

Britain leading Europe out of recession'

LONDON, Jan 1: Prime Minister John Major said on Saturday that Britain was leading Europe out of recession and could look forward to strong growth and low inflation in 1994, reports Reuters.

"It is time for us to be more confident as a country. To put the pessimists in their box," he said in a new year message to activists in his Conservative party.

Major added: "The plain fact is that we are leading Europe out of recession and we must build on the advantages that gives us."

Painting an upbeat picture as Britain emerges from its longest recession in half a century, he said. "After a difficult period for many people, we now have a tremendous opportunity before us. We are seeing stronger-than-expected growth combined with lower-than-expected inflation."

Inflation has been tamed to a current annual rate of 2.5 per cent but Britons face a host of new taxes over the next few years as the government has pledged to eliminate a 50 billion sterling (£74 billion dollar) budget deficit by the year 2000.

Europe launches world's biggest trade zone

BRUSSELS, Jan 1: The new year ushers in a giant new trading bloc—the European Economic Area (EEA)—linking the European Union and neighbouring EFTA and setting the stage for an enlarged EU in a year's time, reports Reuters.

"The EEA... will create the biggest integrated economic zone in the world with more than 370 million inhabitants," the EU's External Relations Commissioner Hans Van Den Broek said in a recent statement.

"The EEA will give a most welcome impetus towards liberalisation on a broader European scale," he said.

The EEA upstages the North American Free Trade Agreement (NAFTA) as the world's biggest free trade zone by extending the EU's single market, celebrating its first birthday, to five out of seven of the EFTA countries—Austria, Finland, Iceland, Norway and Sweden.

While NAFTA is five times

bigger than the EEA in terms of land mass, the EEA has 372 million consumers against 310 million in NAFTA and is two or three times bigger in terms of trade.

It is expected to bring real economic benefits in an area stretching from the Arctic to the Mediterranean.

But the EEA is seen by four of the five EFTA states taking part as just a stepping stone to full EU membership.

The EEA will in particular provide more competition for public procurement contracts and in the banking and insurance sectors and Norway and Iceland both also stand to gain from better access for their fish to the EC.

But aware of the market's limitations—the EEA does not give the EFTA countries a say in the rules they will have to apply—and leaves customs borders intact—Austria, Finland, Norway and Sweden all started negotiating EU membership in 1993.

They hope to spend next year's even next year crossing its threshold. If they do, that will leave only Iceland, and maybe tiny Liechtenstein which hopes to join shortly, in the EEA.

But European Commission President Jacques Delors has said he sees the EEA as a way of integrating eastern European countries into the European trading zone.

And officials warn the January 1, 1995 target date for EU enlargement is ambitious. Tough negotiations remain for early 1994 for all four applicants and they all have to get backing for membership from their electorates in referendums.

The remaining EFTA country, Switzerland, will not take part in the EEA after its people voted against membership in a referendum last December. It is seeking to cut its losses by negotiating bilateral accords with the community.

Dollar closes '93 on firmer note against mark, yen

NEW YORK, Jan 1: The dollar bid 1993 farewell on a firmer note against the mark and the yen, reports Reuters.

Price swings were sharply exaggerated by the market's thin volume due to approach of the new year's holiday.

"It was a little volatile and then it slowed down after that and it's been a typical new year's trading session—totally dead," said one New York foreign exchange dealer.

There was economic data except for the "living costs survey" published by the Philadelphia Federal Reserve Bank which said US economic growth in 1994 will run near three per cent and inflation, though restrained, may later pick up.

At 1500 est/2000 gmt, the dollar stood at 1.732/92 marks and 111.80/85 yen after opening at 1.7373/83 marks and 111.5/82 yen.

Dealers said there was little impact from the twice-yearly survey of 61 economists which included a revision downwards in long-term inflation estimates and said real Gross Domestic Product growth would hit four

per cent growth in the fourth quarter for 1993.

Meanwhile, chartists expect the dollar to start the new year on a strong note, although it is likely to run into a correction sometime in January, as well.

Dealers expect the dollar to hit 1.748 marks, the peak in 1993, in the first half of January.

The dollar/yen is also seen firming due to a weak Japanese economy. Dollar gains will be gradual, however, due to concerns about the Japan's huge trade surplus with the US a stronger yen would help trim the deficit because it would discourage US consumers from buying imported Japanese products.

Looking ahead to 1994, market participants next week will start getting final economic data for 1993, such as December auto sales, factory orders and non-farm payrolls data.

The dollar closed at 1.3215/20 Canadian dollar after opening at 1.3248/53 Canadian dollar.

Vietnamese legislature commits fast growth

HANOI, Jan 1: Vietnam's National Assembly, in a session ending here, late Thursday, committed the country to fast growth impelled by a "market economy with socialist orientations," and reaffirmed the fight against corruption, reports AFP.

"We are determined to meet the challenges and difficulties of 1994, to carry out our tasks and follow our guidelines," the Assembly's President, Nong Duc Manh said.

Prime Minister Vo Van Kiet, in an economic report to the 390 deputies, set the target of "at least eight per cent" expansion in gross domestic product (GDP) in the coming years, after an average annual rate of 7.2 per cent since 1991. Inflation, he said, had fallen to under five per cent.

However, and the country's political structures, the government came under fire from several MPs who accused their leaders of having drawn a "too rosy picture" of the economy.

One of the chief concerns was surging unemployment, which according to the authorities affects 15 per cent of the workforce, triggered by the restructuring of the state sector.

The number of state enterprises has plummeted from 12,000 in 1990 to around 6,000 today. The successful adaptation of some of the firms to market forces, and the growing number of joint ventures, funded by wealthy foreign corporations, has widened the gap between rich and poor.

Kiet promised that he would order a government shakeup if corruption continued to be so corrosive in the coming year.

Two other targets were in his sights: Drug addiction and prostitution, phenomena that are chiefly to blame for the spread of acquired immune deficiency syndrome (AIDS). Official figures put the number of Vietnamese with the AIDS virus at 1,600.

Venezuelan economy shrinks by 1pc
CARACAS, Jan 1: After a boom that pushed economic growth to almost 10 per cent, the Venezuelan economy shrunk by one per cent in 1993, the Central Bank reported Tuesday, reports AP.

A free-market programme the government launched in 1989 pushed growth to 9.7 per cent in 1991 and 6.8 per cent in 1992.

Growth slowed because the government, which depends on oil revenues but faced plummeting oil prices this year, spent less.

One benefit of reduced growth was a slightly smaller budget deficit. Last year's spending gap was 3.6 per cent of gross domestic product, and this year's was 3.5 per cent.

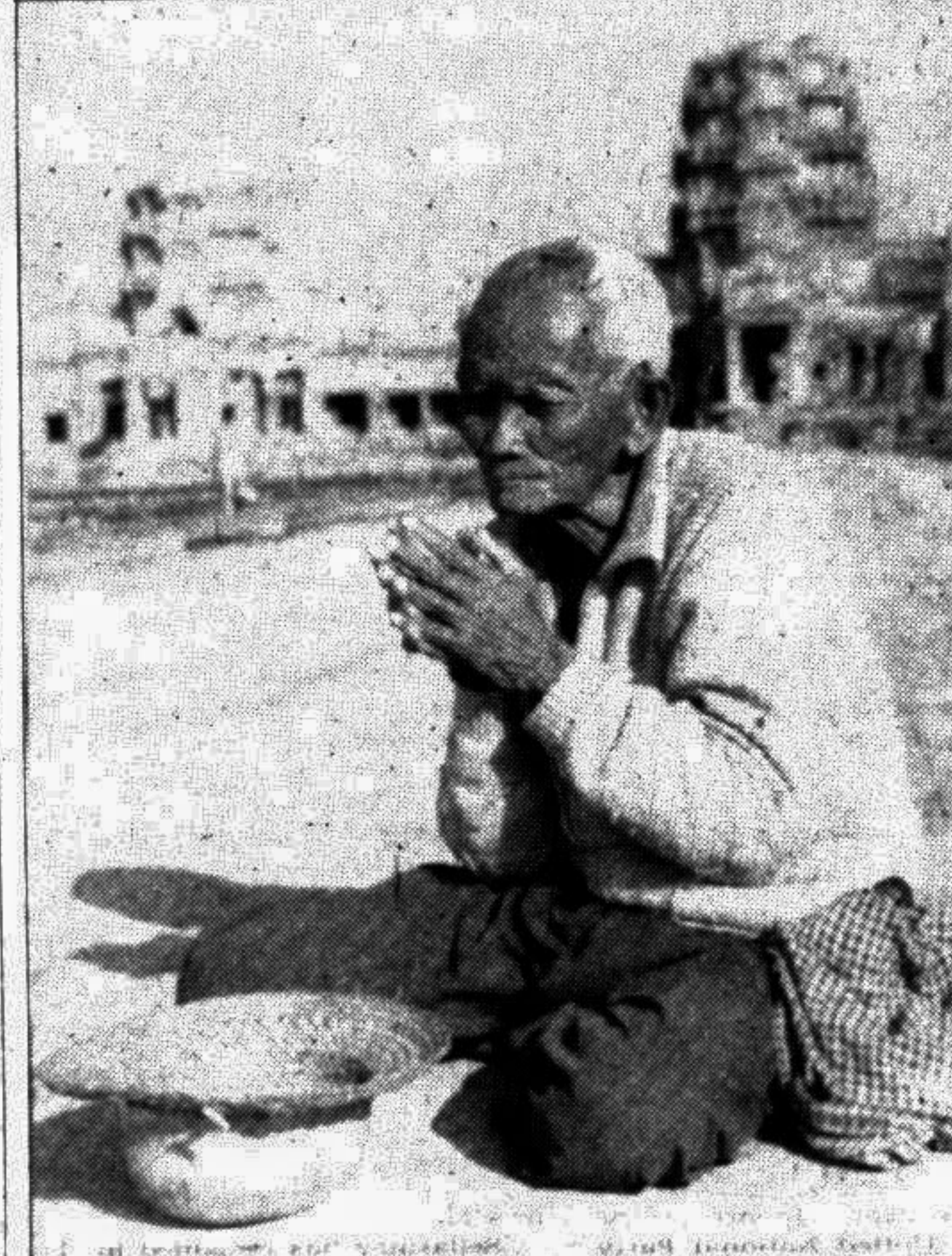
The high deficit and a new sales tax helped push up inflation, which reached 40.9 per cent at the end of November. Inflation for the year is expected to total 46 per cent.

Another victim of reduced oil revenues was foreign currency reserves, at the beginning of December estimated at 12.4 billion dollars, or 519 million dollars less than last year.

On a positive note, the country's current account fared better this year, totaling a negative 1.8 billion dollars at the start of this month, compared to a negative 3.3 billion dollars in 1992.

The estimated trade balance, excluding services, was a positive 3.2 billion dollars, compared to a positive 1.6 billion dollars in 1992.

Oil revenues are expected to continue low next year, meaning the government has to overhaul its finances, a Central Bank statement said.



Blind Cambodian beggar waits for donations in the afternoon sun at Angkor Wat on Thursday. The historic 12th century ruins are experiencing throngs of foreign tourists as the security in the Siem Reap area has improved dramatically when the government pushed the Khmer Rouge back into the jungles. — AFP photo

US steel bar makers against import duties on exporters

WASHINGTON, Jan 1: Five US steel bar manufacturers and the steelworkers union urged the government yesterday to slap import duties on exporters in five countries including India and Japan, reports AFP.

The petition filed with the International Trade Commission and the Commerce Department said stainless steel bar from those two countries as well as Brazil, Italy and Spain was being sold in the United States at an unfairly low market value.

The United Steelworkers of America and the five US firms said the five allegedly offending countries shipped to the United States about 65 per cent of all its stainless steel bar imports in 1993.

"While total US consumption for stainless steel bar increased through the first nine months of 1993, imports surged more than 31 per cent and captured nearly all of that growth through unfair pricing tactics," said William Pendleton, spokesman for carpenter technology, one of the companies.

The companies filing the petition were all technical specialty steel corporations of Dunkirk, New York.

UN sanctions on Libya have little impact on daily lives

TRIPOLI, Jan 1: The UN sanction on Libya have had little impact on peoples' daily lives, according to AFP.

"We have everything in Libya," Salah Abdul Rahman, a merchant in the El-Rasid market, said as he ushered a visitor into his shop stacked with imported items from Taiwanese radios to American shampoos.

The relatively few Libyans who travel were the only ones to complain openly of the sanctions, saying the ban on international flights forced them to take long road trips via Tunisia and Egypt.

Diplomats agreed that sanctions first imposed in April last year to punish Tripoli over its alleged involvement in the Lockerbie bombing of a Pan Am Airliner over Lockerbie, Scotland, killing 270 people.

They added to diplomatic

involvement in the Lockerbie bombing have had little impact other than to increase prices and force the government to cut subsidies a little.

"We don't need anyone and we're happy with what we produce locally," Rahman said, referring to the possibility of even stiffer sanctions.

A freeze on assets abroad and a ban on oil-related equipment took effect December 1 after Tripoli continued its refusal to surrender two suspects in the 1988 bombing of a Pan Am Airliner over Lockerbie, Scotland, killing 270 people.

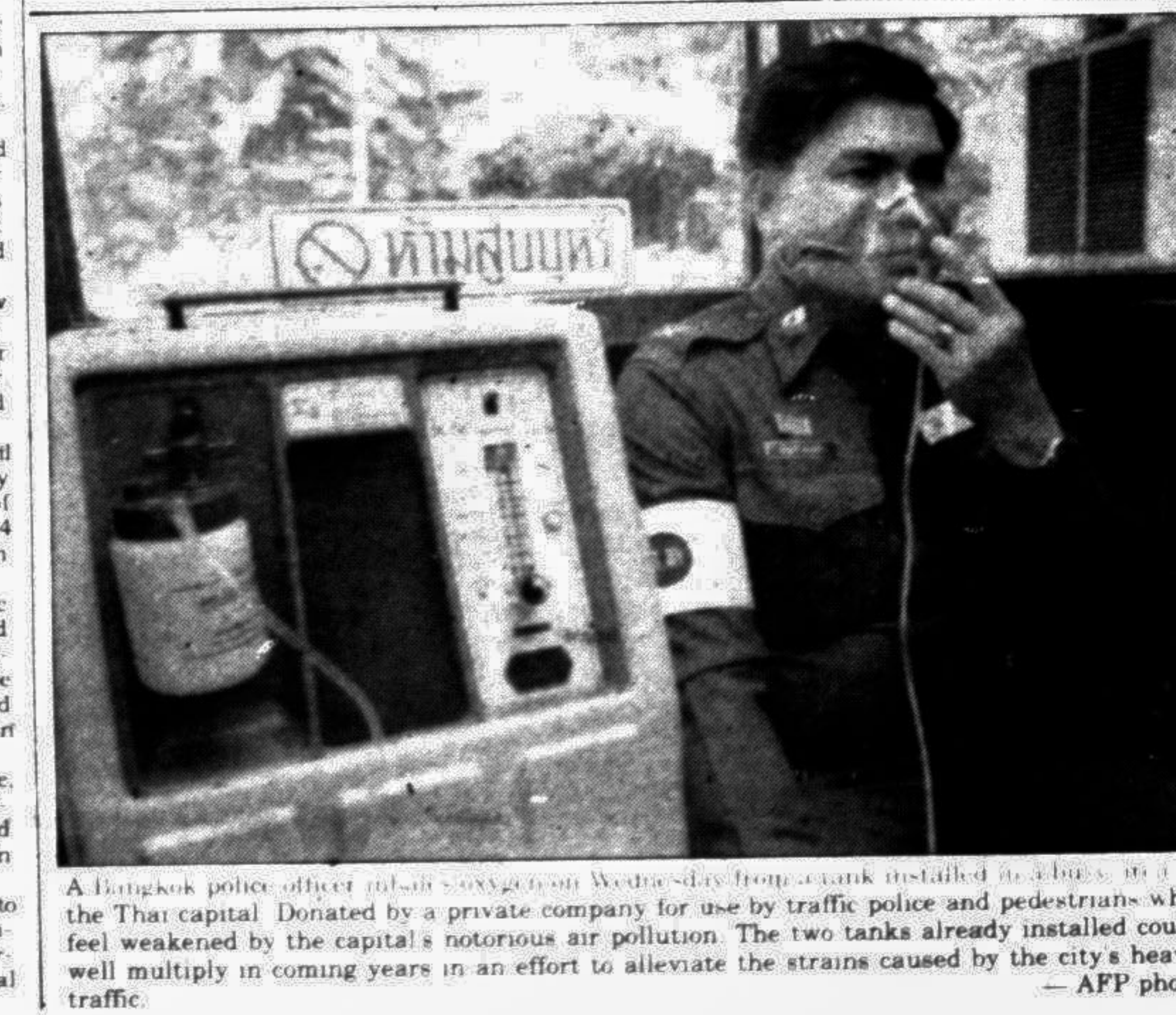
They added to diplomatic

sanctions and a ban on air traffic as well as weapons purchases that took effect on April 15, 1992.

Libyan leader Gaddafi has pledged to set fire to the oil wells if sanctions target Libya's main revenue earner.

Foreign workers complained more about the sanctions. On the square of Bourguiba Mosque in the heart of Tripoli, Habo Bahaa Eddin waited for the driver to finish loading bags and boxes onto the minibus taking him to his native village in northern Sudan.

He could once fly to an airport in northern Sudan and then travel by road to his village in less than a day, but now the trip took 10 days over rugged terrain, he said.



A Bangkok police officer (in uniform) stands next to a car parked in a busy street in Bangkok. The car is a white sedan. The officer is wearing a dark uniform and a cap. The background shows a busy street with other vehicles and buildings.

Exchange Rates

The following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on January 1 '94.

Currency	Selling		Buying		CD
	TT & OD	EC	TT	OD	
US Dollar	39.9275	39.9550	39.7150	39.6105	39.4905
Pound Sterling	38.9929	59.0335	58.1994	58.0463	57.8704
DM	23.0921	23.1080	22.7276	22.6678	22.5991
F Franc	6.7816	6.7864	6.6740	6.6564	6.6363
C Dollar	30.3649	30.3858	29.8914	29.8128	29.7224
S Franc	26.9762	26.9948	26.5478	26.4779	26.3977
Jap Yen	0.3607	0.3610	0.3515	0.3506	0.3496
Indian Rupee (AMU)	1.2744	1.2773	1.2662	1.2537	—
Pak Rupee (AMU)	1.3241	1.3270	1.3154	1.3024	—
Iranian Ryal (AMU)	0.0228	0.0228	0.0226	0.0224	—

Indicative Rates					
Currency	Selling	Buying	TT	OD	Transfer
US Dollar	39.9275	39.6105	39.7150	39.6105	39.4905
Pound Sterling	38.9929	58.1994	58.0463	58.0463	57.8704
DM	23.0921	22.7276	22.6678	22.6678	22.5991
F Franc	6.7816	6.6740	6.6564	6.6564	6.6363
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Pak Rupee (AMU)	1.3241	1.3154	1.3024	1.3024	—
Iranian Ryal (AMU)	0.0228	0.0226	0.0224	0.0224	—

US Dollar Spot Buying Tk 39.6627					
B Usance Rates:					
30 Days DA	60 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 39.4603					
D US Dollar 3 months forward sale: Tk 40.2050					

Note: AMU—Asian Monetary Union.

Shipping Intelligence

Chittagong Port

Berth Position and Performance of Vessels as on 01.01.94.									
Berth No.	Name of Vessels	Cargo	Last Port	Local Agent	Call	Arrival	Leaving		
J/1	Flag Leader	Wheat (P)	GI	Pena	CLA	27/12	01/01		
J/2	Continental-1	GI	Pena	CLA	28/12	02/01			
J/4	Al Swamuz	GI	Pena	ASL	27/12	01/01			
J/5	Pearl One	GI	Yang	Cross	29/12	02/01			
J/6	Iyevrett	GI	Sing	EBPL	30/12	05/01			
J/7	Banglar Doot	GL	Mong	BSC	28/12	02/01			
J/8	Chong Gen	R Seed	Sing	USTC	30/12	04/01			
J/10	Dolores	Idle	Seacom	R/A	15/01				
J/11	Iyamburenko	Cont	Sing	CT	30/12	02/01			
MPB/1	Banglar Robi	Cont	Sing	BSC	31/12	02/01			
CCJ	Pearl of Fajairah	C Clink	Vish	Seacom	30/12	07/01			
GSJ	Pan Trader	Wheat (G)	Sanf	Lams	30/12	03/01			
TSP	Banglar Gourab	Repair	Male	BSC	24/12	06/01			
RM/4	David	CDSO	Durb	Seacom	31/12	05/01			
RM/6	Tanary Star	Cement	V Pat	PSAL	24/12	07/01			
DDJ/1	Banglar Sampad	Repair	Kara	BSC	14/12	10/01			
DDJ/1	Banglar Asha	Repair	Cal	BSC	R/A	02/01			
RM/9	Banglar Shourab	Repair	Cal	BSC	R/A	01/01			
CUFJ	Vishva Bhram	Repair	Cal	SSL	10/12	01/01			

Vessels Due at Outer Anchorage

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
Silver Lake	1.1.94	Hong	Prog	GI	
Iokasti	1.1.94	Tuti	Litmond	Cement	
Stonewall Jackson	1.1.94	Karna	GI		
Golden Kris	1.1.94	USTC	Cement		
Sea Nymph	1.1.94	S Hai	PSAL	GI	
Sanku Spruce	1.1.94	Linc	Ancient	Wheat (G)	
Ronjay Victory	5.1.94	USTC	Cement		
Al Tabith	1.1.94	BSC			
Pavilina-1	2.1.94	Seabird	C Clinker		
A Tolstoy	2.1.94	MSA	S Ash		
Kabridas	3.1.94	Col	Prog Equip & Mater		
Petr Starostin	3.1.94	Cal	SSL	GI/CL	UK Dundee
Ingeniuty	5.1.94	Sing	CT	Cont	Sing
Banglar Moni	6.1.94	Sing	BSC	Cont	Sing
Imke Wehr	6.1.94	Sing	APL (B)	Cont	Sing
Dehkhoda	8.1.94	Mong	SSL	GL	B Abbas
Karabievrett	8.1.94	Sing	EBPL	GI	Fe St
Infinity	8.1.94	Sing	RSL	Cont	Sing
Fong Yun	10.1.94	Sing	BDSHIP	Cont	Sing
Hang Wan	15.1.94	S Hai	BDSHIP	Cement	GI
San Pablo	20.1.94	Sing	JF	Vehicles	

Tanker Due

Nil

Vessels at Kutubdia

Nil

Vessels At Kutubdia

Nil

Vessels Ready

*Zara	*Baltimar Zephyr	*Fong Shin	*Eponyma	*Esao Melbourne	*Paxi	*Banglar Jyoti
	H Cargo	Cont	Cont	HSD/MS	TSP (P)	Repair
	Sing	Sing	Sing	Sing	Sing	Sing
	EHPL	BDSHIP	CTS	MSPL	EOSL	BSC
	31/12	31/12	01/01	30/12	26/12	R/A

Vessels Awaiting Instruction

Loyal Bird	Sea Byol	Samudra Rani	Vishva Madhuri	Al Tabith
	Mong	Litmond	SSL	SSL
	15/11	R/A	R/A	R/A

Movement of Vessels for 02/01/94

Outgoing	Incoming	Shifting
J/2 Continental-1 (GI)	J/2 Regine (GI)	J/9 Eponyma to MPB-1
J/5 Pearl One (GI)	TSP Tokasta (Cement)	RM-4 David to RM-3
J/7 Banglar Doot (GI)	J/5 A Tolstoy (Soda)	TSP Banglar Gourab
J/13 Iyamburenko (Cont)	J/7 Jiu Yui Shan	
MPB-1 Banglar Robi (Cont)		
DDJ-1 Banglar Asha		

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

Dhaka Stock Prices

At the close of trading on January 1, 1994.

Aftab Automobiles leads gainers

The Aftab Automobiles dominated the gainers' list with a rise of 8.638 per cent in its share prices while the share price of Aroma Tea lost by 16.666 per cent leading the losers on the floor of the Dhaka Stock Exchange (DSE) on Saturday, the opening day of the week.

Among the issues traded, the Ashraf Textile, the Quasem Drycells, the Bex