

Global aid atmosphere improves, says DCCI

The Dhaka Chamber of Commerce and Industry (DCCI), the country's largest Trade Promotion Organisation (TPO), says that the fear about the stringent global aid climate impacting external resource flows to Bangladesh has now been removed, at least for the forthcoming fiscal year. The Chamber expresses this opinion in the editorial of its monthly review of April.

DCCI points out the consequence of the Paris Consortium Meeting in this context. The meeting, organised by the World Bank and held at the close of April 1993, made a fresh aid pledge of about 2.1 billion dollar to Bangladesh for fiscal 1993-94, demonstrating the continued support of the international donor community for the broad policy reforms initiated by the government for setting the policy reforms initiated by the government for setting the economy onto a dynamic course for expansion.

The pledged amount of external aid by the country's development partners for 1993-94 has been slightly more than what the government sought for.

The Chamber terms the outcome of this year's Paris Aid Club meeting as quite satisfactory and each points out the priority need, on the part of the government to improve aid utilisation and forge effective links between aid and sustainable development.

Without such needs being met, fresh aid pledges or commitments would not much alter our overall economic scenario, DCCI notices.

DCCI feels that the prevailing situation, in terms of a 'stable' macro-economic framework, provides a good opportunity to step up efforts to accelerate faster economic growth and alleviate poverty, increase savings and investment, promote human development, create new employment opportunities and develop the private sector.

Mentioning very low and stagnant levels of investment and domestic savings as major obstacle to faster growth, employment generation and poverty alleviation, in the changed policy context, DCCI emphasises that a greater role for the private sector is necessary to raise investment and growth.

Hence, the need for increasing very substantially the level and the quality of overall investments, both private and public, is a pressing one for us, if we are to make any real decline in poverty possible, DCCI notes.

The Chamber notices that much of the successes in macro-economic stabilisation in Bangladesh in recent years have been achieved at the expense of investments, particularly those in public sector. Besides, slippages in the implementation of some policy

reforms continue to undermine their potential benefits.

Uncertainty of diverse nature remains in the private sector, as the policy environment, in real operational terms, has hardly improved, notwithstanding the commitment of the government to a private sector-led development course. The mismatch between the macro economy and the micro or real sectors has lingered on, acting as one major factor underlying the recent slowdown in economic activities.

The situation, relating to banking and financial sector, capital market, trade and tariff policy administration, export promotion areas, law and order, labour—management relations and, therefore, an enabling environment, has been far from satisfactory. The depressive trends in real sectors of the economy have thus, exacerbated, DCCI says.

The Dhaka Chamber emphasises the need for placing the main thrust of the government's strategy on removing the constraints or main factors, inhibiting rapid growth and causing the mismatch between the macro economy and the real sectors. In this context, the Chamber assumes that strengthening the fiscal policy and improving the policy environment for the private sector would have a greater importance than anything else in order to raise the

volume, the quality and the efficiency of investment. It also focuses that alongwith this, the government needs to accelerate the implementation of its Annual Development Programme (ADP), where public investment, normally accounts for more than half of gross domestic investment.

If such investments in public sector do not pick up, alongwith special programmes to stimulate private sector, the availability of infrastructure and the supply of quality or trained manpower would be lowered, affecting the levels of capital replacement, DCCI adds.

The Chamber considers public investment in physical and social infrastructure as complementary to private investment in our changed policy context for private sector-led development. It urges the government to present its policy agenda, in a convincing manner, to bolster business confidence and thus to help strengthen the enabling environment. This would call for a comprehensive action plan for private sector development. For this, fiscal policies and budgetary measures are quite important. Higher growth rates of the economy can be sustained only through increased investment, led by a more vibrant and dynamic private sector, DCCI stresses.

Tax, fiscal, trade and industrial policies have a major

bearing on efforts for getting the private sector moving. In areas of tariff reforms through budgetary measures, the Chamber notes that import liberalisation is necessary without any drastic move to go for sweeping or blanket liberalisation at this stage. Because hurting the interests of local industry with the long-term potential to become competitive and, thus, in the process, forcing their closure, without offering any opportunity for adjustments in the medium term, would not serve any useful purpose.

The Chamber mentions, in particular that the recent expanded use of prescribed 'tariff values' without reflecting actual world prices in many cases, has caused distortions or inequities in the customs duty (CD) structure. Also various inconsistencies exist in areas of CD rates for output and inputs goods, which are responsible for low or negative rates of effective protection for a substantial number of industrial processes, DCCI notes.

The Chamber points out that if duties are arbitrarily lowered, in an unimaginative manner, on intermediate/secondary raw materials or on finished products, hardly any industry in Bangladesh can be viable with imported raw materials. This is true for all industries except for jute and gas-based industries, as the country do not have primary

raw materials for most industrial operations. In this context, DCCI is in doubt whether we can achieve sustainable development, alleviate poverty and create employment opportunities without industrialisation and by only concentrating on undiversified agricultural operations.

Against this backdrop, DCCI calls for an appropriate policy mix, to strengthen the enabling environment for the private sector and help it get moving. The main impediments to private sector development, as the Chamber identifies to formulate the policy mix and also to put a befitting emphasis on the overall implementation machinery thereof.

Such impediments, according to DCCI, are infrastructure, unavailability and prohibitive cost of raw materials, limited access to credit, lack of skilled labour, inefficiencies or distortions in financial sector, inconsistencies in trade, industrial and tariff policies, ineffective export incentives, outdated business laws, lingering constraints in opening new sectors to private initiatives, lack of coordination among the implementing agencies of the government incongruities in exchange rate etc.

DCCI urges the government to address itself to such issues to strengthen the enabling environment for the private sector.

Dhaka Stock Prices

At the close of trading on May 31, 1993

Business declines

Trading on the floor of Dhaka Stock Exchange declined on the last day of the week before Eid holidays. Number of stocks traded declined from 32 to 27 turnover in volume increased by only 2.36 per cent, from 8,261 issues to 84,56, while value registered a big fall from 175,982.00 to 38,35 11.00 a fall of more than 78 per cent.

However the gainers dominated the floor. They outnumbered losers by 18 to five, four shares were transacted at previous rate.

Market capitalisation and DSE All Share Price Index figures for the day were not available.

DYA'S TRADING AT A GLANCE

DSE Share Price Index	
Market Capitalisation (Tk)	
Turnover in Volume	8456.00
Turnover in Value (Tk)	383511.00

Company's name	Previous price Tk	Closing price Tk	Change (absolute) Tk	Change (% over price)	Number of share add
Gains (18)					
Shares:					
Eagle Box	14.36	15.18	0.82	5.710	4,000
Quasem Silk	2.20	2.30	0.10	4.545	1,000
Beximco	20.10	20.60	0.50	2.487	100
Tulip Dairy	50.00	51.00	1.00	2.00	20
BD Autocars	61.00	62.00	1.00	1.639	45
Zeal Bangla	6.60	6.70	0.10	1.515	100
BD Oxygen	66.00	67.00	1.00	1.515	50
3rd ICB M Fund	149.00	151.00	2.00	1.342	10
UCBL	90.00	91.00	1.00	1.111	82
Thai Aluminium	86.00	86.78	0.78	0.906	550
Ambee Pharma	12.40	12.49	0.09	0.725	1,300
GQ Ball Pen	78.00	78.50	0.50	0.641	100
BGC	174.00	175.00	1.00	0.574	290
IFIC	167.50	168.00	0.50	0.297	123
City Bank	350.00	351.00	1.00	0.285	50
Singer BD	1496.25	1500.00	3.75	0.250	06
Beximco Infusion	241.50	242.08	0.58	0.240	60
Debiture					
Beximco Pharma	1256.00	1260.00	4.00	0.318	05
Losses (05)					
Shares:					
Cig Cement	203.00	200.00	3.00	1.477	30
Beximco Pharma	430.00	426.00	4.00	0.913	140
United Insurance	197.09	196.00	1.09	0.553	10
Bengal Food	122.14	122.00	0.14	0.114	10
Pharma Aids	168.12	168.00	0.12	0.071	10

Traded at previous rates (04)
Shares: Pubali Bank (10), Aziz Pipe (05), Quasem Drycell (250), Apex Tannery (100)

DSE SHARES AND DEBENTURES

Company	FV/ML (Taka)	Closing Rate (Taka)	Jute Spinner Mutual Jute	100/5	80.00
BANKS (11)					
Al Baraka Bank	1000/1	950.00	Northern Jute	10/50	NT
A.B. Bank	100/5	165.00	Shamsar Jute	100/5	100.00
City Bank	100/5	351.00	Specialised Jute	10/50	NT
IDL Ltd	100/20	229.00	Shine Pukur Jute	100/5	125.50
IFLC	100/5	168.00	Sorali Aarsh	100/5	118.00
National Bank	100/5	910.00	TEXTILE (20)		
Pubali Bank	100/5	100.00	Quasem Silk	10/100	2.30
Rupali Bank	100/10	72.00	Northern Textile	10/50	112.00
UCBL	100/5	91.00	Arbee Textile	100/10	12.00
Utara Bank	100/5	90.00	Ashraf Textile	10/50	29.50
INVESTMENT (08)					
LCB	100/5	100.00	Chand Textile	10/50	NT
1st ICB M.Fund	100/5	362.00	Chand Spinning	10/50	NT
2nd ICB M.Fund	100/5	176.00	Desh Garments	100/10	50.00
3rd ICB M.Fund	100/5	151.00	Dulamia Cotton	100/10	74.00
4th ICB M.Fund	100/10	93.57	Eagle Star Textile	10/50	14.80
5th ICB M.Fund	100/10	61.50	GMG Iqd. Corp.	10/50	10.00
6th ICB M.Fund	100/10	61.50	Modern Dying	100/5	34.00
ICB Unit Cert.		121.00	Padma Textile	100/20	165.00
Sales Price		116.00	Quasem Textile	10/50	3.50
Re-purchase		116.00	Rahim Textile	100/5	78.00
INSURANCE (04)					
BGC	100/10	175.00	Satham Textiles	100/10	68.00
Green Delta	100/10	170.00	S.T.M. (ORD)	100/5	20.00
Peoples	100/10	281.00	Stylecraft	100/5	130.00
United	100/10	196.00	Swan Textile	100/5	16.00
ENGINEERING (19)					
Aftab Automobiles	100/5	166.35	Tallu Spinning	100/10	96.19
Atlas Bangladesh	10/50	42.50	Tamjuddin	100/10	162.00
Aziz Pipes	100/5	236.00	PHARMACEUTICALS & CHEMICALS (18)		
Bangladesh Autocars	100/5	62.00	Ambee Pharma	10/50	12.49
Bangladesh Lamps	100/5	250.00	Bangla Process	100/5	63.00
B. Thai Aluminium	100/10	86.78	BCIL	100/10	270.00
Bengal Carbide	100/5	242.91	Beximco Infusion	100/00	242.08
Bengal Steel	10/50	20.00	Beximco Pharma	100/5	426.07
Eastern Cables	100/5	72.28	Glaxo	10/50	125.00
Howlader PVC	100/10	96.50	ICI	10/50	10.00
Karim Pipe	100/5	85.00	N Polymer	100/10	10.00
Metalex Corp.	100/5	37.00	Kohinoor Chemical	100/5	63.86
Monro Stafflers	100/5	155.00	Petro Synthetic	100/50	10.30
Monro Jute	100/5	270.00	Petro Synthetic	100/50	450.00
National Tubes	100/10	60.00	Pharma Aids	100/5	168.00
Panther Steel	10/50	8.00	Pharmac	100/5	51.00
Quasem Drycells	10/50	9.40	Progressive Plastic	100/50	30.00
Renwick Jagneeswar	100/5	68.33	Reckitt & Colman	100/50	110.00
Singer Bangladesh	100/5	1500.00	Rahman Chemicals	100/10	33.00
FOOD & ALLIED (32)					
A.B. Biscuit	100/5	200.00	Therapeutics	100/5	65.00
Alpha Tobacco	10/50	40.00	The Istanza	100/10	101.00
Aman Sea Food	100/5	18.00	Wata Chemical	100/20	118.50
Apex Food	100/5	650.00	PAPER & PRINTING (06)		
Aroma Tea	100/5	60.00	Eagle Box	10/50	15.18
Bargas	100/5	160.00	Monosopul Paper	100/5	35.00
B.D. Plantation	100/5	500.00	Paper Converting	100/5	70.00
Bengal Food	100/5	122.00	Paper Processing	100/10	20.00
B.L.T.C.	100/5	800.00	Padma Printers	10/50	50.00
B.T.C.	10/50	64.00	Sonali Paper	10/50	51.67
Cig. Vegetable	100/10	70.00	SERVICE (02)		
Dhaka Vegetables	100/5	78.00	Bangladesh Hotel	10/50	12.00
E.L. Camella	100/5	1040.00	Bd. Service	10/50	NT
Frogleg Export	10/50	2.00	MISCELLANEOUS (17)		
Gemini Sea Food	100/5	130.00	Apex Tannery	100/5	360.00
Hill Plantation	100/5	550.00	Aramit	10/50	30.00
Modern Industries	100/5	250.00	Bata Shoe	10/100	34.50
N.T.C.	100/52	207.00	Beximco	10/100	30.60
Rabeya Flour	10/100	NT	B.S.C.	100/5	55.00
Rupan Oil	10/100	4.00	Chittagong Cement	100/5	200.00
Tulip Dairy	100/10	51.00	G. Q. Ball Pen	10/50	78.50
Yousaf Flour	10/50	NT	High Speed	100/5	80.00
Zeal Bangla Sugar	10/50	6.70	Himadri Ltd.	10/100	60.00
FUEL & POWER (04)					
BD Oxygen	10/50	67.00	Milton Tannery	100/5	8.00
Eastern Lubricant	10/50	14.00	Monro Ceramic	100/5	290.00
National Oxygen	100/10	49.00	New Dhaka Refac	100/20	79.00
Padma Oil Co.	10/50	42.00	Phenox Leather	100/5	95.00
JUTE (03)					
Ahad Jute	100/10	NT	Savar Refractories	100/5	78.00
Anwara Jute	10/50	NT	The Engineers	100/5	100.00
Delta Jute	10/50	8.50	Texpick Ind	100/10	100.00
Gawisa Jute	10/50	NT	Umanisa Glass	100/5	246.00
Islam Jute	100/5	40.00	DEBENTURES (04)		
Beximco 17% 1998 1990/1 1881.00					
Beximco Infusion 1500/2 1660.00					
Beximco Pharma 1428/1 1260.00					
Quasem Silk 1500/1 1150.00					

Milk output in Narail falls

NARAIL, May 31: Milk production has sharply fallen due to rapid decrease in the number of milch cows in the district, says UNB.

At present, fresh grass needed for milch cows is not adequately available. On the contrary, grass is not grown as before because of the pattern of crops grown with the introduction of mechanised system of cultivation, local people said.

A major portion of cultivable land has been brought under IRRI-Boro cultivation, where different types of fodder were grown in these lands in the past.

Besides, cattle epidemic takes away a good number of cattlehead every year. During the past decade thousands of milch cows died after being attacked by various fatal diseases.

Farmers of the district alleged that the authorities did not take any steps to save their cattlehead from the epidemic.

Meanwhile, due to economic hardship, many farmers were compelled to sell their milch cows to the local butchers at a nominal price.

Shortage of milch cows increases the price of milk in the local markets causing great hardship to the parents of infants and patients.

Sweetmeat traders are also facing difficulties to run their business due to shortage of milk.



FOR SALE: With only 24 hours left for the holy Eid-ul-Azha, the sellers of sacrificial animals have been crowding the city. Our photo shows some of the sellers trying to sell their animals in a city street to avoid complexities in the cattle markets. — Star photo

Executive body of Comilla Samobaya Bank dissolved

COMILLA, May 31: The executive committee of Comilla Samobaya Bank has been dissolved for its alleged misuse of official power and an adhoc committee headed by Additional District Magistrate was formed, Bank sources said Monday, reports UNB.

The new committee took over the charges on May 25.

Another report adds: A two-week long workshop for the Bangladesh Krishi Bank officers on financing irrigation and development projects concluded at BARD auditorium at Kobar on May 27.

A large number of bank officers took part in the workshop. Director General BARD, Dr. Khanoda Mohan Das, presided over the concluding session while ex-chief executive of BARD, Al-Haj Zakir Hussain was the chief guest.

Boom time in Saudi Arabia for gasoline additive plants

MANAMA, May 31: It is boom time in Saudi Arabia for building plants which produce an additive that makes gasoline burn cleaner, reports Reuter.

Worldwide demand for the additive, Methyl Tertiary Butyl Ether (MTBE), has been projected to triple during this decade and it is plain that the Saudi public and private sector want a major share of the global market.

The latest company to throw its hat into the ring is the Jeddah-based Alujain Corp, which awarded the international engineering firm ABB Lummus Crest Inc a contract to prepare a feasibility study and implementation plan for an MTBE plant.

Alujain said it is planning to build a plant to produce 500,000 tonnes per year in the Red Sea port of Yanbu. It would not reveal the estimated cost of the project, but such plants cost hundreds of millions of dollar.

Five other plants are either under advanced planning, under construction or already in operation in Saudi Arabia, with the help of cheap government loans.

Together they are due to have 3.5 million tonnes of capacity by early 1997, in addition to Alujain's 500,000.

MTBE is a petrochemical product that helps cut carbon monoxide emissions and also raises octane levels to make gasoline more valuable.

The United States' 1990 clean air act started requiring gasoline using MTBE or similar additives in the most polluted regions from last November and will generalise its use from 1995.

"According to a recent market study for Alujain by chem systems, global demand for MTBE is expected to increase significantly during the 1990s as a result of the im-

Shipping Intelligence

CHITTAGONG PORT

Berth Position and Performance of Vessels as on 31-5-93

Berth No	Name of Vessels	Cargo	L.Port	Local Agent	Date of Leaving
J/1	Karabieverett	Gl	Sing	EBPL	28/5
J/2	Continent-1	Gl	Kara	CLA	27/5
J/3	State of Tripura	Gl	Ma	SSL	30/5
J/4	Safina-e-Islam-2	Gl/GL	Kara	ASL	26/5
J/7	Tug Salvigour-665	-	Dubai	BTSA	26/5
J/8	Samudra Raj	Repair	Kara	SSL	11/5
J/9	Banglar Kiron	Wheat (G)	Kara	LAMS	26/5
J/10	Endurance Sea	Repair	Aqaba	CLA	25/1
J/11	Optima	Cont	Sing	RSL	30/5
J/12	Al Reza	Urea	Mong	Seacom	21/5
J/13	Meng Kiat	Cont	Cal	AMI	29/5
MP/B/1	Banglar Mont	Cont	Sing	BSC	30/5
MP/B/2	Fong Shin	Cont	Sing	BDShip	27/5
CCJ	Sea Rhapsody	C. Clink	Visa	UMAL	4/5
GSJ	Banglar Shobha	Wheat (G)	LAMS	R/A	1/6
RM/4	Orsha	Cement	Sing	USTC	6/5
DDJ	Banglar Jyoti	Repair	BSC	R/A	3/6
DD	Banglar Gourab	Repair	Mong	BSC	14/5
DDJ/1					