

**France launches new agency to promote exports from LDCs**

France has established an organisation to promote exports from Least Developed Countries (LDCs), reports UNB. Set up at the initiative of French President Francois Mitterrand the Agency for the Promotion of the LDCs Export recently, it will cater to the export needs of the LDCs. Realising the increasing isolation of the LDCs in the world trade, Mitterrand proposed formation of the organisation during the United Nations Conference on LDCs held September last year. The agency's aim is to develop market access and trade relations with the LDCs and in the long-term to implement them within the framework of bilateral and multilateral development projects and integrated programmes.

**Moderate rise in share trading**

**Star Economic Report**  
The week ended at Dhaka bourse with a moderate rise in share trading Thursday. In all 7,694 shares changed hands compared with Wednesday's 5,530. Traded issues valued Taka 3,83,154.00 against the previous day's Taka 4,10,157.00. Decliners dominated trading. And the Composite Index of Dhaka Stock Exchange lost to 291,341.4 points from Wednesday's 292,195.5. Index is the broad indicator of price movements of all the listed stocks. Transactions involved twenty-seven stocks. Of them nine lost, eight gained and ten remained unchanged at their previous quoted prices. Uttara Bank declined Taka 30.00 to Taka 160.00. The 5th ICB Mutual Fund and Kohinor Chemical lost Taka 1.41 and Taka 1.03 to Taka 95.09 and Taka 102.97. National Tubes, 3rd ICB Mutual Fund, 6th ICB Mutual Fund, Dhaka Vegetable, Zeal Bangla Sugar and Salmam Textile declined within the range between Taka 0.24 and Taka 1.00. Usmania Glass and Rupali Bank advanced Taka 3.83 and Taka 3.45 to Taka 197.90 and Taka 84.45. Atlas Bangladesh, Metalex Corp, Beximco Pharma, Eagle Box, Tallu Spinning and Chittagong Cement gained within the range between Taka 0.07 and Taka 1.50.

**Govt's inaction erodes investors' confidence**

By Moazzem Hossain

The government's prolonged inaction or hesitancy to straighten out things in the country's archaic secondary securities or stock exchange has led to erosion of investors' confidence. Trading volume in Dhaka Stock Exchange (DSE) remains at one of the lowest levels in Asia. Operations and activities are lacklustre in nature. There has been a marked rise in the number of listed issues with the Exchange but trade volume has not expanded keeping pace with the numerical growth of such stocks over the years. Whatever the reasons for this sluggish operational course of the Exchange, its profile has left the investors most unimpressed. Trading pattern, logistics support and operational techniques of the DSE are incongruous with the trends being witnessed in

South East Asian economies and also in neighbouring South Asian countries. Those having some investable surplus in Bangladesh prefer bank deposits to investments in stocks or shares. And with such a marginal trading operation both in terms of value and volume, the privatisation or market-oriented policy thrust of the government is obviously placed against mismatched institutional development in the country's capital market. A number of studies were made earlier for recommending appropriate steps for capital market reforms. The government also appointed a couple of committees in the last two or three years to examine ways and means to activate the Stock Exchange. But no action has yet been taken to take any reports or recommendations seriously. All efforts for reforms were aborted in the process. Prof Robbins, an expert of the World Bank, prepared the first report on capital market development in Bangladesh as far back as in 1980. In his report, Robbins suggested total reforms of the country's lone Stock Exchange. To try to rebuild it would be like shorting up a tottering structure. It would be wise to recognise this condition, abolish the present organisation and form a new one from the scratch, he said. The UNDP-funded study report prepared by its consultant K. Tandon finalised one more report in late eighties wherein severe organic and institutional weaknesses of the existing Stock Exchange were pointed out. Another government appointed committee (known as Committee on Price Fall/

Bearism Condition) reported in March 1990 that out of 185 members of DSE "only about 20-25 members participate in the daily trading, while other members engage in other activities." The government constituted yet another committee to suggest ways and means to "rejuvenate the stock market" following the submission of the report by the committee on Price Fall/Bearism Condition. It was reconstituted twice but no report could be finalised by the same. The Manila-based Asian Development Bank (ADB) funded one separate study on DSE activities in 1989. The study report recommended that the DSE "should revamp the list of all registered brokers by revamping the deadwood, the non-active members and offer fresh membership."

"Enough powers are given to the DSE authorities for action against the defaulting brokers but no actions are taken, the defaults have been overlooked. It may be happening at present, since the Exchange is governed by people having vested interest," it said. It further recommended that the governing council of the DSE "should have representation from the public limited companies, personalities, professionals. This will restore confidence of the investors and will also keep a check on malpractice of the Exchange." Meanwhile, the government-appointed committee on Fall/Bearism in the stock market, in its report, brought charges of inside trading against DSE members. "At present, DSE members also take position as shareholders and directors of a company. These multiple interests of a member

in a company sometimes leads to conflict of interest and leads to inside trading," it reported while suggesting that provisions should be included in the rules prohibiting DSE members from becoming shareholders and directors of a listed unit "in the interest of both the issuing companies and the investors." Allegations have also been made about the DSE consortium "underwriting" public issues of one or two companies which had no tangible property. In the latest draft report of the ADB for capital market reforms in Bangladesh, suggestions have been made for allowing membership of well-known foreign brokerage and security houses with the DSE to give a fillip to country's depressed stock market. The report, submitted to the government early this month, stressed introduction of new rules regulating the conduct of members in the secondary securities market, their ethical standards, and surveillance procedure with strict provision of penalty for breaking rules. Strong speculative practices and other serious irregularities involving DSE operations have also been pointed out in the report. The latest ADB draft final

report called Feasibility Study on Capital Market reforms in Bangladesh will be examined by the government. The Bank will be awaiting the comments of the relevant government authorities on the report before moving ahead with its proposal for 40 million US Dollar programme loan assistance for reforming the capital markets in Bangladesh. This policy-based lending programme will be specifically aimed at strengthening the institutional base of the overall capital markets and generating investors' confidence in the same. This particular loan is likely to be on the operational programme of the ADB in Bangladesh for the next year. In another development concerning the stock market, a separate move has been taken by a 17-member sponsor group to float a new Stock Exchange Limited. Their application, seeking permission of the government, is now under consideration of Ministry of Finance. The DSE authorities have, however, opposed the move stating that a second Stock Exchange would be irrelevant in the context of existing low trade volume in the country's secondary securities market. But the sponsors of the new stock exchange have expressed quite a stronger opposite view. "Trading operations in the DSE are low because of total lack of initiative by its most members to help activate the market and absence of investors' confidence in the DSE itself," said a sponsor of the proposed National Stock Exchange Limited.

**50 pc BSB-financed units sick in Khulna**

Star Economic Report

Over 50 per cent of industrial units set up with credit facilities of Bangladesh Shilpa Bank (BSB) in Khulna region have turned out to be sick. The BSB's total fund involvement in the form of credits for industrial units in Khulna region is over Taka 150 crore on a cumulative basis. Over 100 units in the region got the funding support from BSB or its predecessor organisation Industrial Development Bank in the pre-independence period. The outstanding recoverable credits of the Bank in Khulna region stand now at over Taka 200 crore and this amount includes repayment of the principal amount of loans and accrued interests. Out of them, overdue credits alone amount to Taka 62.5 crore. Mismanagement, shortage of working capital and faulty policies of the past governments are mainly responsible for "sickness" of BSB-aided projects in Khulna region. There are in all 42 BSB-aided units in Khulna sub-region, 53 under in Jhenidah sub-region and 14 units in Barisal sub-region. Of such units, 16 units in Khulna, 37 units in Jhenidah and four units in Barisal have already been classified as sick units by BSE.



Lt. Col. (Retd) Heshamuddin Ahmed, Secretary, Science and Technology Division, on Thursday distributing certificates among the participants of a training course conducted by BAEC.

**Dhaka Stock Exchange Market Profile**

November-14

135 Listed Stocks

8 Gains	9 Losers	118 Unchanged
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118 Unchanged stocks include ten traded on the day at its previous quoted prices.  
DSE All Share Price Index = 291,341.4  
Issued Capital=Taka 5,39,680,590  
Market Capitalisation = 8,332,791,387  
Turnover = Taka 3,83,154.00 (Value) 7,694 (Volume).

**Italy to join Bangladesh aid consortium**  
**Dhaka-Rome agree to set up joint economic commission**

Dhaka and Rome have agreed to set up a permanent joint commission for bolstering bilateral economic cooperation by combining available labour and raw materials of Bangladesh and modern technology of Italy, reports UNB. Deputy Finance Minister of Italy will come here in late January to sign an agreement and attend the launching session of the proposed commission, said Italian Ambassador Claudio Chaudio Pacifico briefing newsmen at his office in Dhaka on Thursday. A three-year programme covering the entire gamut of Dhaka-Rome cooperation will be drawn up at the forthcoming meeting. The commission, proposed by Bangladesh Foreign Minister during his recent visit to Rome and readily accepted by the Italian authorities, will meet once a year to take stock of the comprehensive economic area interaction the joint body aims at. The ambassador said his government had decided politically to renew more effectively its relations with Bangladesh, particularly in the economic area, in the changed context. "Out political relations with Bangladesh has so far been excellent, but that could not be diverted into an effective economic relations although there exists tremendous potentials," he said. The installation of a democratic government in Bangladesh, the Italian Ambassador said, had opened up a prospective new avenue for making the Dhaka-Rome relations stronger. Mentioning some immediate responses of his government to the need of such fruitful bilateral relations, he said a big Italian delegation including leading private sector people would visit Bangladesh next month to explore prospects of investment here. Italy has also affirmed it will join the Aid Bangladesh Consortium as a permanent member, he said. It has so far been an observer in the consortium. Referring to Italian aid, the Ambassador said his government was now funding the 33-million US Dollar Dinajpur-Panchagarh highway work on which started recently. Italy has also decided in principle to finance the proposed road-cum-rail bridge on river Rupsha in Khulna. A government delegation is scheduled to come from Rome to finalise a 10-million-Dollar project for cyclone rehabilitation in Chittagong. Italy has committed 21 million US

Dollar for cyclone rehabilitation programme in Bangladesh. A giant Italian conglomerate, ENI, is also discussing with the Bangladesh government modalities for gas and oil exploration in Bangladesh. Ambassador Claudio stressed joint ventures to make the economic relations more effective. Bangladesh has got very good raw materials, cheap labour, but its production lacks in quality because of poor technology, he viewed. "Italy has modern technology to offer in the sector of leather and textile, and joint ventures in these fields do have a tremendous prospect to capture Western markets." Bangladesh's drive abroad for attracting foreign investment was not much appealing in the past, the ambassador said, "but the situation has improved by the recent policy legislations of the present government." But, he cautioned, policies must have to be put in practice to net foreign capital. Italy is one of the few countries in which Bangladesh is enjoying a favourable trade balance. In the last fiscal, Italy imported goods worth 270 million US Dollar while its export to Bangladesh was only about 20 million Dollar.

Italy to join Bangladesh aid consortium

**Market Prices of Listed Shares and Debentures with Dhaka Stock Exchange**

At the close of trading on November 14, 1991.

Company	EV/ML	Rate	Company	EV/ML	Rate
<b>BANKS (Ten)</b>			Gawisa Jute	10/50	NT
AL Baraka Bank	1000/1	900.00	Islam Jute	100/5	65.00
A.B Bank	100/5	165.00	Jute Spinner	100/5	95.00
City Bank	100/5	270.00	Mutual Jute	100/5	100.00
LFJC	100/5	175.00	Northern Jute	10/50	NT
Islami Bank	1000/1	1210.00	Shamsar Jute	100/5	100.00
National Bank	100/5	105.00	Specialised Jute	10/50	NT
Pubali Bank	100/5	100.00	Shine Pukur Jute	100/5	92.00
Rupali Bank	100/10	84.45	Sonali Aarsh	100/5	97.00
U.C.B.L	100/5	120.00	<b>PHARMACEUTICALS &amp; CHEMICALS (Fifteen)</b>		
Uttara Bank	100/5	160.00	Ambee Pharma	10/50	14.25
<b>INVESTMENT (Eight)</b>			Bangla Procas	100/5	58.00
1st ICB M.Fund	100/5	345.00	Beximco Pharma	100/5	175.50
2nd ICB Fund	100/5	150.00	Glaxo	10/50	125.00
3rd ICB M. Fund	100/5	132.50	ICI	10/50	10.00
4th ICB M. Fund	100/10	128.00	Kohinor Chemical	100/5	104.00
5th ICB M. Fund	100/10	95.09	Petro Synthetic	10/50	11.00
6th ICB M. Fund	100/10	66.00	Pfizer	100/5	110.00
ICB Unit Cert.			Pharma Aids	100/5	175.00
Sales Price	115.00		Pharmac	100/5	54.09
Re-purchase	110.00		Progressive Plastic	110/5	40.00
<b>INSURANCE (Four)</b>			Reckitt & Colman	10/50	240.00
BGC	100/10	107.20	Rahman Chemicals	100/10	50.00AL
Green Delta	100/10	113.00	Therapeutics	100/5	40.00
Peoples	100/10	120.00	The Binania	100/10	92.00
United	100/10	127.00	<b>PAPER &amp; PRINTING (Six)</b>		
<b>ENGINEERING (Nineteen)</b>			Eagle Box	10/50	26.74
Afrah Automobiles	100/5	196.00	Monospool	100/5	106.00
Atlas Bangladesh	10/50	42.33	Paper Converting	100/5	113.00
Asis Pipes	100/5	240.00	Paper Processing	100/10	106.00
Bangladesh Autocars	100/5	88.00	Padma Printers	10/50	50.00
Bangladesh Lamps	105/5	260.00	Sonali Paper	10/50	50.00
B. Thel Aluminium	100/10	89.00	<b>SERVICE (Two)</b>		
Bengal Carbide	100/5	250.00	Bangladesh Hotel	10/50	12.00
Bengal Steel	10/50	18.00	Bd. Service	10/50	NT
Eastern Cables	100/5	84.00	<b>TEXTILE (Eighteen)</b>		
Howlader PVC	100/10	100.00	Alhaj Textile	100/50	NT
Karim Pipe	100/5	125.00	Arbores Textile	100/10	NT
Metalex Corp.	100/5	120.00	Ashraf Textile	10/50	27.91
Monzo Staffers	10/5	200.00	Chand Textile	10/50	NT
Monzo Jute	100/5	210.00	Chand Spinning	10/50	NT
National Tubes	100/10	115.14	Desh Garments	100/10	61.00
Panther Steel	10/50	6.00	Dulama Cotton	100/10	90.00
Quasem Drycells	10/50	7.90	Eagle Star	10/50	35.25
Rerwick Jajneswar	100/5	79.00	GMG Ind. Corp.	10/50	13.00
Singer Bangladesh	100/5	700.00	Modern Dying	100/5	36.50
<b>FOOD &amp; ALLIED (Twenty one)</b>			Quasam Silk	100/5	5.85
A.B Biscuit	100/5	180.00	Quasam Textile	100/50	8.00
Alpha Tobacco	10/50	48.00	Rahim Textile	100/5	57.00
Arman Sea Food	100/5	36.00	Salmam Textile	100/10	78.00
Apex Food	100/5	400.00	S.T.M. (OHD)	100/5	50.00
Aroma Tea	100/5	70.00	Stylocraft	100/5	100.00
Barga	100/5	305.00	Swar Textile	100/5	60.00
Bengal Food	100/5	116.50	Tallu Spinning	100/10	116.00
B.L.T.C.	100/5	480.00	<b>MISCELLANEOUS (Fourteen)</b>		
B.T.C.	10/50	39.00	Apex Tannery	100/5	187.00
Cig. Vegetable	100/10	99.00	Aramit	10/50	NT
Dhaka Vegetable	100/5	141.88	Bata Shoe	10/100	35.50
E.L. Camellia	100/5	1000.00	Beximco	10/100	9.30
Frogging Export	10/50	4.50	BSC	100/5	50.00
Genini Sea Food	100/15	100.00	Chittagong Cement	100/5	178.35
Modern Industries	100/5	160.00	G. G. Ball Pen	10/50	50.00
N.T.C.	100/5	275.00	Himadri Ltd.	10/100	6.00
Rabyan Flour	10/100	91.00	Milon Tannery	100/5	32.00
Rhapan Oil	10/100	6.10	Monzo Ceramic	100/5	145.00
Tulip Dairy	100/10	91.00	Phonon Leather	100/5	90.00
Yousaf Flour	10/50	NT	Swar Refractories	100/5	115.00
Zeal Bangla Sugar	10/50	10.50	The Engineers	100/5	100.00
<b>FUEL &amp; POWER (Three)</b>			Usmania Glass	100/5	197.90
Padma Oil Co.	10/50	40.00	<b>DEBENTURES (Four)</b>		
Eastern Lubricant	10/50	14.00	Apex Tannery	1000/1	1055.00
Oxygen	10/50	50.00	Bengal Food	900/1	950.00
<b>JUTE (Twelve)</b>			Beximco Pharma	1571/1	1650.00
Ahad Jute	100/10	NT	Bengal Food	18.5% 1992	
Anwarra Jute	10/50	NT	Beximco	2500/1	2200.00
Delta Jute	10/50	8.50	Beximco Pharma	1571/1	1650.00

**BSB profits Tk 9.98 cr**

Bangladesh Shilpa Bank (BSB) earned a pre-tax net profit of Taka 9.98 crore in 1990-91 financial year which was higher by Taka 17.78 lakh than that of the previous year, reports BSS.

This was revealed at the fifth annual general meeting of the share holders of the bank held in city Thursday with its Chairman Chowdhury AKM Aminul Haque in the chair, a bank press release said.

The meeting was also apprised that total recovery and disbursement of the bank were Taka 45 crore and Taka 82 crore respectively during the 1990-91 financial year.

On the other hand, a total amount of Taka 113.30 crore, including a foreign currency component of Taka 71 crore was sanctioned to 37 industrial projects during the same period, the meeting was told.

**5 more sugar mills to go into operation**

Five more sugar mills will go into operation from Friday in the second phase of the crushing season.

These mills are Carew, Rajshahi, Rangpur, Jaipurhat and Panchagarh Sugar Mills. The target production of these five mills is 80,275 metric tons. With these units the number of operative units will total 11 mills.

Bangladesh Sugar and Food Industries Corporation sources said the extraction of sugar from crushed cane shows a higher yield of 6.83 per cent this season as against the 6.61 per cent recorded in the corresponding period of 1990-91. This may lead to a higher profitability this year, sources said.

**Exchange Rates**

November-14

SELLING AND BUYING RATES, offered by Commercial Banks, for Bank Cheques, (BC) and Overseas Drafts (OD)	One Unit of Foreign Currencies (FC) for Taka	
FC	Selling	Buying
US Dollar	38.2226	37.7294
UK Pound Sterling	67.5789	66.8067
German Deutsche Mark	23.3107	23.0001
French Franc	6.8242	6.7326
Saudi Riyal	10.2254	10.0935
Dutch Guilder	20.6888	20.4108
Pakistan Rupee (AMU*)	1.5437	1.5289
Singapore Dollar (S\$)	32.7841	32.4901
US\$ Dirham	10.4425	10.3077
Kuwait Dinar	Not available	
Indian Rupee		
AMU	1.4766	1.4626
S. Bremer	6.3604	6.2731
*AMU: Asian Monetary Unit		
<b>SECONDARY EXCHANGE MARKET</b>		
Wage Earners Fund/ Export Performance Benefit (XPB) Fund	Buying	Selling
US Dollar	38.63	38.66
UK Pound	68.28	68.33
Saudi Riyal	10.33	10.38
US\$ Dirham	10.55	10.60
*The rates of Pound Sterling are decided every day, based on the cross-rate of New York market		
Source: Bangla Bank		

**Gold & Silver**

	November-14
Gold (Taka for 11.66 grams)	8,200.00
Telugu	8,100.00
Quasam	8,100.00
Silver	200.00

Source: Department of Agricultural Marketing

**Shipping Intelligence**

**Chittagong Port**

Name of Vessel	Berth	ETA	EDT	Port Call	Local Agent
Al Tabith	09/11	20/11	J/1	Silka	MSF
Banglar Bant	11/11	16/11	J/2	Chira	UTC
Kopelnia Wrek	09/11	20/11	J/4	Kand	PSAL
Shaplaeverette	12/11	17/11	J/5	Bang	EBFL
Banglar Urm	09/11	18/11	J/7	Male	BEC
Jala Tapi	11/11	16/11	J/11	Col	SSL
Arktis Strius	11/11	16/11	J/13	Singapore	TSL
Fong Yun	11/11	20/11	MPB/2	Singapore	EDSHIP
Shan Yin	04/11	16/11	CGJ	Jale	EDSHIP
Dignity-V	09/11	18/11	TSP	Agala	SSST
Loyal Bird	21/11	20/11	ID	Mongla	OWSL
Banglar Swarna	11/				