Pindi devalues rupee against dollar

KARACHI, Jan 3: The State (Central) Bank of Pakistan adjusted the rupee's value down to 25.7800/ 25.9089 to the dollar on Saturday from 25.7000/ 25.8285 fixed on Dec 29. The bank gave no reason for the move, Salim Qasim Dharwawala of Societe Generale said the rupee was devalued because the dollar was gaining against European currencies and also because of overdue adjustments from 1992. The bank links the rupee to an undisclosed basket of currencies, reports Reuter

Fund for Saudi-UK sugar plant

CAIRO, Jan 3: The Saudi industrial development fund has agreed to extend financial assurances to a Saudi-British joint venture for a sugar plant, the biggest of its kind in the region, according to a report received here today, Saudi daily 'Al-eqtisadiah' said that the fund approved the project last week, and is expected to provide half of its total financing. The rest of the 160-million US dollar project will be funded by shareholders and commercial loans, reports Xinhua.

Oil firms boost security in Nigeria

LAGOS, Jan 3: Several oil companies in Nigeria's remote southeast have boosted field security following a local community demand for dollar 4.0 billion in compensation for alleged environmental degradation, industry sources say. "We have tightened security ahead of possible trouble that might be whipped up during church services this weekend," an official of one major company said. The largely Christian people from around the oil-city of port Harcourt gave three firms 30 days from late November to comply with demands, including dollar 4.0 billion in cash, an end to gas flaring at three sites and talks on future operation, reports Reuter.

Pvt TV station

begins operation JAKARTA, Jan 3: A private television station is to operate in Lampung on the southern tip of Indonesia's Sumatra island, with a trial broadcasting scheduled for today, the antara news agency said. "We planned to begin our operation in April, but ... a trial broadcasting starts today (Saturday)," Antara quoted the director of the TV station, Agung Laksono, as saying, reports AFP.

1992 spelled disaster for Lankan tea

COLOMBO, Jan 3: Sri Lankan tea industry experienced a disastrous year in 1992 with a nearly 30 per cent to shortfall in tea production and heavy price losses, market analysts said today, reports Xinhua.

Sri Lanka has been the number one tea exporter in the world for a second successive year in 1991 with a production of 240 million kgs.

However, the 1992 tea output would be the second lowest recorded by the island country since 1952 though the final figures were not available at this moment, the lowest being 179.3 million kgs in 1983 when the country was hit by an unprecedented drought, the sources said. During the first five months

of 1992, Sri Lanka suffered a severe drought which had destroyed 10 to 12 per cent of the total plantation.

Haley's farm to be used as rehabilitation

centre OAK RIDGE (Tenn), Jan 3: Alex Haley's estate is selling the late author's farm for 1.1 million dollar for use as an al-

cohol rehabilitation and re search centre, principals in the sale said, reports AP. A contract to sell the 127-

acre larm was competed this week, said lawyer Paul Coleman, who represents Haley's estate.

The sale agreement with Behavorial Medicine Concepts of Tennessee includes plans for a pubic museum at the site.

Behavioral president Jo Anne Walker said the group had offered to buy the property about 25 miles (40 kilometers) northwest of Knoxville, before Haley's death, but he died before he could act on it.

"Because the property is so secluded, no one will even know that we are there." Walker said.

Fledgling Asian stock markets suffer from scandals, political strife in '92

HONG KONG, Jan 3: Asia's fledgling stock markets often proved risky bets in 1992 for much-sought foreign investors due to scandals, settlement defaults and political strife.

reports AFP. But some investments paid off, especially in Malaysia where a booming economy ensured the country's market was one of Asia's best performers during the year. Its 16 per cent leap helped make it the number one stock market in terms of market capitalisation within the Association of South East Asian Nations.

South Korea's market, which was opened to foreigners for the first time, rose 8.7 per cent, and is tipped to prove a winner in 1993 as

economic growth accelerates. Taiwan eased access for foreigners, but the islands' slowdown and a major settlement default scandal knocked

27 per cent of its market capi-

Indian investors were also big losers, after a 1.3 billion dollar stock scandal nearly halved the market's value.

Thailand's political crisis in May ushered in a nine per cent slump the day after troops shot pro-democracy protestors and another shock came when stock manipulation charges were slapped on a major investor and associates.

The loss of confidence that followed the charges sent the daily average value turnover plunging 90 per cent to about 80 million dollar.

The Philippines' Manila and Makati exchanges edged up. the country's flat economy stemming their rise despite the lifting of foreign exchange restrictions in August. The country announced later that the two exchanges would merge after 29 years of some-

times hostile separate exis-

TO GO WITH 'CHINA-FUR': A Chinese model browses through a rack of furs at a newly

opened shop in Ritan Market November 16. Flush with disposable income, Chinese

consumers are snapping up fur trimmed garments as never before -- a harbinger of bigger

Indian plan to raise \$ 1.3b from

share sale runs into trouble

a former Secretary-General of

the federation of Indian

Chambers of Commerce and

state-owned mutual funds and

banks was also a factor in the

month, the government of-

fered up to five per cent of the

equity of 14 state-owned firms.

covering engineering, fertilis-

ers, communications, steel and

oil refining, but accepted bids

shares were sold, while 462.7

October, 264.2 million shares

million were on offer.

A total of 310.6 million

In the previous round in

lukewarm response, he said.

Offering shares only to

In the latest sale last

Industry.

for only 12.

Asia's newest markets in

the Chinese cities of Shenzhen and Shanghai swelled in popularity, with riots erupting in August when more than a million Chinese crammed into the southern city of Shenzhen to queue for lottery share certifi-

Scenes of police beating would be investors were bizarre evidence of the success of China's economic reformsone of the reasons why Hong Kong was the only major exchange in Asia to thrive in

Hong Kong's Hang Seng index surged 29 per cent over the year, despite the Sino-British row over democratic reforms for the British colony before it reverts to Beijing in 1997.

Tokyo's Nikkei Stock Average flopped 26 per cent due to Japan's recession, while

Australia's all ordinaries index was down six per cent and Singapore's straits time industrial average was up two per cent in 1992.

India was stunned in April by a securities scam in which players milked bank funds to play the market. Billions of dollar were wiped off share values and thousands of small investors went bankrupt.

Hindu-Muslim violence sparked by the December 6 razing of an ancient mosque in Ayodhya town by Hindu zealots worried investors and the Bombay Sensex index dipped to a post-scam low of 2,374.72 on December 16 from a high of 4,467.32 on April 24.

Despite its down year, Taiwan chased foreign investors. In a bid to lift institutional investment, authorities approved the opening of 11 broking firms to break a stranglehold held by four fund the market to overseas brokers, banks and institutions.

The market was rocked in September when it suffered it worst-ever settlement default which forced seven stock brokers to suspend operations and led to charges against major player and a business-

South Korea broke a three year losing streak after foreigners were allowed to invest for the first time and the government implemented rescue measures.

"The year 1993 will be a good year," predicted Lee Byung-lk, and analyst with South Korea's Daewoo Securities Co.

"The new government is pushing to lower interest rates, while economic growth is expected to perk up from the third quarter, which means the stock market will

Russia's reform programme

95,000 firms apply for privatisation in 1992.

MOSCOW, Jan 3: Some 95,000 Russian industrial firms applied to be privatised in 1992 and privatisations carried out during the year brought in 85 billion roubles, the agency Itar-Tass said Saturday, quoting annual figures released by government officials, reports AFP.

The agency did not specify whether the 85 billion rouble calculation took into account the collapse of the currency, which went from 120 to the dollar in mid-1992 to 415 to the dollar at the end of the

Some 600 industrial firms already been turned into private companies and more than 40,000 small businesses, such as shops and restaurants, have been privatised.

In the coming year there are plans to privatise more than 4,700 other industrial firms, Itar-Tass added, again quoting the committee in charge of government finance. By the end of the year,

more than 120 million Russians of the population of 150 million had each received a 10,000-rouble (just over 20 dollar) privatisation done which allows them to "buy" a share in a privatised company.

US power line construction faces raising opposition

HARRISBURG (Pa), Jan 3: Dairy farmer Curt Fogelsanger has heard the stories about magnetic fields from power lines - they cause cancer, seep into soil, contaminate crops and decrease property values, reports AP.

His facts may be open to debate, but his fears aren't. And they're typical of the reaction utilities throughout the United States face when they propose new power lines.

in Pennsylvania, a plan to build a 268-mile (431 km) line from Pittsburgh in the west to the eastern part of the state and New Jersey has generated much static.

The Public Utility Commission, which is reviewing the proposal for the 500-kilovolt line, has received 9,000 letters of opposition and 600 people have filed requests to intervene in the case.

Backers of the plan, proposed by General Public Utilities Corp. of Parsippany, NJ and Duquesne Light Co. of Pittsburgh, say the 600 million dollar project would create much-needed jobs and meet demands for more energy They have circulated a list of more then 2000 unions and businesses supporting it.

Several studies have suggested in recent years that the risk of certain cancers, espe-Government bodies are also cially leukemia in children. might be raised by exposure to the invisible electric and magnetic force fields gener ated by power lines, appliances

and everything electric.

start rising early next year," he managers, and plan to open China plans major expansion of stock markets

BEIJING, Jan 3: China planning a major expansion of its stock market experiment this year, allowing each province to select companies for listing on the country's two bourses, Xinhua news agency said on Saturday, reports

"The securities administrative authorities will allow each of the provinces of the mainland to select one or two of their share-holding companies with a good business performance to the listed in the Shanghai and Shenzhen stock exchanges within this year," the agency quoted an authoritative source as saying.

This represents part of the bid towards the establishment of a national integrated stock

market," the agency said. Stock fever has been one of the most obvious - and popu-

'ASEAN

ASEAN Secretary-General said

on Saturday the booming

economies of South East Asia

had to cooperate more, espe-

cially in trade, reports Reuter.

Pushing for greater (intra-

regional) trade, that is the big

challenge for us, Ajit Singh

said after his installation as

Secretary-General of the six-

member Association of South

Brunei, Malaysia, Indonesia,

the Philippines, Singapore and

Thailand - agreed early in

1992 to give the incoming

Secretary-General ministerial

rank as one of several moves to

strengthen the 25-year-old

ASEAN — which groups

East Asian Nations.

lar - results of the marketstyle economic reforms the Communist Party has into ef-

Companies across the country have issued stock, but in most cases they have been able to sell the certificates only to their own employees. China has only two bourses:

one in Shanghai, its largest city, and one in Shenzhen, the special economic zone near Hong Kong. With a few exceptions, most

local companies. The new decision will step up the already fierce competition between the two ex-

changes to become China's na-

of the stocks they list are for

tional bourse. "In consideration of the progress in adopting the share-holding system, the demand of the growing stock

market and other factors, the government has initially set the figure of public issuance of stocks on the mainland at around five billion yuan (880 million dollar) this year,' Xinhua quoted its anonymous source as saying.

This figure is far before the 13 billion yuan (2.3 billion dollar) floated last year on the country's two exchanges.

The government will launch a set of temporary rules on the issuance and trading of stocks in the near future, putting an end to the present lack of coordination between the Shanghai and Shenzhen stock exchanges, the agency said.

drafting some 10 laws or rules for the stock market.

Oil earnings of 6 Gulf economies must Arab states rise by 7pc cooperate more JAKARTA, Jan 3: The new

ABU DHABI, Jan 3: Oil carnings of six Gulf Arab states increased by around seven per cent in 1992 because of higher production by Saudi Arabia and Kuwait, the state-run Emirates Industrial Bank (EIB) reported on Saturday, says AFP.

It said oil exports fetched the six-nation Gulf Cooperation Council (GCC) 75.3 billion dollar in 1992 compared with 70.5 billion dollar in 1991.

"In some members, the earnings declined while they rose in Kuwait and Saudi Arabia, which boosted their export capabilities," it said in a study

It gave no output figures but Kuwait restored production in 1992 after several months of

disruption caused by the Iraqi invasion of the Emirate. It now produce around 1.5 million barrels per day and plans to increase the level to 2.3 million BPD by the end of 1993. Saudi Arabia, the world's

biggest crude exporter, produced more than eight million BPD in 1992 and industry sources expect its revenues to have exceeded 44 billion dollar compared with around 43.5 billion dollar in 1991.

EIB said oil revenues in the United Arab Emirates (UAE), which produces around 2.3 million BPD, fell to 13.4 billion dollar in 1992 from 14 billion dollar in 1991. It gave no figures for the remaining GCC members - Oman, Qatar and

fight flow of hashish to Europe

Morocco to

CASABLANCA (Morocco) Jan 3: Morocco will try curbing the flow or hashish to Europe with a one billion dollar aid programme to farmers in the rugged Rif mountains, King Hassan II announced, reports

The five-year programme co-sponsored by the 12-nation European Community, the principal target of Moroccan hashish exports, comes amid a new crackdown on hashish smuggling

Police arrested a Dutch truck driver, Jacobis Krooders, 50, on Sunday after discovering 4.3 tons of hashish in his truck. He faces several years in prison if found guilty of drug smuggling.

The king announced a stepped-up campaign against hashish production and smug gling recently, on the condition that the wealthy

European Community help Morocco financially. Hassan said that the money will be used to aid small farm ers who grow cannabis to make a living in the rugged. inaccessible Rif. He did not

specify details of the pro-

gramme. The hashish is normally smuggled to Europe from this

North African country via the Starait of Gibraltar by drug rings or tourists hoping to make a quick profit on their German economics

minister resigns over political scandal BONN. Jan 3: A television

station reported Sunday that Juergen Moellemann, the federal economics minister, resigned over a growing political scandal, says AP The report by the television

network N-TV could not be immediately confirmed Moellemann has come un

der fire following news reports that he misused his office to try to persuade seven supermarket chains to buy products from a company owned by his wife's cousin. Up until now, Moellemann

had insisted that a staffer is his office had sent out the letters without his knowledge. But numerous politicians

have voiced doubt about Moellemann's story.

The scandal has been damaging the image of Chancellor Helmut Kohl's government. and many politicians with the three government parties have been demanding that Moellemann resign.

Singaporeans asked to become more adventurous for economy

SINGAPORE, Jan 3: Singapore will be a failed Newly Industrialised Economy (NIE) in 10 to 20 years' time unless its people change their attitudes and become more adventurous, former Prime Mi nister Lee Kuan Yew said. reports AFP.

things to come.

NEW DELHI, Jan 3: India's

ambitious plan to raise 35 bil-

lion rupee (1.3 billion dollar)

in the year to March 31 by

selling shares of state firms

has run into trouble,

economists said today, reports

ment of state firms the gov-

ernment has raised only 18.71

billion rupee (700 million dol-

lar) and an industry ministry

officials said plans for a third

round had not been com-

The disinvestment plan is

"The market is pretty

central to India's bid to reduce

tight," said VA Pai Panandikar,

its budget deficit.

In two rounds of disinvest-

Reuter.

Lee, who stepped down in November 1990 after more than 31 years as premier, was quoted by the Sunday Times newspaper as saying that suceess and security had made Singaporeans too comfortable and few had the entrepreneurial nerve of people in other NIE's.

Singapore is already being left behind by South Korea, Taiwan and Hong Kong, which are internationalising rapidly while other association of South East Asian Nations (ASEAN) countries are fast catching up,

Singapore is a member of ASEAN, which also groups Brunei, Indonesia, Malaysia, the Philippines and Thailand.

"Singaporeans are contented to be stuck at home. We have got to shake Singaporeans up, make them adventurous, or we will be losers," said Lee, who is now senior minister in Prime Minister Goh Chok Tong's cabinet.

He said: "We will be a failed story- one that nearly made it but stalled halfway," Lee said at last November's conference of the ruling People's Action Party cadres' conference.

The text of his speech was released in Petir, the party or-Lee said that to succeed

Singapore must sprout "a sec-

ond wing- go abroad", adding

" if we make the right investments in China or Vietnam, the returns may be between 15 and 20 per cent because we are risking capital and bringing expertise into new territories to people who need them most and can make profitable use of them."

were offered for sale but bids

for only 128.7 million shares

be seen against the perfor-

mance of private companies

which raised 27 billion rupee

(one billion dollar) in the past

few months from new issues

Bankers and brokers have

said companies will raise about

100 billion rupee (3.8 billion

dollar) from new issues in the

six months ending on March

the public has to be worked

out," Panandikar said of the

"A scheme to offer shares to

Panandikar said this "had to

were accepted.

and right issues."

government plan.

He noted that instead "our reserves today are largely in vested in stocks, shares, bonds and real estate, which are giv ing only between three and

five per cent returns." Even Indonesia, especially Batam and Bintan, would offer better returns than Singapore or Malaysia, he added

Lee said that by venturing abroad Singapore would build an economy that "is airborne with and external wing that is 25 to 30 per cent of the gross domestic product."

Mexico puts new peso in circulation

MEXICO CITY, Jan 3 Mexico officially lopped three zeros off its currency Saturday, putting the new peso in circulation, but the event was lost since businesses are welcoming the old cash along with the new, reports AFP.

countries, Mexico has seen the value of its currency erode with inflation. One peso was worth one dollar (US) around the turn of the century, but a dollar fetched 250 pesos in 1985 and 3,160 before the new currency was introduced.

converting 1,000 old pesos into one new peso would drive up prices, the government launched a radio and television publicity blitz to defend the step as nothing more than a method of simplifying book-

Like many Latin American

Due to consumer fears that

Filipino economy to grow by 4.5 pc in '93: Ramos

MANILA, Jan 3: President Fidel Ramos has said the Philippine economy grow by 4.5 per cent in 1993 but those who recall the disappointing economic performance in 1992 do not share his optimism, reports AFP.

Most economists forecast growth of only about 2.5 per cent. They also say the government will have to implement painful reforms if the Philippines is to attain newlyindustrialised country status by the turn of the century.

tions last May, his supporters said that the renewed political stability and hands-on management style he would bring to the presidency - would cause gross national product (GNP) - growth to hit 3.5 per cent in 1992.

When Ramos won the elec-

free-market reforms of his

predecessor, Corazon Aquino,

was widely hailed by business-

But a continuing power shortage and the reluctance of new investors to come in, lim-

about Eurounity.

EC citizens welcome a 'Europe without border crossings' Belgians appeared upbeat

REMICH (Luxembourg), Jan 3 : Volker Petzinger woke up Friday to a Europe without border crossings, and to his first day as a customs officer on the Luxembourg-Germany

"This post is going to be staffed 24 hours a day, but I tell you, I don't know what we're going to do," he laughed as cars sped by, b. rely slowing down, writes AP.

On Friday, Jan. 1, rules requiring customs and most passport checks among the European Community's 12 mcmbers came tumbling down. "Last week there were thirty officers at this post,

said Petzinger, who until Dec.

31 was a German customs in-

spector on the Moselle River

between France and Germany. "Today, it's just me".

A New Year's Day drive through four EC countries France's coal-mining region of Lorraine, the industrial edge of Germany's Saarland state, Luxembourg and southern Belglum - showed that most border crossings now resembled unmanned tollbooths

Just a few hundred meters behind Petzinger into Luxembourg, business was humming for Mathias Kasel, who sells tobaeco, liquor and coffee mostly to Germans attracted by Luxembourg's low value-added

"It's calmer today than normal, but people are buying a lot more," Kasel said. "Before they could only take home 300 cigarettes, but from today it's

Allowing merchandise to circulate freely within the EC countries was part of the sweeping reforms that greeted the bloc's 338 million people with the arrival of 1993. The free circulation of

people, however, remains incomplete Britain, Ireland and Denmark have insisted on -maintaining passport controls for travelers arriving from other EC countries.

Immigration controls also remain in force for the time being at EC airports.

In anticipation of the chan ge, passport checks at many EC borders, especially in northern Europe, were gradually eliminated in recent months. However, border poserved the right to stop and question anyone at any time. In Spicheren, France, Be-

lice everywhere in the EC re-

rnhard Schwartz was among several thousand Frenchmen who marked the fall of the Goldene Bremm checkpoint on the German border at the edge of town.

"Fifty years ago there was war across this border," said Schwartz, a communications engineer in Lorraine's coal mining industry. "We mustn't let that be possible now. Europe must happen, to prevent a Yugoslavia from ever occurring here."

Germany there were similar emotions.

Rhetnhold Kopp, Saarland's minister of economics, noted

Fifty meters (yards) away in

tween France and Germany numerous times and that open borders will bring economic To others, the free flow of

people between France and

the region changed hands be-

Germany will exacerbate, the love-hate relationship between the former enemies. French law student Letlla Namane of Spicheren wrinkled her nose at the thought of even

easier access to her town by "One of my friends was going to buy a house here for 800,000 franc (151,000 dol-

lar) but a German suddenly offered 1.2 million franc (226,000 dollar), Miss Namane said. "So, guess what hap-

"What's happening today, Jan. 1, makes me think that

some day Europe will be a power equivalent to the United States, like we used to be,' said Jean-Louis Crelot, a Belgian living in Arlon, near the border with Luxembourg. Retired Belgian construc-

tion worker Roger Theisman, also of Arion, was "completely for" European union, though he's not entirely satisfied yet. "There's no immediate ben-

efit to me, unless I go shopping," Theisman said, "What interests me is to be able to live where I want, go when want, and stay for as long as want. We're not at that point

ited GNP growth to about 1.2 His promise to continue the