

IMF team to assess impact of new pay scales

An IMF delegation will come to Dhaka early September to make an assessment about the impact of recent salary-hikes for the public employees on the economic reforms programme of the government which is supported by the Fund and the World Bank (WB), reports UNB staff writer Shakeel Anwar quoting highly placed official sources in Dhaka.

Both World Bank and International Monetary Fund (IMF) reacted sharply immediately after the announcement of the national pay scales by the government and their authorities in headquarters in Washington asked the government to justify its action.

Both IMF and WB want wage freeze for the public sector at

least until reforms programmes under Enhanced Structural Adjustment Facility (ESAF) for Bangladesh end in 1993. This was also agreed upon by the government.

During pre-budget discussions, IMF and the government agreed to add a maximum of Tk 150 crore in the public pay bill in the 1991-92 budget.

But the new pay hike will involve an additional Tk 400 crore this year and rise to Tk 950 crore next fiscal year.

Sources said, the Finance Ministry on Aug 25 sent replies to IMF and World Bank, clarifying the position on the implementation of the new pay scales while reiterating its earlier pledge to keep the current expenditure within the budgetary projections despite the payhike.

The Ministry is in a "tremendous" inconvenience amid the sharp reaction of the two lending agencies since they virtually determine the Aid Group's attitude towards the country, the sources noted.

Meanwhile, the Committee of the Whole (COW), a joint forum of World Bank and International Monetary Fund policy makers, angered by payhike, has postponed approval of Bangladesh's reforms plan, posing deadlock in aid disbursement.

In its Washington meeting on Tuesday last COW didn't take up for consideration the Policy Framework Paper (PFP), the agreed recipe for economic reforms in Bangladesh, in view of new pay scale announcement by the government.

Highly placed official sources told UNB on Wednesday the COW refusal means that PFP is also going to be excluded from the agenda of the IMF board meeting on August 30 (Friday).

PFP contains the economic reforms package for the current fiscal. Jointly agreed by IMF and the government, it was due to be approved by the IMF board in its Friday's meeting.

Sources cautioned the approval postponement had now made uncertain country's receipt of 200 million US dollars in IMF credit in current fiscal under its ESAF (Enhanced Structural Adjustment Facility) programme.

The IMF funds were to provide support for Bangladesh's balance of payment operations.

A senior official at the Finance Ministry apprehended the stalemate over PFP, agreed in May last, would have adverse impact on the overall lending to the country as the Fund and the WB monitor country's reforms performance in favour of the Aid Group.

Week ends with moderate rise in share trading

Star Economic Report

The week ended at Dhaka bourse on Thursday with a moderate rise in trading.

In all 5,395 shares and debentures changed hands compared with Wednesday's 3,841. Traded issues valued Taka 3,42,083.00 against the previous day's Taka 4,24,038.00.

Advancers dominated trading. And the Composite Index of Dhaka Stock Exchange, which is the broad indicator of price movements of all the listed stocks, moved up to 297.7905 points from Wednesday's 297.6369.

Transactions involved twenty-five stocks. Of them nine gained, seven lost and nine remained unchanged at their previous quoted prices.

Kohinoor Chemical and Beximco Pharma advanced Taka 10.22 and Taka 2.92 to Taka 90.22 and Taka 180.00 respectively.

Green Delta Insurance, 6th ICB Mutual Fund, Dhaka Vegetable, Quasem Silk, Beximco, Chittagong Cement and Savar Refractories moved up with in the range between Taka 0.02 and Taka 1.00.

The 3rd ICB Mutual Fund and 4th ICB Mutual Fund declined Taka 18.00 and Taka 14.33 to Taka 130.00 and Taka 123.67.

BOIG Insurance, Bangladesh Thai Aluminium, Bengal Food, Rupan Oil and Dulamia Cotton lost within the range between Taka 0.05 and Taka 1.00.

Bank holiday

Star Economic Report

The Bangladesh Bank and all Scheduled Banks will remain closed on Sunday, September 1, 1991 on account of Janmashtami, a Bangladesh Bank press release said on Thursday.

Call money market

Star Economic Report

Money rates in the Call money market during the week ending on August 29 ranged from 10.00 per cent to 11.50 per cent. During the same week interest rates offered by the bank on Certificate of Deposits varied from 10.25 per cent to 14.50 per cent. The bank rate, however, remained unchanged at 9.75 per cent, says a Bangladesh Bank press release Thursday.

Bank holiday

Star Economic Report

The Bangladesh Bank and all Scheduled Banks will remain closed on Sunday, September 1, 1991 on account of Janmashtami, a Bangladesh Bank press release said on Thursday.

Call money market

Star Economic Report

Money rates in the Call money market during the week ending on August 29 ranged from 10.00 per cent to 11.50 per cent. During the same week interest rates offered by the bank on Certificate of Deposits varied from 10.25 per cent to 14.50 per cent. The bank rate, however, remained unchanged at 9.75 per cent, says a Bangladesh Bank press release Thursday.

3 Exchange of Notes signed Tk 218.5 cr Japanese grant for Meghna-Gumti bridge

Star Economic Report

Bangladesh and Japan signed in Dhaka on Thursday three separate Exchange of Notes concerning economic cooperation to Bangladesh amounting to a total amount of 10,338 million Yen (approximately Taka 275.4 crore), says a press release of the Embassy of Japan.

Tetsuo Ito, Charge d'Affaires of Japan in Bangladesh and Dr. A M M Shaukat Ali, Additional Secretary, Economic Relations Division (ERD) of Ministry of Finance signed the three Notes on behalf of their respective governments.

Under the first Exchange of Notes Japan will provide Bangladesh with a grant assistance of 8,203 million Yen (approximately Taka 218.5 crore) spreading over a period of five years which will be utilized by the Roads & Highways Department of Ministry of Communication for execution of the project for construction of about 1.4 km long Meghna-Gumti Bridge on the Dhaka-Chittagong highway. During Financial Year (FY) 1991 an amount of 1,168 million Yen (approximately Taka 31.1 crore) will be provided to

Star Economic Report

Bangladesh as first installment under this grant of 8,203 million Yen for the project.

With the construction of the Meghna-Gumti Bridge, the inconvenience of the time consuming ferry crossing will be totally eliminated providing uninterrupted road transport between Dhaka and Chittagong. The Meghna Bridge, the "First Japan-Bangladesh Friendship Bridge" constructed with the cooperation of Japan was opened to traffic in June 1990.

When the Meghna-Gumti Bridge is completed, both the bridges will bring radical development in the transport sector and will greatly contribute to the economic vitality of the capital city of Dhaka and port city of Chittagong as well as of surrounding areas.

Under the second Exchange of Notes, Japan will provide Bangladesh with a grant assistance of 977 million Yen (approximately Taka 26.0 crore) for the project for construction of the Narayanganj-Narshingdi Irrigation Facilities. This amount represents the last installment of the total grant assistance of 3,343 million Yen pledged by Japan in

Star Economic Report

1989 for the project which will be utilized by the Bangladesh Water Development Board (BWDB) for construction of flood protection embankment, pumping station, irrigation and drainage facilities to free the area from floods and droughts and to enable the year round cultivation.

Under the third Exchange of Notes Bangladesh will receive a grant assistance of 1,158 million Yen (approximately Taka 30.9 crore) for execution of the project for Improvement of Storm Water Drainage System in Dhaka City. The amount represents the second installment of the total grant assistance of 2,181 million Yen pledged by Japan in 1990 which will be utilized by the Dhaka Water Supply & Sewerage Authority (Dhaka WASA) for construction of the pumping station, sluice gate, drainage facilities.

The accumulated total of grant assistance from Japan to Bangladesh since 1971 thus stands at 194.21 billion Yen or approximately 1.42 billion US Dollars at the current exchange rate.

Shipping Intelligence

Chittagong Port				
Name of Vessels	Berthed	ETA	Berth No	L Port Call
Khanak A/C CPA	29/5	NA	J/3	Colombo
Alkantara	29/5	28/8	J/5	Bombay
NGS Ranger	24/8	28/8	J/7	Singapore
Banglar Kallol	19/8	28/8	J/8	Hull
Bangla Kokoli	25/8	28/8	J/9	Mongla
Fong Shin	22/8	30/8	J/11	Tutti
Kota Buana	25/8	28/8	J/13	Singapore
Alyn	15/7	04/9	MPB/2	Singapore
Fong Yun	03/8	NA	CSJ	Singapore
Berger Luna	25/8	30/8	GSJ	Fran
Atlanta T	20/8	31/8	TSP	Alaba
Red Deer	11/7	29/8	RM/4	Singapore
Tropis	24/8	01/8	RM/5	Fuja
Bangla Swapna	R/A	01/9	DD	Dead
Al Sawamruz	29/7		RM/9	NA

Name of Vessels	ETA	ETA	Berth No
Anteos	28/8	NA	NA
Smolny	28/8	NA	NA
Kaptai	28/8	NA	NA
Fong Shan	28/8	NA	NA
Black Whale	28/8	NA	NA
Safina-E-Ismail	29/8	NA	NA

Vessels Due At Outer Anchorage		
Name of Vessels	ETA	L Port Call
Asian Venture	28/8/91	Singapore
Dehkhoda	30/8/91	Mongla
Karaye-1	29/8/91	B Abbas
Fong Shan	28/8/91	Singapore
Gold Asia	28/8/91	Singapore
Asian Mermaid	28/8/91	Jakarta
Banglar Gournab	28/8/91	NA
Anton Chekov	28/8/91	NA
New Genlord	28/8/91	Singapore
S Houston	29/8/91	NA
Peter Starostin	29/8/91	NA
Infinity	30/8/91	Singapore
Alice	30/8/91	Singapore
Manashu	02/9/91	NA
Scyang Ace	02/9/91	NA
I Yamburenko	03/9/91	NA
Al Mohammed	05/9/91	NA
State of Haryana	05/9/91	NA
Fong Soon	05/9/91	Mongla
Kamaleverett	06/9/91	Singapore
Khuzam-II	06/9/91	NA
Andrian Goncharov	06/9/91	NA
Safina-E-Haider	06/9/91	NA

Mongla Port

Name of Vessels	Berthed	ETA	ETA	L Port
Al-Kantara	23/8		26/8	Chittagong
Fair Runner	20/8			Chittagong
Ronjoy	22/8			Chittagong
Tropis	25/8			Chittagong
Arkady Caidar		26/8		Calcutta
Swan Glory	23/8			Chittagong
Samudra Raj	21/8			Chittagong
Gold Asia	25/8			Chittagong
Vishva Prafula	NA			Calcutta
Fingyin	NA			Qinhuam
Vlacherna Brezja	NA			Singapore
Al-Swamruz	NA			Chittagong
Wincotrader	22/8			B Indon
Hang Fook		30/8		Chittagong
State of Haryana		07/9		Calcutta
Banglar Kollol	24/8		09/9	Chittagong
Sea Destiny	24/8		21/9	Padang
Neustadt	20/8		21/9	Chittagong
Kaptai	24/8		05/9	Chittagong
Gorankovacic		27/8	31/9	Calcutta

Exchange Rates

SELLING AND BUYING RATES, offered by Commercial Banks, for Bank Cheques, (B/C) and Cheques Drafts (C/D)	One Unit of Foreign Currency (FC) for Taka
FC	Selling Buying
US Dollar	37.0226 36.5366
UK Pound Sterling	62.1787 61.4375
German Deutsche	21.1618 40.8721
Mark	6.2307 6.1437
French Franc	9.9044 9.7744
Saudi Riyal	18.7984 18.8277
Dutch Guilder	1.4938 1.4798
Pakistan Rupee (AMU)	21.4998 21.3175
Singapore Dollar	10.1148 9.9819
UAE Dirham	
Kuwait Dinar	Not available
Indian Rupee	1.4205 1.4128
B. Rupee	5.8245 5.7581
*AMU-Asian Monetary Unit	
SECONDARY EXCHANGE MARKET	
Wage Earners Fund/Export Performance Benefit (XPB) Fund	
US Dollar	Buying Selling
UK Pound	65.15 63.30
Saudi Riyal	10.06 10.11
UAE Dirham	10.27 10.32

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

Dhaka Stock Exchange Market Profile

August - 29

134 Listed Stocks

9 Gains 7 Losers 118 Unchanged

113 Unchanged stocks include nine traded on the day at its previous quoted prices.

DSE All Share Price Index = 297.7905

Issued Capital=Taka 5,439,680,560

Market Capitalisation = 8,509,440,237

Turnover = Taka 3,42,083.00 (Value) 5,395 (Volume).

Market Prices of Listed Shares and Debentures with Dhaka Stock Exchange

At the close of trading on August 29, 1991.

Company	EV/ML*	Closing Rate	Gawasia Jute	10/50	NT
BANKS (Ten)			Islam Jute	100/5	87.00
Al Baraka Bank	1000/1	800.00	Jute Spinner	100/5	100.00
AB Bank	100/5	180.00	Mutual Jute	100/5	100.00
City Bank	100/5	285.00	Northern Jute	10/50	NT
FLIC	100/5	180.00	Shamsar Jute	100/5	100.00
Islami Bank	1000/1	1190.00	Specialised Jute	10/50	NT
National Bank	100/5	108.65	Shree Pukur Jute	100/5	100.00
Pubali Bank	100/5	105.00	Sonali Anarh	100/5	96.00
Rupali Bank	100/10	80.00	PHARMACEUTICALS & CHEMICALS (Fifteen)		
U.C.B.L	100/5	120.00	Amber Pharma	10/50	14.75
Utara Bank	100/5	195.00	Bangla Process	100/5	56.25
INVESTMENT (Eight)			Beximco Pharma	100/5	177.08
ICB	100/5	90.00	Glaxo	10/50	10.00
1st ICB M.Fund	100/5	390.00	ICI	10/50	10.00
2nd ICB Fund	100/5	165.00	Kohinoor Chemical	100/5	90.22
3rd ICB M. Fund	100/5	130.00	Petro Synthetic	10/50	15.50
4th ICB M. Fund	100/10	123.67	Pfizer	100/5	110.00
5th ICB M. Fund	100/10	98.00	Pharma Aids	100/5	165.00
6th ICB M. Fund	100/10	72.00	Pharmaco	100/5	50.00
ICB Unit Cert.	100/10	115.00	Progressive Plastic	110/5	40.00
Sales Price	110.00	110.00	Reckitt & Colman	100/10	240.00
Re-purchase	110.00	110.00	Rahman Chemicals	100/10	40.00AL
INSURANCE (Four)			Therapeutics	100/5	40.00
BGIC	100/10	109.00	The Ibsaria	100/10	90.00
Green Delta	100/10	114.00	PAPER & PRINTING (Six)		
Peoples	100/10	120.00AL	Eagle Box	10/50	14.70
United	100/10	122.00	Monopol	100/5	105.00
ENGINEERING (Nineteen)			Paper Converting	100/5	113.00
Alfab Automobiles	100/5	202.00	Paper Processing	100/10	106.00
Atlas Bangladesh	10/50	40.40	Padma Printers	10/50	50.00
Axis Pipes	100/5	240.00	Sonali Paper	10/50	54.00
Bangladesh Autocars	100/5	102.00	SERVICE (Two)		
Bangladesh Lamps	105/5	265.00	Bangladesh Hotel	10/50	12.00
B.Thal Aluminium	100/10	92.25	Bd. Service	10/50	NT
Bengal Carbide	100/5	250.00	TEXTILE (Eighteen)		
Bengal Steel	10/50	18.00	Alhaj Textile	10/50	NT
Eastern Cable	100/5	80.00	Arbec Textile	100/10	NT
Howlader PVC	100/10	101.00	Ashraf Textile	10/50	28.00
Kartim Pipe	100/5	125.32	Chand Textile	10/50	NT
Metalex Corp.	100/5	104.00	Chand Spinning	10/50	NT
Monzo Staffers	10/5	200.00	Deah Garments	100/10	67.00
Monzo Jute	100/5	350.00	Dulamia Cotton	100/10	85.00AL
National Tubes	100/10	108.00	Eagle Star	10/50	34.00
Parther Steel	10/50	6.00	GMG Ind. Corp.	10/50	13.00
Quasem Drycells	100/50	8.10	Modern Dying	100/5	37.00
Reckitt Jajonwear	100/5	66.00	Quasem Silk	10/50	6.00
Singer Bangladesh	100/5	100.00	Quasem Textile	10/50	8.00
FOOD & ALLIED (Twenty one)			Rahim Textile	100/5	50.00
AB Biscuit	100/5	190.00	Saltman Textile	100/10	77.00
Alpha Tobacco	10/50	48.00	S.T.M. (ORD)	100/5	17.00
Aman Sea Food	100/5	36.00	Sycofraft	100/5	100.00
Apex Food	100/5	340.00	Suran Textile	100/5	90.00
Aroma Tea	100/5	80.00	Talbu Spinning	100/10	118.00
Barga	100/5	305.00	MISCELLANEOUS (Fourteen)		
Bengal Food	100/5	147.26	Apex Tannery	100/5	158.00
B.L.T.C.	100/5	600.00	Aramit	10/50	NT
B.T.C.	10/50	42.00	Bata Shoe	10/100	37.50
Chg. Vegetable	100/10	99.00	Beximco	10/100	9.30
Dhaka Vegetable	100/5	139.00	B.S.C.	100/5	45.00
E.L. Camella	100/5	700.00	Chittagong Cement	100/5	176.00
Frag Export	10/50	4.50	G. G. Ball Pen	10/50	90.00
Gemini Sea Food	100/15	100.00	Himadri Ltd.	10/100	NT
Modern Industries	100/5	160.00	Milton Tannery	100/5	31.00
N.T.C.	100/5	270.00	Mozzo Ceramic	100/5	144.00
Rabeya Flour	100/100	NT	Phonics Leather	100/5	90.00
Rupan Oil	10/100	6.25AL	Savar Refractories	100/5	126.00
Tulip Dairy	100/10	6.20	The Engineers	100/5	100.00