

Rice is a political commodity in most Asian countries

BANGKOK: Rice is politically-explosive commodity. Almost all Asian countries, in fact, seek to stabilise domestic rice prices. Stabilising rice prices offers an economic cushion for the poor and guarantees stable prices for farmers.

"Stabilisation programmes substitute for a welfare structure in countries where it is impossible to set up a social security system," asserts the State of Food and Agriculture, an annual report published by the UN Food and Agriculture Organisation (FAO).

The report, among other things, documents the stark contrast between the success achieved by Indonesia in stabilising rice prices and the partial failure in the Philippines. The contrast stems from three factors: financial flexibility, timely purchases and abandoning the straitjacket of quotas.

These factors are pinpointed in a comparative study of rice price stabilisation efforts by these two South East Asian countries. The study — included in the FAO report —

compares the track records of two government agencies: the National Food Authority (NFA) in Manila and the Bureau of Logistics (Bulog) in Jakarta.

"NFA has not been fully effective at controlling producer and consumer prices," the FAO study says. In contrast, "Bulog has been able to defend the stated farmgate price regardless of the quantitative interventions required."

Insufficient funding has constrained Manila's capacity to influence farmgate prices. This is because the NFA enters the rice markets through a cumbersome and inadequate process. For example, before initiating purchases, it must receive funding authorisation from Congress, a process which varies from year to year.

In contrast, the Indonesian agency does not depend on annual government budget allocations. Instead, Bulog maintains a permanent line of credit. It then uses this facility to finance rice purchases, storage, transportation and even administrative costs. Rice sales generate sufficient revenue to repay Bulog's loans.

As a result, Bulog established the capacity and the reputation for defending floor and ceiling prices regardless of quantities or cost involved.

Funding flexibility allows Bulog to operate effectively," the FAO study observes. "NFA does not have similar funding support. Nor does it have a flexible funding system."

Bulog purchases and markets rice through village-level cooperatives throughout Indonesia. But NFA storage facilities are few and far between. "They are concentrated in just a few major surplus areas: the Cagayan Valley, central Luzon and Iloilo." Outside these surplus areas, NFA's influence is limited.

NFA is also strapped by the Philippine Congress to a yearly procurement target. This target is expressed as a percentage of total domestic production. But given its limited capacity, NFA cannot always accept all the rice that is offered.

"In the Philippines, private traders merely wait until after the NFA exhausts its limited funds," the FAO study notes. These traders then enter the

US traders in India to explore jt-venture possibilities

NEW DELHI, Jan 27: A delegation of US businessmen arrived in India on Wednesday, following a team of high-powered British executives, to explore investment opportunities, reports AFP.

The visit by representatives of 30 American firms was organised by the US Overseas Private Investment Corp. (OPIC), a US government agency which helps businessmen interested in investing abroad, the US embassy here said in a statement.

The American executives are to explore investment possibilities in a wide variety of fields including power, telecommunications, food processing, hotels, real estate, legal services and light manufacturing.

The delegation arrived in Bombay on Wednesday and is to spend two days in India's commercial capital, wracked by 10 days of communal violence earlier this month, the statement said.

The US businessmen are to spend five days in Delhi and three days in the southern city of Bangalore, Indian's high-technology centre, it added.

Douglas Barclay, a member of the board of OPIC, said market-opening economic reforms introduced by Premier PV Narasimha Rao during the past 18 months had opened up new opportunities for outside investors in India.

The visit to Bombay by the US executives coincides with a stay there by a delegation of nearly 20 top British businessmen accompanying Prime Minister John Major on an official visit to India.

Dhaka Stock Prices

At the close of trading on January 27, 1993
Remarkable gains

Business took a remarkable turn at Dhaka Stock Exchange (DSE) on Wednesday. Flashing figures brightened up the trading floor. Participation of stocks rose almost twice against Tuesday's finish.

Shares or volume finished at 22,572 from Tuesday's 3,570 showing a jump of 532.26 per cent. The highest number of shares transacted on the day was 9300 of Beximco while the lowest went to AH Bank and Singer Bangladesh (05). Value of the total shares stood at Tk 9,77,446.50 from Tuesday's Tk 158005.00 rising by 518.61 per cent.

The floor appeared as bright as ever met with 46 stocks against 24 on Tuesday. Most prices gained but losers were not too far behind. 20 stocks gained prices while 16 lost. Notable change among losers were Quasem Textile and Petro Synthetic.

The Composite Index also showed signs of improvement. It gained 0.044 point and stood at 367.0054.

DAY'S TRADING AT A GLANCE

DSE Share Price Index	367.0054
Market Capitalisation (Tk)	10,490,839,731.00
Turnover in Volume	9,77,446.50
Turnover in Value (Tk)	9,77,446.50

Company	Previous price Tk	Closing price Tk	Change (absolute) Tk	Change (% over price)	Number of shares sold
Gains (20)					
ICIL	232.50	250.00	17.50	7.52	10
Rupam Oil	4.60	4.70	0.10	2.17	500
Zeal Bangla	8.60	8.75	0.15	1.74	5500
AH Bank	185.00	186.00	1.00	0.54	05
IKCS	148.00	148.48	0.48	0.32	210
United Insurance	170.00	170.09	0.09	0.05	110
Indt Outdoors	58.86	59.63	0.77	1.30	80
Eastern Cables	73.50	73.75	0.25	0.34	70
Asraf Textile	30.00	30.20	0.20	0.67	50
Padma Textile	173.00	174.60	1.60	0.92	100
Satham Textile	70.00	71.00	1.00	1.42	50
Kohinoor Chemical	68.00	70.00	2.00	2.94	100
Pharmaco	48.00	50.00	2.00	4.17	40
Eagle Box	15.50	15.75	0.25	1.61	100
Pharma Aids	180.00	181.11	1.11	0.61	90
Wata Chemical	105.00	107.00	2.00	1.90	20
Beximco	16.00	16.70	0.70	4.37	9300
Cig Cement	253.00	253.17	0.17	0.07	60
Debitures					
Beximco	2012.00	2017.00	5.00	0.24	06
Beximco Pharma	1185.00	1180.00	15.00	1.28	13

Company	Previous price Tk	Closing price Tk	Change (absolute) Tk	Change (% over price)	Number of shares sold
Losses (16)					
Quasem Textile	5.50	4.00	1.50	27.27	950
Quasem Silk	3.89	3.80	0.09	2.31	400
Eagle Star	16.70	16.50	0.20	1.19	100
Dyllum Cotton	79.50	79.31	0.19	0.23	190
B Oxygen	63.50	63.00	0.50	0.78	500
Petro Synthetic	11.10	10.50	0.60	5.40	300
Beximco Infusion	219.88	219.75	0.13	0.05	200
Rahman Chemicals	36.00	35.25	0.75	2.08	140
1st ICB M Fund	350.00	340.00	10.00	2.85	304
Green Delta	154.00	153.20	0.80	0.51	100
Altes Bangladesh	44.00	42.00	2.00	4.54	500
Ariz Pipe	214.00	213.00	1.00	0.46	50
Bd Lamps	175.00	171.25	3.75	2.14	40
Thai Aluminium	81.50	81.14	0.36	0.44	140
Monno Stafflers	155.00	150.00	5.00	3.22	35
Bengal Food	140.00	139.00	1.00	0.71	613

Traded at previous rates (10)

Stocks: National Bank (20), 5th ICB M Fund (20), 6th ICB M Fund (930), Singer Bangladesh (05), Howlader Pvc (200), Sonali Aash (110), Tallu Spinning (70), Bangla Process (18), Apex Tannery (340)

Debiture

Beximco Infusion (16)

DSE SHARES AND DEBITURES

Company	FV/ML Tk	Share/Unit	Price
BANKS (10)			
Al Baraka Bank	1000/1	890.00	
AB Bank	100/5	186.00	
City Bank	100/5	270.00	
IFIC	100/5	160.00	
Islami Bank	1000/1	1700.00	
National Bank	100/5	101.00	
Pajali Bank	100/5	100.00	
Rupam Bank	100/10	73.50	
U.C.B.L.	100/5	122.00	
Utara Bank	100/5	95.00	
INVESTMENT (08)			
ICB	100/5	80.00	
1st ICB M Fund	100/5	340.00	
2nd ICB Fund	100/5	163.00	
3rd ICB M Fund	100/5	147.00	
4th ICB M Fund	100/10	147.50	
5th ICB M Fund	100/10	82.00	
6th ICB M Fund	100/10	62.94	
ICB Unit Cert.			
Sales Price		116.00	
ICB purchase		111.00	
INSURANCE (04)			
BGC	100/10	148.48	
Green Delta	100/10	153.20	
Peoples	100/10	173.00	
United	100/10	170.09	

Company	FV/ML Tk	Share/Unit	Price
PHARMACEUTICALS & CHEMICALS (18)			
Amber Pharma	10/50	11.80	
Bangla Process	100/5	63.00	
ICIL	100/10	250.00	
Beximco Infusion	100/00	219.75	
Beximco Pharma	100/5	425.00	
Glaxo	10/50	125.00	
I.C.I.	10/50	10.00	
N Polymer	100/10		
Kohinoor Chemical	100/5	70.00	
Petro Synthetic	10/50	10.50	
Pfizer	100/5	450.00	
Pharma Aids	100/5	181.11	
Pharmaco	100/5	50.00	
Progressive Plastic	100/5	48.36	
Reckitt & Colman	10/50	110.00	
Rahman Chemicals	100/10	35.25	
Therapeutics	100/5	70.00	
The Ibrasia	100/10	101.00	
Wata Chemical	100/20	107.00	

Company	FV/ML Tk	Share/Unit	Price
FOOD & ALLIED (25)			
Alpha Tobacco	10/50	46.00	
Amman Sea Food	100/5	20.00	
Apex Food	100/5	650.00	
Arma Tea	100/5	60.00	
Barages	100/5	160.00	
B.D. Plantation	100/5	141.33	
Bengal Food	100/5	139.00	
B.L.T.C.	100/5	500.00	
B.T.C.	10/50	60.00	
Cig Vegetable	100/10	82.00	
Dhaka Vegetables	100/5	78.59	
E.L. Camella	100/5	1040.00	
Frugley Export	10/50	2.00	
G-mint Sea Food	100/5	100.00	
Hill Plantation	100/5	550.00	
Modern Industries	100/5	185.00	
N.T.C.	100/5	198.00	
Rabeya Flour	10/100	NT	
Rupam Oil	10/100	4.70	
Talip Dairy	100/10	78.00	
Yousaf Flour	10/50	NT	
Zeal Bangla Sugar	10/50	8.75	

Company	FV/ML Tk	Share/Unit	Price
PAPER & PRINTING (06)			
Eagle Box	10/50	15.75	
Monosopul Paper	100/5	55.00	
Paper Converting	100/5	110.00	
Paper Processing	100/10	30.00	
Padma Printers	10/50	50.00	
Sonali Paper	10/50	51.87	

Company	FV/ML Tk	Share/Unit	Price
SERVICE (02)			
Bangladesh Hotel	10/50	12.00	
Bd. Service	10/50	NT	
MISCELLANEOUS (17)			
Apex Tannery	100/5	380.00	
Aramit	100/50	37.00	
Bata Shoe	100/100	37.96	
Beximco	100/100	16.70	
B.S.C.	100/5	50.00	
Chittagong Cement	100/5	253.17	
G. G. Ball Pen	10/50	82.00	
High Speed	100/5	80.00	
Himadri Ltd.	100/100	6.00	
Milton Tannery	100/5	10.00	
Monno Ceramic	100/5	325.00	
New Dhaka Refac	100/30	95.00	
Phoenix Leather	100/5	90.00	
Savar Refractories	100/5	92.00	
The Engineers	100/5	100.00	
Tupick Ind.	100/10	100.00	
Umaria Glass	100/5	263.67	

Company	FV/ML Tk	Share/Unit	Price
DEBITURES (08)			
Beximco	17%	1998/1	2017.00
Beximco Infusion	1500/2	1500/2	1515.00
(17% 1998)			
Beximco Pharma	1428/1	1180.00	
(17% 1998)			
Quasem Silk	1500/1	1415.00	
(17% 1994)			

BCIC earns Tk 106.53cr thru urea exports

Bangladesh Chemical Industries Corporation (BCIC) has exported 2,15,436 tonnes urea during six months from July to December last year and earned foreign exchange of Taka 106.53 crore, according to a BCIC press release, reports BSS.

From Chittagong Urea Fertilizer Factory, 1,07,193 tonnes was exported valued at Taka 57.04 crore, from Jamuna Fertilizer Factory 75,170 tons valued at Taka 33.26 crore and from Zia Fertilizer Factory 33,073 tonnes worth Taka 16.22 crore.

Govt initiates credit plan for destitute women, says Tariqul

JESSORE, Jan 27: Social Welfare and Women's Affairs Minister Tariqul Islam said that the present government has initiated a credit programme to help promote their socio-economic conditions, reports BSS.

He was addressing a women gathering at the Women's Affairs Office in Jessore Tuesday.

The Minister said the present government is very keen to engage all, especially destitute women in income generating activities through provision of vocational training and cash loan.

Govt will extend assistance to shrimp sector

Industries Minister Sahmsul Islam Khan Tuesday assured that the government would extend all necessary assistance to develop the export-oriented shrimp sector, says UNB.

He called upon the entrepreneurs to identify specific problems hindering development of shrimp culture.

"If we all work sincerely, the country would be able to export about Taka 5,000 crore worth of shrimp annually in next three years," the minister said addressing the installation ceremony of Bangladesh Frozen Food Exporters' Association in a local hotel.

He said garments earned Taka 4,000 crore a year, of which only 13 per cent is value addition. "But value addition in shrimp export will be cent per cent, as it is totally based on local materials."

Presided over by Habibullah Khan, the function was also addressed, among others, by Fisheries Minister Abdullah-Al Noman, Amir Khasru Mahmud, MP, newly elected president of the association Syed Mahmudul Haque and Secretary Manjur Ahmed.

The Fisheries Minister underscored the need for an easy credit procedure, low-rate bank interest and change in land distribution for speedy development of the sector.

Protein deficiency will be made up if khas and fallow land under the jurisdiction of various corporations are brought under pisciculture, Noman said.

There are about 7,50,000 acres of water bodies in the country, the minister said, adding steps will be taken for shrimp production there to invigorate the sector.

He also urged the government to extend the lease period of water bodies from one year to 10 years in order to help the fish producers.

The Fisheries Minister said infrastructure building was going on in lands of his ministry to produce shrimp. He pointed out 7,000 hectare of land developed for shrimp culture and another 13,000 to be developed for it.

He urged the entrepreneurs to take some pilot projects in Feni, Noakhali, Cox's Bazar and Bagherhat on their own initiatives and assured government's financial and technical assistance.

Russia aims to achieve major privatisation this year

MOSCOW, Jan 27: The man in charge of privatising Russia's economy said on Tuesday the bulk of the enormous task should be completed this year, including the transfer of most of the military-industrial sector from state to private hands, reports Reuters.

Deputy Prime Minister Anatoly Chubais told a news conference that "small-scale privatisation" of shops, services and the like should be fully achieved by the end of 1993.

And all Russians would get the chance to buy shares in a mass "people's privatisation" programme in which every member of population is being issued with a free privatisation cheque or voucher.

"If we preserve the dynamism of 1992, then by the end of 1993 small-scale privatisation in Russia will be finished completely," Chubais said. "People's privatisation will be basically carried out in so far as owners of privatisation cheques will be able to acquire shares."

He presented an upbeat assessment of progress so far in rolling back seven decades of communist state ownership and creating a nation of shareholders — the most ambitious privatisation programme ever attempted by any country.

Chubais said the energy sector, Russia's chief hard currency earner and potentially a lucrative field for investment, would not be excluded from the sell-off, although the government wanted to preserve some portion of state control.

The giant military-industrial complex, in the throes of "conversion" from churning out armaments to producing sorely needed consumer goods, would also be included.

"Most of the military-industrial complex must be privatised, and we will do this in 1993," Chubais said.

But the Minister also outlined dangers and obstacles ahead. Hyper inflation was "one of the most serious dangers for the process of privatisation." Prices rose about 2,200 per cent last year and inflation this month alone could top 50 per cent.

Chubais also said the government was dissatisfied by the extent of western investment, which was "from sufficient."

The reason appeared to be a lack of clarity in ground rules for investment, he said. But the government was working to correct this, and the process of privatisation itself would help remedy the situation by clarifying the structure of ownership.

"When real private property appears, it will be clear to foreign investors with whom to conduct negotiations," he said.

Officials handling the privatisation programme have acknowledged that some investors could get their fingers

Shipping Intelligence

CHITTAGONG PORT

Berth Position and Performance of Vessels as On 27.01.1993

Berth No	Name of Vessels	Cargo	L Port Call	Local Agent	Date of Arrival	Leaving
J/1	Yannis-II	S/Ash	Sing	PSAL	23/01	31/01
J/4	Trans America	Repair	BKK	BOV	08/01	01/02
J/7	Banglar Maya	GL	Momb	BSC	16/01	29/01
J/8	Solbulk	Wheat (P)	P Land	Seacom	30/12	31/01
J/9	Banglar Robi 19/1	Idle	ISC	R/A	28/01	
J/10	Endurance Sea	Repair	Aqaba	EOSL	25/01	30/01
J/11	Marine Gloria	Bulk Dap	Pasca	Lams	17/01	31/01
J/12	Guljang	Urea	-	ATSL	R/A	31/01
MPB/1	Tiger Force	Cont	Col	ISL	24/01	27/01
MPB/2	Optima	Cont	Sing	RSL	23/01	2