

WB sees Third World benefit from rising debt

WASHINGTON, Dec 17: The World Bank reports that Third World countries are borrowing at a faster rate but officials predict they will benefit if the new money is well used, reports AP.

The bank estimates total developing-nation debt will reach 1.77 trillion dollar this year, up 110 billion dollar over 1992. That would be almost twice the 56 billion dollar increase in 1991. The bank itself now lends nearly 25 billion dollar annually to developing countries.

"It's not a question of whether a country incurs more debt or not, but what it does with it," said Michael Bruno, an Israeli who is the bank's top economist and a vice-president.

He explained that many governments which borrowed billions in the 1970s, and then could not pay in the 1980s, had used the money for consumption - not for investment which produces more income and jobs. He added that countries which did make productive investments, particularly in East Asia, had made substantial reductions in poverty.

The good thing that has taken place is that much more of the money lent is now going into private hands" instead of being lent to governments, Bruno told a news conference.

The increased flow of money into Third World has come from private sources, as well as being lent to private enterprise.

"In 1992, for the first time in a decade, the volume of private flows exceeded 100 billion dollar and was larger than government loans," Bruno said.

He was presenting the bank's annual "World Debt Tables," made public Wednesday.

He pointed out that in addition to borrowing by Third World countries, more money has been coming to them from abroad in the form of purchases of stock and of whole industries. That flow does not create new debt - it spreads the risk to the outside purchaser.

But an independent development expert suggested that the debt problem has not gone away. Charles K. Ebinger, of the Center for Strategic and International Studies, a private study group, said the potential problem lies in the current low price and rising demand for imported oil in the Third World.

"If there should be a crisis and oil prices bounce back up, you could see a lot of the same countries reeling into debt once again," he warned.

At the same time that lenders were pouring in new money, some of the biggest borrowers were reducing their old debts under a plan named for Nicholas Brady, former President Bush's Secretary of the Treasury. Seven countries, led by Mexico, have made agreements that reduced their obligations by more than 39 billion dollar.

The others were Argentina, Venezuela, Nigeria, the Philippines, Costa Rica and Uruguay.

The World Bank reported China as the biggest consumer of foreign loans and investment in the Third World. In 1991 loans and investments were 11 billion dollar. This year they are expected to reach 27 billion dollar.

At the end of 1992, the bank reported, China owed the rest of the world more than 69 billion dollar and was paying more than eight billion dollar in repayments and interest annually.

The exception to increased flows of money into the Third World were 32 heavily indebted countries where incomes are especially low, from Afghanistan to Zambia. Most are in southern Africa. They owed 204 billion dollar at the end of 1992, almost entirely to richer governments since banks generally will not lend to them.

Although creditors have reduced their debt by about 22 billion dollar, its total keeps rising, partly because of unpaid interest.

United Airlines Move to buy out employees gets cautious reception

CHICAGO, Dec 17: The latest proposal for an employee buyout of United Airlines is getting a cautious reception from the company's board and a thumbs-down from institutional investors, reports AP.

Directors of UAL Corp, the airline's parent company, met Thursday but put off any decision on the tentative agreement until at least next Wednesday.

Some big institutional investors dumped their UAL holdings, concerned that employee owners would use profits to enrich themselves rather than other shareholders, analysts said.

But United's unions and their backers said all sides would benefit.

The unions disclosed that they hoped to replace United Chairman Stephen M Wolf with Gerald Greenwald, a former Chrysler Corp vice chairman who had agreed to run the company before the failure of a 1990 employee buyout bid.

Under the plan announced

late Wednesday, United's 60,000 US employees would give six years of wage and benefit concessions valued by the pilots and ground-crew unions at 5.15 billion dollar in exchange for 53 percent ownership of UAL. That stake could rise to 63 percent if the stock performs well.

The wage concessions would range from 10 percent to near 20 percent, depending on the employee's current salary level, according to union sources who spoke on condition of anonymity.

The deal would create the nation's largest majority employee-owned company.

UAL's board sent its financial advisers back to the unions to develop a detailed plan, which the board will consider Wednesday. The board told the advisers to try to resolve unspecified outstanding issues with the unions.

Labour and management valued the deal at 173 dollar per share.

Exchange Rates

The following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on Dec 15, 16 and 17.

Currency	Selling		Buying	
	TT & OD	EC	TT	OD
			Clear	SIGHT
				Ex. Bills
US Dollar	39.9275	39.9500	39.7150	39.6150
Pound Sterling	59.4441	59.4776	58.6448	58.4972
DM	23.3977	23.4110	23.0282	22.9703
FF Franc	6.8482	6.8521	6.7405	6.7236
C Dollar	30.0871	30.1041	29.6070	29.5324
S Franc	27.3682	27.3835	26.9333	26.8654
Jap Yen	0.3685	0.3688	0.3591	0.3581
Indian Rupee (AMU)	1.2744	1.2773	1.2662	1.2537
Pak Rupee (AMU)	1.3262	1.3292	1.3176	1.3045
Iranian Ryal (AMU)	0.0225	0.0226	0.0224	0.0222
A T. T. (DDC) US Dollar Spot Buying Tk	39.6650			
B) Usance Rates:				
30 Days DA	80 Days DA	90 Days DA	120 Days DA	180 Days DA
39.2680	38.9367	38.6054	38.2741	37.6615
C) US Dollar sight export bill 3 months forward purchase: Tk	39.4650			
D) US Dollar 3 months forward sale: Tk	40.2000			

Currency	Selling		Buying	
	T.T. & O.D.	EC	O.D. Transfer	
S Riyal	10.6456			10.5293
UAE Dirham	10.8714			10.7535
Kuwait Dinar	133.8053			132.0545
Singapore Dollar	25.0565			24.7711
D Guilders	20.8926			20.6523
S Kroner	4.7501			4.6948

Note: AMU—Asian Monetary Union.

Shipping Intelligence

Chittagong port					
Berth position and performance of vessels					
Berth No	Name of vessels	Cargo	Last port	Local agent	Date of Leading
J/1	*Yong Jiang	GI	Sing	Prog	7/12 15/12
J/2	*Blue Shark	GI	Hong	Prog	12/12 15/12
J/3	*Vishva Karuna	Idle	Chin	Litmond	30/8 20/12
J/5	*Darin Naree	M Seed	Thai	Royal	4/12 15/12
J/6	*Yannis II	GI	Butt	Sunbeam	13/12 19/12
J/7	*Sae Byol	Cement	Namp	Litmond	9/12 21/12
J/9	*Samudra Raj	Fert	Pena	SSL	3/12 19/12
J/10	*Norbulk Namir	Cement	Sing	USTC	16/11 17/12
J/12	*Yang Lin	GI	Sing	Prog	11/12 19/12
MPB/1	*Andrian Goncharov	Cont	Sing	CT	13/12 16/12
MPB/2	*NGS Ranger	Cont	Sing	BDSHP	13/12 16/12
CCJ	*Pearl of Fujairah	C. Clink	Viza	Seacom	5/12 17/12
GSJ	*Dolores	Idle	Seacom	R/A	31/12
TSP	*Avon	R. Phos	Aqaba	SSST	6/12 16/12
DOJ	*Banglar Jyoti	Repair	—	BSC	R/A 20/12
RM/R	*Banglar Asha	Repair	—	BSC	R/A 25/12
CURJ	*Gemstar-1	Urea	Ind	Allseas	2/12 20/12
CUFLJ	*Tong Aik	—	Sing	Anchor	13/12 20/12

Vessels due at outer anchorage					
Name of vessels	Date of arrival	Last port	Local agent	Cargo	Loading port
Buarque	16/12/93	Col	Royal	—	—
Samudra Rani	16/12/93	Kara	SSSL	GI	—
Fong Shin	17/12/93	Sing	BDSHP	Cont	Sing.
Epomya	17/12/93	Sing	CTS	Cont	Sing.
Vishva Pankaj	18/12/93	Mong	SSL	GI	UK Dundee
Anton Makarenko	18/12/93	Mong	CT	—	—
Petr Starostin	18/12/93	Sing	CT	Cont	Sing.
Banglar Robi	18/12/93	Mong	BSC	Cont	Sing.
Flag Leader	18/12/93	—	Seacom	Wheat	—
Alkyon	19/12/93	Sfax	SSST	TSP	—
Trans Auto	19/12/93	—	BBA	GI	—
OSLO Zenith	21/12/93	Bang	JF	Vehicles	—
Knud Jerspersen	21/12/93	Sing	CT	Cont	Sing.
Qing He Cheng	21/12/93	S.Hai	BDSHP	GI	China.
Al Swamuz	22/12/93	—	ASLL	GI	—
Ingunuty	22/12/93	Col	BTSa	Cont	Col.
Sangita	24/12/93	—	USTC	Cement	—

Tanker due					
Name of vessels	Date of arrival	Last port	Local agent	Cargo	Loading port
Eso Bayonne	16/12/93	Sing	MSPL	HSD	(RM/5)
Botany Triton	23/12/93	Kara	JF	Tallow	R/3

Vessels at Kutubdia					
Name of vessels	Cargo	Last port	Local agent	Date of arrival	
		call	agent	arrival	

Vessels ready					
Ready on					
Vishva Madhuri	C. Clink	Viza	OMAL	R/A	
Moskovskiy Komsolets	—	Haid	ANCL	13/12	
Vishva Bikram 14/12	—	Cal	SSL	10/12	
*Akademik Uzanadze	CDSO	Reun	TSL	14/12	
*Banglar Sampad	GI	Kara	BSC	14/12	
*Kota Buana	Cont	Sing	RSL	14/12	
*Lanka Mahapala 15/12	Cont	Mong	Baridha	14/12	

Vessels awaiting instruction					
Vessels ready					
Loyal Bird	—	Mong	Seacom	15/12	
Banglar Shourab	—	—	BSC	R/A	

Moeyment of vessels for 16.12.93, 17.12.93 & 18.12.93				
Outgoing		Incoming		Shifting
MPB-2	NGS Ranger	NGS Ranger		J/12 Yang Lin to J/2
MPB-1	A. Goncharov	S.Rani	J/5	
TSP	Avon			
J/11	Lanka Mahapala	Fong Shin		MPB-1
J/10	Norbulk Namir	E. Bayonne		RM-5
RM-3	A. Uzanadze	Buarque		J/8
J/13	Kota Buana	Epomya	MPB-2/J/3	V. Karuna to J/11
		P. Starostin	J/13	
		B. Robi	J/12	

The above were the Wednesday's shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

Dhaka Stock Prices

Weekly comparison: At the close of tradings on December 9 and December 15, 1993

Company	FV/ML*	Dec 9	Dec 15	High	Low
BANKS (12)					
Al Baraka Bank	1000/1	875.00	880.50	950.00	800.00
AB Bank	100/5	168.00	163.00	200.00	160.00
City Bank	100/5	291.00	292.00	355.00	268.00
Eastern Bank	100/20	110.00	110.00	110.00	105.00
IDLC Ltd	100/20	216.00	216.00	242.00	200.00
IFIC	100/5	150.00	145.00	198.00	140.00
Islami Bank	1000/1	1362.00	1362.00	1750.00	1300.00
National Bank	100/5	125.00	125.00	130.00	85.00
Pubali Bank	100/5	100.00	100.00	100.00	85.00
Rupali Bank	100/10	90.50	88.00	91.00	65.00
U.C.B.L	100/5	105.00	110.00	120.00	80.00
Uttara Bank	100/5	103.00	91.00	103.00	87.00

INVESTMENT (08)					
ICB	100/5	110.00	113.00	113.00	85.00
1st ICB M. Fund	100/5	420.00	415.00	450.00	340.00
2nd ICB M. Fund	100/5	163.33	161.00	185.00	160.00
3rd ICB M. Fund	100/5	140.00	141.72	162.00	140.00
4th ICB M. Fund	100/10	146.00	145.50	160.00	140.00
5th ICB M. Fund	100/10	98.75	100.00	102.00	85.00
6th ICB M. Fund	100/10	73.75	74.00	75.50	57.00
Unit Certificate	113.00				
Sales Price	108.00	116.00	116.00		
Re-purchase		111.00	111.00		

INSURANCE (04)					
BCIC	100/10	180.00	181.06	230.00	147.25
Green Delta	100/10	211.90	209.00	285.00	152.00
Peoples	100/10	301.00	302.00	350.00	272.00
United	100/10	198.00	195.00	237.00	170.00

ENGINEERING (19)					
Aftab Automobiles	100/5	170.00X	171.00X	200.00	165.00
Atlas Bangladesh	10/50	45.00	43.00	57.00	40.00
Azia Pipes	100/5	230.00	235.00	256.00	212.00
Bangladesh Autocars	100/5	44.89	44.89	74.00	44.00
Bangladesh Lamps	105/5	380.00	350.00	400.00	150.00
B. Thal Aluminium	100/10	84.00	84.41	96.00	74.00
Bengal Carbide	100/5	271.00	271.00	275.00	210.00
Bengal Steel	10/50	20.00	20.00		
Eastern Cables	100/5	71.33	70.00	72.00	65.00
Howlader PVC	100/10	109.22	105.00	116.00	91.00
Karim Pipe	100/5	57.00	57.00	97.00	54.00
Metalex Corp.	100/5	26.00	26.00	49.00	26.00
Monno Stallers	10/05	200.00	200.00	200.00	145.00
Monno Jute	100/5	503.00	510.00	503.00	220.00
National Tubes	100/10	58.00	58.00	75.50	58.00
Panther Steel	10/50	8.00	8.00		
Quasem Drycels	10/50	10.20	10.20	11.70	8.90
Renwick Jaineswar	100/5	83.00	83.00	88.00	66.00
Singer Bangladesh	100/5	1013.65	1175.98	1600.00	775.00

FOOD & ALLIED (23)					
A.B Biscuit	100/5	199.00	199.00	200.00	199.00
Alpha Tobacco	10/50	55.00	55.00	55.00	43.00
Amari Sea Food	100/5	100.00	100.00	100.00	15.00
Apex Food	100/5	930.00	930.00	930.00	650.00
Aroma Tea	100/5	60.00	60.00	75.00	55.00
Bangas	100/5	143.00	143.00	150.00	120.00
B D Plantation	100/5	500.00	500.00	550.00	500.00
Bengal Food	100/5	114.30	115.00	160.00	111.00
B.L.T.C.	100/5	800.00	800.00	800.00	615.00
Cit. Vegetable	10/50	95.00	85.00	100.00	50.00
Cit. Vegetable	100/10	64.00	60.13	82.00	61.00
Draaka Vegetable	100/5	99.00	99.00	94.00	60.00
E.L. Cemelia	100/5	1040.00	1040.00	—	—
Frogleg Export	10/50	2.20	2.20	3.00	2.00
Gemini Sea Food	100/5	35.00	34.00	100.00	34.00
B D Plantation	100/5	55.00	55.00	—	—
Modern Industries	100/5	335.00	335.00	335.00	185.00
N.T.C	100/5	245.00	231.00	250.00	190.00
Rabeya Flour	10/500	N T	N T	—	—
Rupan Oil	10/100	3.70	3.50	5.00	3.50
Tully Dairy	100/10	70.00	70.00	78.00	40.00
Yousuf Flour	10/50	N T	N T	—	—
Zeal Bangla Sugar	10/50	6.47	6.00	9.90	5.80