

Saudi banker indicted in BCCI scandal

NEW YORK, July 2: Sheik Khalid bin Mahfouz, the chief operating officer of the National Commercial Bank of Saudi Arabia, was indicted on charges that he schemed to defraud depositors, regulators and auditors of the Bank of Credit and Commerce International from 1985 to 1991, New York District Attorney Robert Morgenthau said, reports Reuters.

As a result of the scheme, more than 300 million dollar was fraudulently obtained from depositors and other customers of BCCI, Morgenthau said.

The indictment charges that the scheme, in which Mahfouz and his associate Haroon Kahlon acted with Agha Hasan Abedi and Swalih Naqvi, the Chief Executive Officer of BCCI, involved more

than one billion dollar in transactions by Mahfouz and the National Commercial Bank. The bank, which is principally owned by the Mahfouz family, is the largest commercial bank in Saudi Arabia and operates a branch in New York.

According to the indictment, Mahfouz invested more than 700 million dollar in BCCI in 1986, becoming a principal shareholder and director of BCCI. That same year, Mahfouz invested more than 140 million dollar in shares of Credit and Commerce American Holdings, the company that owned First American bank, a US bank with more than 140 branches.

The indictment charges that under a secret agreement with Abedi and others, Mahfouz sold his BCCI shares in 1988 and his Credit and

Commerce American shares in 1989.

However, BCCI's auditors and regulators were led to believe that Mahfouz continued to be a major shareholder until at least April 1990.

At least 300 million dollar of the payment made to Mahfouz for his BCCI and Credit and Commerce American shares came from BCCI's own funds. But these payments were falsely recorded on the books of BCCI as loans, the indictment charges.

The indictment also said these bogus loans were falsely confirmed to BCCI's auditors as genuine assets.

The indictment also charges that during the period of the scheme certain loans made by BCCI were held by the National Commercial Bank of Saudi Arabia and BCCI placed

more than 200 million dollar in the banks collateral for the loans. These arrangements were kept secret, resulting in a serious misstatement of BCCI's true financial condition.

Morgenthau said Mahfouz had transferred the final part of his investment in BCCI, 300 million dollar in capital notes, to the Saudi Arabian bank. That bank was urgently trying to redeem the notes on July 5, 1991, when the Bank of England and US regulators closed down BCCI worldwide.

Mahfouz is a resident of Saudi Arabia and Kahlon is a resident of London. Morgenthau told reporters at a news conference that he would be meeting with representatives of the Sheik.

He also said that the investigation into BCCI is continuing.

BRIEFS

Senate conditions aid to Russia

WASHINGTON, July 2: The US Senate voted on Wednesday to impose restrictions on US aid to Russia after a year unless it has made significant progress towards withdrawing its troops from the Baltic states, reports Reuters.

The restrictions would limit US aid to humanitarian assistance unless the Bush administration could certify the condition had been met.

North sea oil price continues to fall

LONDON, July 2: Price of Brent North Sea oil continued to fall on mainly technical factors in early trading, dealers said, reports AFP.

The price of Brent fell to 20.56 dollar a barrel for July delivery, down from 20.76 dollar at he close Tuesday. Last week it had risen to 21.61 dollar, which was the highest price for seven months.

Sweden to pay back for Baltic gold

STOCKHOLM, July 2: Sweden said on Wednesday it would repay to Estonia and Lithuania gold deposits now worth about 260 million crown (47.5 million dollar) which it handed over to the Soviet Union in 1940, reports Reuters.

Sweden recognised the Soviet annexation of Estonia, Latvia and Lithuania and handed to Soviet authorities 2,908 kilograms of gold deposited by Estonia and 1,250 kilograms belonging to Lithuania.

Japan-made Libya's 1st gas tanker

CAIRO, July 2: Libya's first liquefied natural gas tanker has joined the country's fleet, according to a report by the Libyan News Agency JANA received here, reports Xinhua.

The 3,837-ton tanker "Al Tahadi" (the challenge), built in Japan, has joined a fleet of 27 vessels run by Libya's General National Maritime Transport Company, JANA said.

Motor vehicle sale rises in Japan

TOKYO, July 2: Sales of new motor vehicles in Japan rose 0.5 per cent from a year earlier to 494,958 units in June for the first year-on-year increase in 14 months, the Japan Automobile Dealers Association said here, reports AFP.

It brought the total number of sales in the first half of this year to 2,792,204 units, down 4.8 per cent from the same six-month period last year, the association said.

2.36b yen Japanese grant for Laos

TOKYO, July 2: The Japanese government decided Wednesday to extend a grant of 2.36 billion yen (18.7 million dollar) to Laos mostly for telephone network, television, food and agricultural projects, government officials said, reports AFP.

Asian, European steelmakers accuse US of protectionism

WASHINGTON, July 2: European, Japanese and South Korean steelmakers Wednesday branded a rash of new US anti-dumping cases against them as harassment on the part of the American steel industry, reports AP.

Associations of Japanese and Korean steel companies said in similar statements the US producers should pursue at home the solutions to their problems instead of blaming them on foreign imports that encourage modernisation.

"The US industry is using unfair trade laws in an attempt to force the government into protecting the market once again," the Korea Iron and Steel Association said Wednesday.

Leading US producers on Tuesday filed 84 petitions with the Commerce Dept and US International Trade Commission charging that steelmakers of 21 countries were selling products in the United States at prices well under fair market value, backed by fat government sub-

sidies. The cases sought higher US duties.

Frans Andriessen, vice president for trade of the European Community Commission, said in Brussels the charges were attempts "to harass normal trade flows" rather than being legitimate complaints.

He urged the United States to reopen talks on a worldwide Multilateral Steel Agreement of export and subsidy codes to replace "voluntary restraint" agreements that expired March 31. Under the voluntary system, foreign steelmakers limited exports to America in return for the US industry refraining from filing unfair trade cases.

"Blaming imports cannot cure the structural problems of American steel," Yoshitaka Fujitani, chairman of the Japan Steel Information Center, said Tuesday. "These unfounded charges only harass legitimate competition and hurt American consumers."

Fujitani, in New York, and Korea Iron and Steel

Association spokesman Kim Jin-wook in Washington, called Tuesday's filings astonishing and disappointing because Japan and South Korea have invested capital and technology in the American industry.

South Korea has invested more than 200 million dollar in restructuring and modernisation of a joint venture with USX of the United States at Pittsburgh, Calif, the USS-Pohang Steel Co Industries, the Korea Association said.

The venture was formed with the understanding that it would have a steady source of hot-rolled sheet from Korea. But this very product is the target of one of the anti-dumping cases filed Tuesday, even though it is exported to from Korea to USS-Pohang "at prices identical to those of USX," the American partner, the association said.

It accused the US industry of jeopardising "the viability of that state-of-the-art project and its 1,000 American jobs," and called this "highly irresponsible."

Hard time for street vendors

MOSCOW, July 2: Moscow's rag-tag army of street traders, who offer everything from dried fish to fur coats, were on the move again on Wednesday after police stopped them from gathering near the central Bolshoi Theatre, writes Reuters.

Thousands of potential sellers transferred their stalls three KM (two miles) north to a vacant parking lot opposite the city's Olympic swimming pool complex on police orders.

"The police turned us away this morning, said we were blocking the traffic," sniffed Andrei, a middle-aged man with a bundle of cheap t-shirt in his arms.

"They gave us the new address and told us to get on with it," he said, gesturing at the thousands of buyers and sellers mingling in the banking midday heat.

Many people have taken to selling goods and often their prized possessions in a bid to

Japanese banks may lose \$ 175b in bad debt

TOKYO, July 2: Japanese commercial banks could lose up to 22 trillion yen (175 billion dollar) in irrecoverable loans arising from bankruptcies, particularly in the real estate and construction industries, an economic research organ warned Wednesday, reports AFP.

The research arm of Sumitomo Life Insurance Co said that if companies borrowing from banks went bankrupt and financial institutions were forced to sell mortgaged land, the market value of real estate was expected to drop further.

The balance of bank loans to real estate and construction companies across the country was estimated at 100 trillion yen (794 billion dollar) at the end of March, the research institute said.

ADB grants China \$ 215,000 technical aid

MANILA, July 2: The Asian Development Bank (ADB) said here Wednesday that it had approved a 2,15,000 dollar technical assistance grant to a telecommunications project in China, reports AFP.

The grant will go to assisting the Ministry of Posts and Telecommunications in analyzing the status and requirements of China's telecommunications sector, the Manila-based ADB said in a statement.

The grant will also be used to formulate a project to remove bottlenecks in the long distance network on the Beijing-Wuhan-Guangzhou route and the Beijing-Taiyuan-Xian route through the possible use of optical fiber systems, the ADB added.

Slow pace of reforms delays WB aid to Egypt

CAIRO, July 2: The World Bank has held back part of a structural adjustment loan to Egypt because it is unhappy with delays in economic reforms, a western economist said, reports Reuters.

The delay in playing the second part of a 300 million dollar Structural Adjustment Loan (SAL), originally due by Tuesday, is the first concrete sign of rising frustration, among Cairo's creditors at the slow pace of reforms.

Egypt agreed a three-year reform programme last May in return for loans from the World Bank and the IMF and over 10 billion dollar of loan forgiveness from western creditors.

"There was no set deadline for the payout and they're not in breach in a legal sense," said

Russia launches second stage of reform

MOSCOW, July 2: With a flurry of official pronouncements and private deals, Russia began the first real steps Wednesday toward reforming the country's money and carrying reform into an intermediate "second phase" designed to wrench all sectors of the economy out of state-subsidized inertia, reports AFP.

But western and Russian economists alike, while acknowledging the "clear reformist intentions" of the government, remained sceptical of both the methods and the timetables it has spelled out and all asserted the success of reform depended heavily on outside help and minimal domestic resistance.

"Things are being done on a very ad-hoc basis," a western

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Shipping Intelligence

CHITTAGONG PORT

Berth Position and Performance of Vessels as on 01.07.92.

Berth No	Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival	Discharge
J/1	Eastern Breeze	GL	Mong	RRSA	28/6	3/7
J/2	Yannis-II	GI	Durb	PSAL	27/6	10/7
J/3	Sun Billie	GI	Sing	ALAMIN	27/6	7/7
J/4	Smolny	GI/CL	Col	BSA	27/6	3/7
J/5	Amke (E/L)	E/L	Sing	Prog	28/6	2/7
J/6	S.E.Rehmat	GI/CL	Kara	ASL	28/6	5/7
J/7	Sea Glory	GI	Sing	Prog	16/6	4/7
J/8	Qing He Cheng	GI	S.Hai	BDSHP	21/6	2/7
J/9	Adelacevrett	GI	Sing	EBPL	29/6	3/7
J/10	Nicotyade	GI	Cal	Ancient	27/6	3/7
J/11	Fong Yun	Cont	Ctg	BDSHP	28/6	1/7
J/12	Banglar Baant	Wheat	Lams	R/A	5/7	
J/13	Banglar Mamata	Wheat	Lams	R/A	3/7	
MPB/1	I. Yamburenko	(Cont)	Sing	CT	28/6	2/7
MPB/2	Ohrmazd	Salt	Col	PSAL	21/6	10/7
CCJ	Ronald	Wheat	Damam	Dynamic	27/6	1/7
GSJ	Banglar Asha	Wheat	Sing	Lams	R/A	2/7
RM/4	Karrington	Cement	Sing	H&H	18/6	5/7
RM/6	Pacific Diamond	K.Oil	Benk	ECSL	29/6	3/7
DDJ/1	Banglar Shourabh	C.Oil	Sing	ISC	R/A	1/7
RM/8	George	Cement	Sing	Bright	15/6	2/7
RM/9	Banglar Kiron	Repair	Sing	BSC	R/A	5/7
CURJ	Chong Chon Gang	Urea	Mong	RRSA	24/6	4/7

VESSELS DUE AT OUTER ANCHORAGE

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
Georgios-M	1/7	Aqaba	Umal	C.Clinker	
Mowlavi	1/7	Cal	SSL	GI/CL	Abbas
Samudra Samrat	1/7	Col	SSL	GI	Karachi
Kota Buana (Cont)	22/6	1/7	Sing	Cts	Cont
Banglar Doot	2/7	Pena	ISC	GI	
Bervalla (Cont)	2/7	Mong	RSL	Cont	Sing
Alissa	2/7	Col	ISL		
Weacer Star(Cont)	23/6	2/7	Sing	BDSHP	Cont
Mu Du Bong	3/7	Sing	PSAL	Cement	
Aboltz Megacarrier	3/7	Mong	BDSHP	Cont	Sing
TWO(Cont)					
Andromache(Cont)					
J20/6 3/7		Col	RSL	Cont	Mong
Artemis-1	4/7		Bright	Cement	
Fong Shih(Cont)	22/6	4/7	Sing	BDSHP	Cont
Vishva Abha	4/7		SSL	GI	
New Genord(Cont)					
22/6 5/7		Sing	BDSHP	Cont	Sing
Andrian Goncharov	5/7		CT	Cont	Sing
(Cont)25/6					
Jala Govind	5/7		SSL	GI	Dundee
Sea Glory (Cont)	29/6	6/7	Sing	CTIS	Cont
Bikin	7/7		Hedd	ENCL	Refer
Stormy Annie	7/7		RRSA		
Yao Sheng	8/7		Bright	Cement	
Oxyx	8/7	Mong	Aqba	GL	Doula
Optimal(Cont)	29/6	9/7	Sing	Rsl	Cont
Gold Horizon	9/7		Aml	GI	
NGS Ranger					
(Cont)28/6		9/7	Sing	BDSHP	Cont
Banglar Kallol	10/7		BSC	GI	Sing
Mehedinti	10/7		Col	BSC	GI

TANKER DUE:

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
Amke	13/7		CT		TALLOW

VESSELS AT KUTUBDIA

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
T.T.Energy	C.Oil	Col	NNL	27/4
Hikart Orient	C.Oil	R.Taru	ECSL	20/6
Banglar Jyoti	C.Oil		ISC	R/A

VESSELS AT OUTER ANCHORAGE

READY ON

Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
A.S.Okan	GL		BSC	R/A(29/6)
Mincruva	GI	Pena	MSA	30/6
Hang Fook	Cement	Vish	MSA	13/6

MOVEMENT OF VESSELS FOR 2/7/92.

Outgoing	Incoming	Shifting
J/5 Amke	DDJ/1 Banglar Shourabh	RM/4 Karrington to TSP
J/8 Q.H. Cheng	J/1 Banglar Doot	MPB/2 Ohrmazd to RM/8
MPB/1 I. Yamburenko	J/8 S.Samrat	J/1 Eastern Breeze to J/5
GSJ Banglar Asha	MPB/1 Kota Buana	
DDJ Banglar Jyoti	MPB/2 Bervalla	
RM/8 George	RM/4 Bunga Selasih	
	J/11 Mowlavi	
	J/11 Piya-1	
	GSJ Banglar Sampad	
	NB Mincruva	
	NB Nan Du Jiang	

Price Index

Hides & Skin

	Heavy	Light	Medium	Rejected	Sheep	Buffalo
(Wet/Salted)	9000	7500	2500	8200	53500	82000
(Taka per 100 pieces)						

Gold & Silver

	Gold (11.66 gram)	Silver
(Taka for 11.66 gram)	8200.00	200.00

Source : Department of Agriculture marketing

Exchange Rates

The following are the Commercial Bank's (CB) selling and TT (C). OD transfer buying rates for some selected foreign currencies effective on July 3 and 4.

Currency	SELLING (Figures in Taka)	BUYING
	B. C.	T. T. (C) O. D. TRANSFER
US Dollar	39.1326	38.9087
Poundsterling	74.4728	74.1195
DM	25.6893	25.5306
FF	7.6379	7.5912
S Riyal	10.4641	10.4042
D Guilders	22.8043	22.6009
S Singapore Dollar	7.1131	7.0659
US Dollar	24.2082	24.0697
UAE Dirham	10.6911	10.6299
Kuwaiti Dinar	136.0171	135.2389
Indian Rupee (AMU)	1.5104	1.5035
Pak Rupee (AMU)	1.5523	1.5451

Authorised dealers will apply T T clean buying rate for purchase of remittances of Bangladeshis working abroad.
Note: AMU-Asian Monetary Union.

Dhaka Stock Prices

At the close of trading on July 2, 1992

Transactions fall

Star Economic Report

Business at Dhaka Stock Exchange (DSE) fell on Thursday. Both the turnovers lost figures against the last transactions which took place on June 30. Volume marked a fall of 90.15 per cent from 224,469 to 22,022 while the total value of these papers stood at Taka 219,1703.00 from Taka 13737814.75, showing a decline of 84.04 per cent.

On the DSE floor the gainers still looked firm outnumbering the losers by 18 to only six. Two shares changed hands at their previously quoted prices.

Despite of fall in business the DSE Composite Price Index further rose by 1.748 points and finished at 388.7352 from 386.9872 on Tuesday.

THE DAY'S TRADING AT A GLANCE

DSE All Share Price Index	388.7352
Market Capitalization (Tk)	11,106,866,207.00
Turnover in value (Tk)	2,191,703.00
Turnover (in volume)	22,102

Company	FV/ML	Previous day's price	Closing price	Change (absolute)	Change (%)
		Tk	Tk	Tk	previous price
Gains(18) Shares:					
Monno Jute	100/5	240.00	260.00	20.00	8.33%
Tamjuddin	100/10	170.00	184.00	14.00	8.23%
Chittagong Cement	100/5	387.00	398.11	11.11	2.87%
Umanita Glass	100/5	350.00	359.38	9.38	2.68%
Monospool Paper	100/5	100.00	107.86	7.86	7.86%
Savar Refractories	100/5	110.00	113.00	3.00	2.72%
Beximco Pharma	100/5	391.00	394.00	3.00	0.76%
B. Thai Aluminium	100/10	134.97	137.30	2.33	1.72%
Monno Ceramic	100/5	380.06	382.33	2.27	0.59%
Therapeutics	100/5	105.00	107.00	2.00	1.90%
Eagle Box	10/50	29.78	31.00	1.22	4.09%
Oxygen	10/50	72.87	74.00	1.13	1.55%
Renwick Jajneswar	100/5	101.00	102.00	1.00	0.99%
Apex Tannery	100/5	381.00	382.00	1.00	0.26%
Howlader PVC	100/10	121.29	122.00	0.71	0.58%
Quasem Silk	100/100	6.00	6.50	0.50	8.33%
Eagle Star	10/50	38.44	38.75	0.31	0.80%
Kohinoor Chemical	100/5	113.00	113.13	0.13	0.11%
Losses(06) Shares:					
Bengal Food	100/5	195.00	193.50	-1.50	-0.76%
Bata Shoe	100/100	60.00	59.00	-1.00	-1.66%
5 th ICB M Fund	100/10	110.00	109.00	-1.00	-0.90%
Karim Pipe	100/5184.81	183.98	0.83	0.499	
Eastern Cables	100/5	100.45	99.96	-0.49	-0.48%
B Autocars	100/5	117.40	116.91	-0.49	-0.41%

Traded at previous quoted prices (02)
Shares: A B Bank, Quasem Drycells.

SHARES & DEBENTURES LISTED WITH DSE

Company	FV/ML	Tk	Company	FV/ML	Tk
Mutual Jute	100/5	105.00	Northern Jute	10/50	NT
Shamser Jute	100/5	100.00	Specialised Jute	10/50	NT
Shine Pukur Jute	100/5	98.00	Sonali Aansh	100/5	100.00
PHARMACEUTICALS & CHEMICALS (16)					
Ambec Pharma	10/50	28.67	Bangla Process	100/5	74.80
ICIL	100/10	155.00	Beximco Pharma	100/5	394.00
Glimco	100/5	125.00	IC I	10/50	10.00
Kohinoor Chemical	100/5	113.13	Petro Synthetic	10/50	22.00
Petro Synthetic	10/50	22.00	Pfizer	100/5	110.00
Pharmaco	100/5	75.00	Pharma Aids	100/5	260.00
Progressive Plastic	100/5	100.00	Pharmaco	100/5	75.00
Reckitt &					