

210-megawatt Ctg thermal power station goes into operation

The 210-megawatt thermal power station at Raosan in Chittagong has gone into commercial operation, says a press release.

It was constructed by China National Machinery and Equipment Import and Export Corporation (CMEC).

China completed its 72 hours continuous operation tests on July 29. During the tests, the power station supplied power to the national grid continuously as per instructions of load despatch circle, PDB, Siddhirganj.

Out of 72 hours test period, the Power Station was loaded at 210 MW and 215 MW for 17 hours and 3.5 hours respectively and rest of the time power was supplied according to the requirement of load despatch circle of BPDB. With the commissioning of this Power Station, the prevailing load shedding in the grid would be greatly relieved. During 72 hrs operation maximum load reached up to 218 MW.

Canada to give US\$ 154,000 aid to Nepal

OTTAWA, Aug 8: Canada will give 200,000 dollar (164,000 US) in urgent aid to Nepal, which has been ravaged by flooding. Secretary of State for External Affairs Perrin Beatty said Saturday, reports AFP.

Investment Prospects for ASEAN - II

By Jamal Uddin Ahmad

WHEN an ASEAN free trade area is created, ASEAN would have a regional market of 380 million. Although AFTA is basically a trading arrangement between ASEAN countries, its potential impact on investments in this region cannot be discounted. Freer goods movement is expected to lead to increased intra-ASEAN investments while a bigger common market will make the countries more attractive to investors from outside ASEAN.

How much the region would actually gain from international investment flows is difficult to predict due to mitigation effects of external factors beyond the control of ASEAN. One is the credit crunch in the global capital market due to the economic recession. The squeeze in corporate profit in the face of economic slowdown will deter traditional foreign investors from making new investment outlays, while the reconstruction costs of Eastern Europe and the former Soviet Union draws away funds that could otherwise be invested elsewhere. While world economic performance is cyclical and should not pose undue problems in the long term, ASEAN must however concede to more intense competition in the scramble for investment capital in future.

The creation of NAFTA and the European Community and the emerging capitalist markets in Eastern Europe will have significant implications on directions of investment flows. As investors from Western Europe, Canada and USA become more regionally-oriented, more international funds will be channelled into Mexico and Eastern Europe where there is tremendous capacities for foreign-capital absorption.

Nearer home, market reforms in China and Indo-China (especially Vietnam) will have a significant implications on the directions of capital flows in the Asia-Pacific region. China will probably pose the biggest competitor, given its abundant cheap labour and huge potential markets. Already there is a sharp surge in foreign investment in China in the past few years especially from Hong Kong and the economies of Southern China, Hong Kong and Taiwan look set for further integration in the near future. With the restoration of diplomatic relations with Japan and Korea, investments from these two countries are also expected to surge. It is estimated that Korea's DFI in China could amount to 2.5 billion dollar by 1996.

Vietnam is another potential hot market for foreign investments. Its natural resources is claimed to be unparalleled in the region. Oil reserves, minerals and seafoods abound. Its economic reforms, though very recent, has yielded amazing results in terms of DFI flow (especially from Hong Kong, Taiwan and Korea). Analysts believe that it only has to wait for the US embargo to be lifted to create

an investment boom in Vietnam. While chances of investment diversion away from ASEAN cannot be ignored, it must also be noted that the new competitors are really at a different level of development as compared to most ASEAN countries. China and Vietnam are still largely agrarian societies with very low literacy levels and minimal industrial infrastructure. Even if development of infrastructure can be quickened with foreign aid, development of manpower cannot be done overnight and it may well take another generation for both countries to catch up with ASEAN where literacy level is almost on par with that of developed nations. Mexico still lags behind Singapore, Malaysia and Thailand in term of basic attractions according to the World Competitiveness Report (May 1992) but is comparable to Indonesia and Philippines on most counts, and in that sense will pose a serious challenge to these countries.

Ranking of competitiveness

	S'Pore	M'isia	Indonesia	Thailand	Mexico
People	1	4	11	6	7
Infrastructure	1	6	7	4	9
Domestic Economic Strength	1	6	7	4	9
Government	1	2	8	5	7
Finance	1	3	12	5	7
Management	1	4	12	6	8
S & T	2	6	9	7	10
Internationalisation	1	5	13	4	7

Source: World Competitive Report, May 1992
Note: The ranking is based on the perceived competitiveness of 14 newly industrialised countries around the world, with "1" being the most competitive and "14" the least competitive.

Another concern is intra-ASEAN competition, especially between Malaysia, Thailand, Indonesia and Philippines which have more or less similar level of development and share similar natural resources. Currently all these countries focus on labour-intensive export-oriented industries: for example electrical/electronics, basic metals, textiles, chemicals, wood products and petroleum/gas in Malaysia; electrical, metal-based, non-metals, transport equipment in Thailand; chemicals, paper products, basic metals, food processing, textiles and petroleum in Indonesia; and basic metals, chemicals, metal goods, textiles, paper products and food processing in the Philippines. Singapore is expected to face more challenge from the rest of ASEAN (especially Malaysia and Thailand) as the economics of the latter develop and progress.

Protein output too meagre in Barguna

BARUNA, Aug 8: Protein output in the district has been too meagre to meet the requirement of the people, a survey report reveals Sunday, reports UNB.

Meat, fish, egg and milk are the principle protein items. An adult person requires 120 grams of meat, 40 grams of fish, one egg and 200 grams of milk daily, the survey of the Animal Husbandry Department reveals.

To cope with this standard, the district inhabited by over seven lakh people requires at least 43,200 tons of meat, 14,000 tons of fish, 36 crore egg and 72,000 litres of milk annually.

But the district produces only 4,000 tons of meat, 4,000 tons of fish, three crore eggs and 36,000 litres of milk which is quite inadequate to cater to the needs of the people.

It has been estimated that about five lakh people of the five thanas of the district can hardly get animal protein due to which they have been suffering from protein deficiency diseases.

It may be mentioned that during the last five years, the animal and poultry birds like cow, hen and goat have been decreasing for various reasons.

Besides, low birth rate, high mortality, slaughtering of good high quality cattle in large numbers during the holy Eid-ul-Azha are the main factors responsible for slow growth rate of cattle population, the local elite said.

Aussie wheat exports fall 23 pc in July

SYDNEY, Aug 8: Australian wheat exports dipped 23 per cent in July due to a lack of seasonal demand from Northern Hemisphere buyers, the Australian Wheat Board said here yesterday, reports AFP.

Australia shipped 576,870 tonne of wheat in July compared with 753,651 tonne a month earlier, the board said.

Egypt became the leading importer with 116,580 tonne, followed by Japan (104,997 tonne) and South Korea (83,675 tonne).

A board spokesman conceded that the lower figure had been expected.

"In the second half of the year, we ship less because of seasonality and demand," the spokesman said.

"This is the time of the year when the Northern Hemisphere harvest their crops - we face greater export competition in the second half of the calendar year."

Asian states face new rice crisis

MANILA, Aug 8: Asian countries are facing new rice crisis, reports IPS.

The region's good harvests have pulled prices down, slashing farmers' incomes and increasing pressures on governments to either raise costly subsidies or drastically cut production.

But international rice experts say countries must work double-time to keep boosting rice output in order to avert a massive shortage in the 21st century.

Since 1988, world prices for the best-quality grain have plunged 25 per cent to US dollar 770 a tonne. The region's biggest rice exporters and feeling the price pinch the most.

In Thailand, for example, rice farmers staged violent demonstrations in May to force the government to increase buying prices. The government of Prime Minister Chuan Leekpai caved in and increased

buying price from about US dollar 70 to US dollar 110 a tonne on top of providing to US dollar 10-a-tonne fertilizer subsidy.

The world's largest rice exporter, Thailand sells four to six million tonnes every year.

But then there are the likes of rice-short countries, such as the Philippines, which have not able to take full advantage of low world prices because of the need to protect their own rice farmers.

When Manila imported 150,000 metric tonnes of rice from Thailand early this year, its National Food Authority (NFA) decided to the dismay of consumers to sell these stocks at higher than regular prices.

"We did this at the request of farmers organisations," said NFA administration's Romeo Davide, "they fear that local paddy prices would be undercut."



GERMANY: Klaus Liesen (R), Chairman of Volkswagen's supervisory board, attends with V W President Ferdinand Piech a press conference late Friday where they expressed their full support for one of the company's senior directors, Jose Ignacio Lopez de Arriortua, accused by his former employers General Motors of industrial espionage. The Darmstadt public prosecutor is investigating allegations by G M that Lopez took industrial secrets when he left the company to join V W.

Japanese industrialists fear delay in economic recovery

TOKYO, Aug 8: Japan's captains of industry fear that Prime Minister Morihiro Hosokawa's stated priority of reforming the nation's political system may delay measures needed for economic recovery and resolution of trade tensions with foreign partners, reports AFP.

"Many people believe the cabinet will be so busy reforming the election system that it will not have much time to carry out administrative reform, essential if it wants to change the nation's economic system," the daily newspaper Yomuri Shimbun said in an editorial.

The inexperienced seven-party coalition government is far from being seen here as the perfect answer to Japan's economic woes. Hosokawa inherits the country's worst recession since World War II and the mounting ire of foreign trade partners over Japan's growing trade surplus.

"The big issues will be trade friction, deregulation and transparency of the economy," said Yoshio Nakamura, deputy director of international economic affairs at Keidanren, Japan's powerful business federation. "The main concern is that the government will be much too populist."

Big business is looking to Hosokawa's coalition government to stimulate domestic demand, liberalise the economy, and push Japan's strong yen lower.

"The incoming government should consider steps to stimulate domestic demand," Nippon Steel Corp Chairman Hiroshi Saito said.

"The new government should take all necessary measures, such as continued flexible fiscal and monetary steps to buoy the economy," said Saito, who also chairs the Japan iron and steel federation.



Emirates Airlines signed a contract with Dhaka Sheraton Hotel to utilise the VIP and Business Class lounges at the Zia International Airport. Picture shows Firoz Howlader, Financial Controller, M H Khan and Selim Saleq, sales managers of the hotel and Mohammed Quassim Al Ali, Country Manager of Emirates, during the signing of the contract.

Prices of coffee, precious metals leap around sharply

LONDON, Aug 8: The price of coffee and the precious metals leapt around sharply this week, moving unpredictably in the volatile trading conditions of the quiet August markets, reports AFP.

Gold: Lower after flying start. Gold price leapt at the start of the week to its highest level since September 1990 but fell back later under the pressure of profit-taking and a return to calm on the European money markets.

Platinum: Lower after firm start. The price of platinum rose at the start to its highest level since January 1991 before falling at the end of the week in line with gold prices.

Nickel: Higher. Nickel prices firmed slightly thanks to stronger Chinese buying and despite a rise in nickel stocks.

Copper: Higher. Copper prices firmed slightly thanks to stronger Chinese buying and despite a rise in copper stocks.

Silver: Lower. The price of silver, which rose the previous week to its highest level for two and half years, was hit by profit-taking and the fall in the other precious metal's prices.

Aluminium: Higher but falling back. Aluminium price rose at the start of the week on rumours of cuts in production and then fell back when stocks rose sharply.

Coffee: Sharply higher. The price of coffee jumped five per cent, bringing its rise in the past fortnight to 15 per cent, boosted by fears of frosts in the coffee producing regions of Brazil and the by imminence of a Latin American producers stock-withholding scheme.

Cocoa: Uneven. The price of cocoa wavered unevenly over the week, unsettled by the changes in the money markets and the weakness of the French franc seen as possibly Ivory

Tin: Higher. Tin prices also rose, benefiting from a technical recovery after tin price fall to a new record low last week.

Sugar: Higher. After rising sharply on rumours of that the Commonwealth of Independent States (CIS) had ordered major sugar purchases, and concerns over the delivery-ability of Brazil crystal sugar, the price of sugar fell back slightly when the both rumours were unconfirmed.

Vegetable oils: Lower. The price of soya oil, boosted at the start of the week by the fear of early frosts in the US Midwest, fell back later on profit-taking.

Crude Oil: Stable. The price of Brent North Sea crude oil was stable just below 17 dollar a barrel, depressed by the high level of worldwide supplies and

fears of a resumption in Iraqi export.

Baghdad's decision to negotiate with the United Nations for a complete lifting of the UN embargo on Iraqi oil sales, put in place after Iraq's invasion of Kuwait on August 2, 1990, made dealers nervous.

Rubber: Sharply higher. The price of natural rubber rose to its highest level for four months, boosted by US buying after positive news on US currency. The gains were exaggerated by the weak level of trading linked to the summer holidays, dealers said.

Cotton: Slightly higher. After falling at the start to its lowest level since January, the price of cotton rose following statistics from the International Cotton Advisory Committee (ICAC) predicting a fall in world stocks.

Wool: Weak. The price of wool, which fell the previous week to its lowest level since January 1991, remained low on the Bradford market because of the closure of textile factories for the summer.

The signs of a major fall in Russian grain imports, in 1993/94 because of an improvement in domestic production also depressed the market.

Tea: Steady. The price of tea continued to waver uncertainly this week in a generally calm market, depressed by the seasonal slowing up of tea demand and the high level of production in India.

According to the Indian press agency Press Trust of India, Indian tea production rose to 263,000 tonnes in the first half of the year, up 10 per cent the same period last year.

The market largely ignored the postponement for a month of a producers meeting on future of the International Natural Rubber Organisation which had been scheduled for this week.

Grain: Sharply lower. The price of wheat and barley fell sharply on the London market, depressed by falls in the United States ahead of official estimates of the extend of flood damage in the US Midwest, thought now to be less serious than had been feared.

Dhaka Stock Prices

At the close of trading on August 8, 1993

Index falls further

The DSE Composite Index continued to fall while both the turnovers gained moderately on Sunday.

The All Share Price Index plunged to 417.7924 from 419.8206 showing a loss of 2.028 per cent.

Turnover in volume term made a gain of 14.379 per cent. It reached 8845 issues from 7733, while turnover in value increased from Taka 527254.50 to Taka 744460.00, a gain of 41.195 per cent.

Number of stocks transacted also increased to 48 from Saturday's 34. But the losers strongly dominated the floor. They outnumbered gainers by 25 to only six while 17 others traded at previous rates.

DAY'S TRADING AT A GLANCE

DSE Share Price Index	417.7924
Market Capitalisation (Tk)	1579063662.50
Turnover in Volume	8845
Turnover in Value (Tk)	744460.00

Company's name	Previous price Tk	Closing price (lastclose) Tk	Change Tk	Change (% over price)	Number of Shares sold
Gains (06)					
Shares:					
BGIC	206.00	209.04	3.04	1.475	360
Dulamia Cotton	76.00	77.00	1.00	1.315	40
Ashraf Textile	29.50	29.80	0.30	1.016	500
Eastern Cables	81.50	81.89	0.39	0.481	350
United Insurance	208.48	208.98	0.50	0.239	210
Kohinoor Chemical	67.17	67.21	0.03	0.044	410

Losses (25)					
Shares:					
FFI	32.00	26.00	-6.00	-18.750	70
Monopool Paper	30.00	26.00	-4.00	-13.333	20
Gemini Sea Food	45.00	40.00	-5.00	-11.111	05
Antz Pipe	254.00	229.67	-24.33	-9.578	85
Swan Textile	11.00	10.00	-1.00	-9.090	25
BD Oxygen	75.19	72.40	-2.79	-3.710	500
UCBL	88.00	85.00	-3.00	-3.409	10
Karim Pipe	80.36	78.00	-2.36	-2.936	140
People Insurance	300.00	295.00	-5.00	-1.666	70
BD Autocars	60.42	59.50	-0.92	-1.522	120
Rupali Banks	69.00	68.00	-1.00	-1.449	110
Apex Footwear	182.58	180.14	-2.44	-1.336	400
Bata Shoe	41.00	40.50	-0.50	-1.219	1400
Cig Cement	195.00	193.00	-2.00	-1.025	05
5th ICB M Fund	101.00	100.00	-1.00	-0.990	150
3rd ICB M Fund	161.38	160.00	-1.38	-0.855	160
Bargha Process	61.50	60.50	-1.00	-0.819	55
Beximco	20.30	20.20	-0.10	-0.492	500
Beximco Infusion	240.00	238.90	-1.10	-0.416	180
IDLC	219.00	218.11	-0.89	-0.406	180
Aflab Automobiles	180.46	180.00	-0.46	-0.254	310
Bengal Food	119.25	119.00	-0.25	-0.209	25
Morus Ceramic	286.00	285.80	-0.20	-0.070	20
Shaham Textile	82.60	82.50	-0.10	-0.121	10
6th ICB M Fund	58.00	57.57	-0.43	-0.074	340

Traded at previous rates (17)

Shares: Green Delta (70), Atlas Bangladesh (200), Singer Bangladesh (15), Bangas (5), Dhaka Vegetables (5), Modern Industries (5), Rupam Oil (100), Zeal Bangla Sugar (1000), Modern Dyeing (55), Padma Textile (60), Tamjuddin Textile (110), Ambee Pharma (350), Beximco Pharma (65), Pharmaco (15), Rahman Chemicals (10), Paper Processing (90), Apex Tannery (20).

DSE SHARES AND DEBENTURES

Company	FV/ML (Taka)	Closing Rate (Taka)	Northstar Jute 10/50	Shamser Jute 100/5	Specialised Jute 10/50	Shine Pakur Jute 100/5	Sorali Aarab 100/5
BANKS (12)							
Al Baraka Bank	1000/1	825.00					
AB Bank	100/5	200.00					
City Bank	100/5	330.00					
Eastern Bank	100/20	110.00					
IDLC Ltd	100/20	218.11					
IFLC	100/5	170.00					
Islamic Bank	1000/1	1400.00					
National Bank	100/5	99.00					
Pubali Bank	100/5	100.00					
Rupali Bank	100/10	68.00					
U.C.B.L	100/5	85.00					
Utara Bank	100/5	93.00					

TEXTILE (20)							
Alhaj Textile	10/50	NT					
Arbee Textile	100/10	112.00					
Ashraf Textile	10/50	29.80					
Chand Textile	10/50	NT					
Chand Spinning	10/50	NT					
Desh Garments	100/10	50.00					
Dulamia Cotton	100/10	77.00					
Eagle Star Textile	10/50	14.30					
GME Ind. Corp.	10/50	10.00					
Modern Dyeing	100/5	32.00					
Padma Textile	100/20	165.00					
Quasem Silk	10/100	2.60					
Quasem Textile	10/50	3.30					
Rahim Textile	100/5	101.00					
Shaham Textiles	100/10	82.50					
S.T.M. (ORD)	100/5	20.00					
Stylecraft	100/5	130.00					
Swan Textile	100/5	10.00					
Tallu Spinning	100/10	96.00					
Tam							