fall sharply this year, with oil exports totalling only about half of 1990 levels and grain imports also slumping, an independent research organisation said here, reports Reuter.

The Moscow-based Sovkon research centre forecast that total Soviet exports in 1991 would be down 27 per cent from last year and imports would fall by 47 per cent.

The figures, published by the Soviet news agency Interfax, estimated oil exports would drop to between 50 and 55 million tons (1.0 and 1.1 million barrels per day) from actual 1990 exports of 108.6 million tons (2.2 million BPD).

## Miners call off strike in Chile

**CHUQUICAMATA (Chile), July 15:** Union leader at the world's largest copper mine called an end on Saturday to a 13-day strike that had paralysed the giant, open-pit operation in Chile's northern Atacama desert, reports Reuter.

Union leaders and officials of the state-owned Chile Copper Corp (Codelco) came out of three days of tense negotiations and told waiting reporters they had reached an agreement to end the strike, which began on July 1 over wages and conditions.

The strike was the first major labour dispute faced by the civilian government after the end of military rule last year.

## Downward revision of Indian Rupee

**BOMBAY, July 15:** The Reserve Bank of India here today announced a sharp downward revision of the Rupee by 1.99 per cent in relation to the Pound Sterling, making the British unit costlier by another eighty five paise, reports PTI.

The new middle rate now works out to Rupee's 42.67 per Sterling as against Rupees 41.82 previously.

The new buying and selling rates for spot delivery are 2,3495 and 2,3377 Sterling per Rupees 100, corresponding to Rupees 42.57 and Rupees 42.77 per Sterling respectively.

## Clark Air base can be shut down

**MANILA, July 15:** US officials strongly hinted here today that Clark air base could be shut down because of massive damage and relentless danger from mount Pinatubo's eruption, reports AFP.

As the volcano continued spewing ash over Clark, US chief negotiator Richard Armitage said on arriving for the eighth and possibly last round of talks on a new base's agreement that the facility's future was "questionable."

But Armitage, a special envoy of President George Bush, said an "appropriate" military presence in the Philippines was still necessary despite strong domestic pressure on Washington to cut down spending on overseas bases.

## Steps to check prices of commodities in India

**NEW DELHI, July 15:** Indian Prime Minister P V Narasimha Rao Saturday set up a cabinet committee charged with monitoring and suggesting measures to keep prices of essential commodities in check, reports AFP.

National television said the committee, headed by Finance Minister Manmohan Singh and scheduled to hold its first meeting Sunday, also included the ministers of petroleum, civil supplies, agriculture and railways.

Rao, whose minority government faces a confidence vote in parliament Monday, has pledged that while restructuring the economy, the poor, especially in the rural areas, would be protected.

## 229 firms get \$ 890m as stock loss in Japan

**TOKYO, July 15:** Japan's top four securities firms paid 124.6 billion Yen (890 million Dollars) to 229 companies to cover their losses in stock transactions, local news reports said yesterday, says AFP.

Nomura Securities Co. LTD, the world's largest brokerage, paid 25.6 billion Yen (183 million Dollars) to 49 companies and Nikko Securities Co. LTD gave 33.3 billion Yen (238 million Dollars) to 59 firms, the Asahi Shimbun newspaper and Kyodo News service quoted financial sources as saying.

Daiwa Securities Co. LTD, paid 21.8 billion Yen (156 million Dollars) to 55 companies and Yamachi Securities Co. 43.9 billion Yen (314 million Dollars) to 66 companies.

The big four firms have declined to give the names and the number of corporate clients whose losses they compensated in the major stock market scandal that has rocked Japan in recent weeks.

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## Gold & Silver

Item	Price	Change
Gold (Taka for 11.66 grams)	6,000.00	
Tinjal	6,300.00	
Silver	200.00	

## Exchange Rates

Unit	Selling	Buying
US Dollar	36.6226	36.1390
UK Pound Sterling	60.3736	58.6285
German Deutsche Mark	20.4710	20.1894
French Franc	6.0314	5.9498
Saudi Riyal	9.7974	9.6980
Dutch Guilder	18.1840	17.9350
Pakistani Rupee (AMU*)	1.4848	1.4707
Singapore Dollar	20.9523	20.6757
UAE Dirham	10.0053	9.8732
Kuwait Dinar	Not available	
Indian Rupee		
AMU	1.4213	1.4076
S. Kroner	5.6612	5.5922

## Raw Jute

Item	Price	Change
White 1313	1420	1125
Bot. (B)	1259	1098
Bot. (C)	1125	1206
Bot. (X)	991	1045

## Pucca bales

Item	Price	Change
White	3400	565
BW SPL	3350	555
BWA	3250	530
BWB	3100	480
BWC	2700	430
BWD	2400	380
BWE	2000	350

## White/Tossa

Item	Price	Change
BT SPL	3400	565
ETA	3350	540
ETC	3200	490
BTC	2750	440
BTD	2450	390
BTE	2100	360

## Dhaka Stock Exchange Market Profile

Category	Count
134 Listed Stocks	
5 Gains	
18 losers	
111 Unchanged	

111 Unchanged stocks include eight traded on the day at its previous quoted prices.

DSE All Share Price Index = 305.4277

Issued Capital/Taka 5,439,680,590

Market Capitalisation = 8,727,676,206

Turnover = Taka 4,91,344 (Value) 14,521 (Volume).

## (Wet/Salted)

Item	Price	Change
Cow	20,000.00	-25,000.00
Light	40,000.00	-42,500.00
Medium	45,000.00	-50,000.00
Heavy	55,000.00	-65,000.00
Very heavy	75,000.00	-85,000.00
Rejected	25,000.00	-30,000.00

## Hides & Skin

Item	Price	Change
Big & heavy	8,500.80	-9,000.00
Light & Medium	5,500.00	-6,000.00
Rejected	2,500.00	-3,000.00
Sheep	9,500.00	-10,000.00
Buffalo	60,000.00	-65,000.00

## Secondary Exchange Market

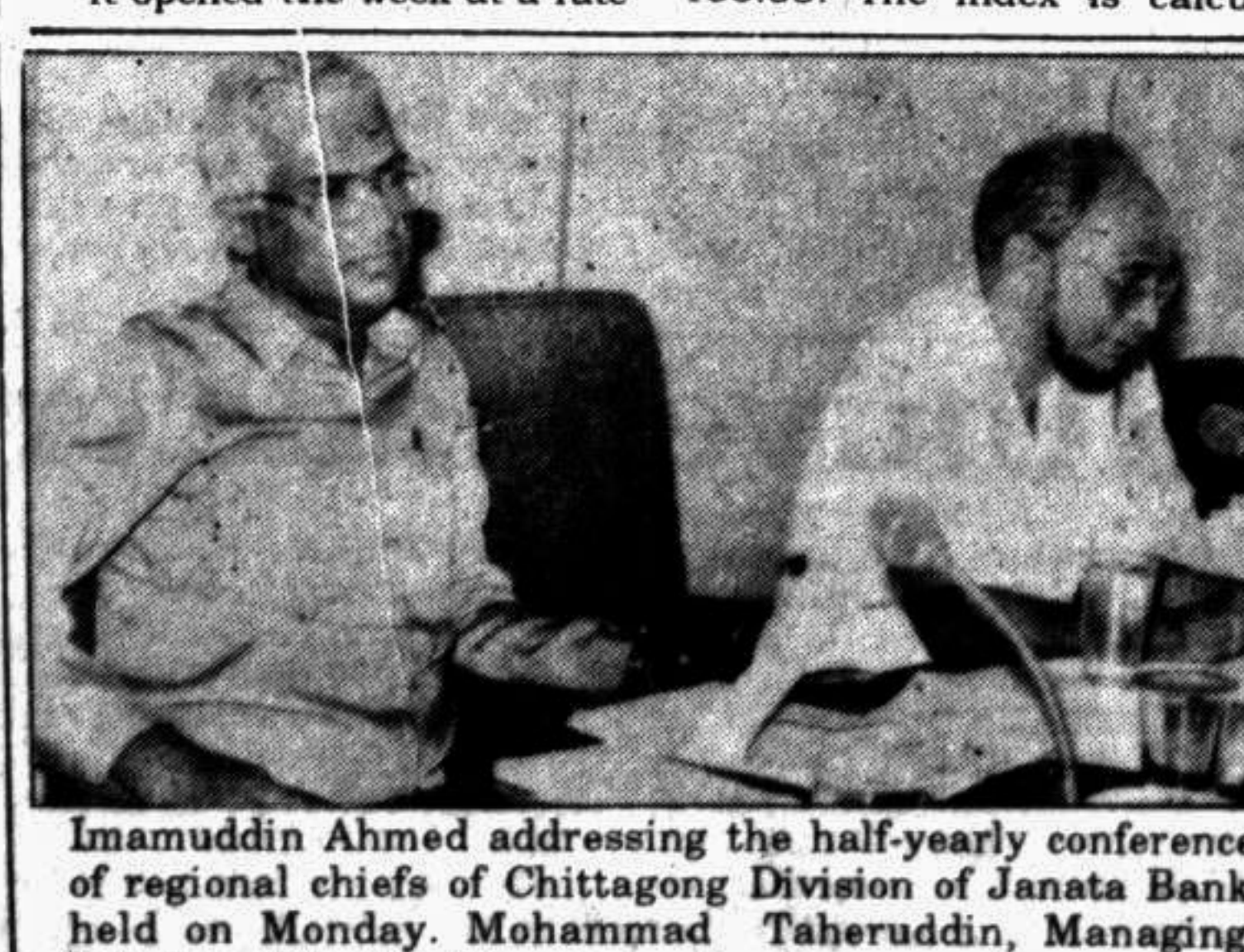
Item	Price	Change
US Dollar	37.19	37.24
UK Pound Sterling	61.31	61.36
Saudi Riyal	9.95	10.00
UAE Dirham	10.16	10.21

## Performance Benefit (XPB) Fund

Item	Price	Change
US Dollar	37.19	37.24
UK Pound Sterling	61.31	61.36
Saudi Riyal	9.95	10.00
UAE Dirham	10.16	10.21

## Imports/arrivals of Kutchha bales

Item	Price	Change
White	1500	235
BWCB	1350	220
BTCA	1650	250
BTCH	1550	235



Imamuddin Ahmed addressing the half-yearly conference of regional chiefs of Chittagong Division of Janata Bank held on Monday. Mohammad Taheruddin, Managing Director of the bank is seen.