

# Clinton unveils annual budget

WASHINGTON, Feb 8: President Clinton presented a 1.52 trillion dollars budget for 1995 to Congress Monday that would pare hundreds of programmes and drive federal deficits to their lowest level in six years. He would quadruple cigarette taxes to help finance his plan to revamp the US health-care system, reports AP.

"It's the toughest budget on spending cuts that Congress has yet seen," Clinton told a business group in Houston. He said the budget must pass without major change to further economic growth.

Unlike his first budget a year ago, Clinton unveiled no sweeping new policy overhauls for the fiscal year that begins October 1.

Instead, the president proposed savings required by the near 500 billion dollars deficit-reduction plan Congress agreed to last summer. He would use some of the savings for highway construction, aid for poor pre-school children

and dozens of other programmes he says will help the economy grow.

But because of the spending ceilings imposed by last year's deficit-reduction package, Clinton would pay for those increases by eliminating a weather office in Samoa and 114 other small programmes, and by holding hundreds of other programmes at or below this year's spending.

Clinton said in a message accompanying budget, printed in four volumes, that gridlock has been overcome and Congress and the president "are finally working together to confront our country's problems."

Despite the improving deficit picture and his impressive budget successes of last year, a rocky road awaits the proposal in Congress. Conservatives believe it leaves spending and deficits at unacceptably high levels, while liberals say it is too tough on social programmes like public housing and aid dispensed to

many poor people for their utility bills.

Beyond the higher tobacco tax, Clinton's package imposes no new, general tax increases. It does, however, increase government revenues by 1.52 billion dollars in 1995 by increasing more than 30 user fees, ranging from higher entrance fees at national parks to increased fees for meat and poultry inspections.

Defence spending would rise slightly to 263.7 billion dollars, less than three billion dollars more than this year. Since some of the funds are for long-term projects like weapons development, some of it will be spent over the next several years.

Clinton would pare 181,000 troops and civilian personnel from the department, while continuing development of the Air Force's F-22 stealth fighter, a new attack submarine and the new Comanche attack helicopter for the Army.



US Secretary of Defence William Perry shows charts to reporters on Monday during a briefing on the proposed 1995 Department of Defence budget. — AFP photo

## Pak cotton crop output cut by 10 pc

KARACHI, Feb 8: A virus attack has damaged Pakistan's cotton crop for the second successive year, cutting production by at least 10 per cent, the Karachi Cotton Association (KCA) Chief said yesterday, reports AFP.

Officials here had estimated that the country would harvest at least 10 million bales, but leading brokers said it was unlikely to reach even eight million.

KCA President Maqbool Sadqi told AFP that only 7.4 million bales had reached the market so far. This amount accounts for almost 95 per cent of the total crop this year, he said, adding that it was 10 per cent less than last year. The shortage has resulted in a rise in cotton prices.

The country suffered a 25 per cent drop in cotton production last year. The shortfall was caused by a virus attack that badly damaged crops in the major cotton-growing Punjab province.

Pakistan Cotton Spinners Association officials said that 8.3 million bales should have reached the market by now, but so far it remained at around 7.4 million bales. The country's total spinning requirements are estimated at around 8.5 million bales.

## Bank of England cuts interest rate

LONDON, Feb 8: The Bank of England on Tuesday announced an interest rate cut of 0.25 points to 5.25 per cent in its minimum lending rate, reports AP.

Chancellor of the Exchequer Kenneth Clarke issued a statement saying the decision to lower interest rates was made because inflation has proved lower than expected and its outlook appears subdued.

Economist had widely predicted a cut in the cost of borrowing to offset the tax rises due to effect the economy beginning in April.

## ITWF concerned over PAL safety

MANILA, Feb 8: An international union has expressed concern over the safety of Philippine Airlines flights because of reports the airline will use untrained staff as cabin crew if flight attendants go on strike, reports AP.

In a letter to PAL President Carlos Dominquez, the International Transport Workers Federation said it was informed "catering and management staff" were being given two-day training to work as flight attendants and stewards.

"Our federation is particularly concerned that an airline is ready to take measures which would jeopardize the safety of any passenger intending to travel on a PAL flight," the union said in the letter. The AP obtained a copy of the letter Tuesday.

"We would urge your personal intervention to put an immediate stop to any strike-breaking actions, and any actions which threaten passenger safety in the dispute," the letter said.

PAL officials refused to comment pending results of an investigation by Labor Secretary Nieves Confesor, who last week assumed jurisdiction over the dispute and banned a strike.

The 1,800-strong Flight Attendants and Stewards Association of the Philippines has voted to strike over demands to improve working conditions and the retirement system and for pay raises.

## DHAKA BANGLADESH, FEB 8



Mahbubur Rahman (L), President, FBCCL, speaking at a press briefing on the Dhaka meetings of SAARC Chamber of Commerce and Industry on Tuesday. S M Inam, President of the SAARC chamber, is also seen. — Star photo

## Reforms in Indian stock markets to continue

BOMBAY, Feb 8: The new chief of India's market watchdog agency said Monday he would pursue his feisty predecessor's efforts to reform the bourses and force them to conform to world standards, reports AFP.

"We will pursue our regulatory functions with full vigour and visibility," Suresh Nadkarni, the Chairman of the Securities and Exchange Board of India (SEBI), said at his first news conference since taking office 20 days ago.

"I am saying this up front. There should be no doubts that we would continue full regulation," Nadkarni said, sending out a warning to errant market players that they could not expect to relax with G V Ramakrishna out.

Jubilant brokers had celebrated with fireworks Ramakrishna's transfer last month to New Delhi as a member of the policy making planning commission.

As SEBI chief, the tough bureaucrat had several times come into conflict with brokers in his drive to reform the markets. He took steps to prevent insider trading, protect investors and make the markets more transparent.

At his first formal meeting with the press, Nadkarni said he would continue the regulatory role and push for increased modernisation on India's 22 stock markets.

"We will give priority to moving towards screen-based trading and having globally-accepted depository and custodial services here," Nadkarni said, adding that SEBI had sought more regulatory powers.

"We want to give more teeth to SEBI, which should be empowered to see that there is full truth in all securities transactions," he said, echoing Ramakrishna, who was accused by brokers of being dictatorial and heavy-handed.

## Australian media mogul meets Indian leaders

NEW DELHI, Feb 8: Australian media mogul Rupert Murdoch began meeting Indian business and government leaders Tuesday to boost his fast-growing satellite television network, reports AP.

Murdoch, who arrived here Monday with executives of his New York-based News Corp Ltd, is to meet Prime Minister P V Narasimha Rao and Finance Minister Manmohan Singh, said a spokesperson for the Hong Kong-based STAR TV, which he controls.

Murdoch, who recently bought Fox Broadcasting in the United States, is looking for tie-ups in the telecommunication industry, the spokesperson said.

The spokesperson, who spoke on condition of anonymity, did not give details of Murdoch's business plans in India. Since China banned unauthorised satellite dishes last year, India offers the biggest market for STAR. There are already 14.4 million viewers in India, a country of 880 million people.

India also has the largest English-speaking audience in Asia.

Murdoch, on an eight-day trip, flies to Bombay on Friday where he will meet movie and television producers.

India has been liberalising its economy in the last two years, leading to a growing interest among Asian and Western companies. Murdoch is negotiating to telecast live the presentation of India's annual budget on February 28, the spokesperson said.

Partly spurred by STAR's growing accessibility, India has reopened the debate over a 38-year-old ban against independent operations by foreign newspapers and media organisations.



A M Anisuzzaman, Chairman, Board of Directors of the Uttara Bank Ltd, inaugurating the regional heads' conference of the bank yesterday. Managing Director M Hayatun Rahman, Executive Vice President Mominal Hussain and Senior Vice President Shamsuddin Ahmed are also seen in the picture.

## Cotton price up in London

LONDON, Feb 8: The price of cotton rose in the Liverpool market to almost 0.80 dollars a pound on Thursday, the highest price since July 1991, after industry analysts forecast poor harvests in Asia, market sources said, reports AFP.

In India, the fourth largest producer in the world, the problem is there but less serious. The 1993/94 harvest is expected to fall by 0.5 million bales to under 10 million bales, the EIU said.

China, the world's largest producer, has been harder hit by bad weather and analysts expect a fall in the harvest to under 18.5 million bales this year from the previous estimate of 21.2 million.

David Morris, an analyst at the International Committee of Rayon and Fibres, said the world cotton harvest was expected not to exceed 80 million bales in 1994, 13 per cent down on 1993.

year, the Economic Intelligence Unit (EIU) said in a recent report.

The Pakistani textile industry will use up 6.5 million bales leaving little for export, the unit added.

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## 4 ex-communist states to form free trade zone

PRAGUE, Czech Republic, Feb 8: Poland, Hungary, the Czech Republic and Slovakia agreed Friday to form a Central European Free Trade Zone within five years, reports AP.

The agreement, known as CEFTA, was signed in 1992 but trade ministers from the four countries decided to speed up the liberalisation process, which had been set at eight years.

Within five years from signing this agreement there should be a free trade zone for 65 million people, Dlouhy said according to CTK, the Czech news agency.

The four nations are among the most economically advanced of the former Soviet republics. CEFTA is also seen as a preliminary step to possible admission into the European Union of Western industrialized states.

## Exchange Rates

The following are the Sonali Bank's dealing rates, to public for some selected foreign currencies effective as on February 8.

Currency	Selling		Buying	
	TT & OD	EC	TT Clean	OD Sight Transfer
US Dollar	40.1245	40.1545	29.9200	39.8355
Pound Sterling	59.6411	49.6856	58.8722	58.7477
DM	22.9355	22.9526	22.5851	22.5352
F Franc	6.7660	6.7710	6.6622	6.6482
C Dollar	30.0262	30.0486	29.5589	29.4593
S Franc	27.5070	27.6273	27.0852	27.0279
Jap Yen	0.3734	0.3737	0.3640	0.3632
Indian Rupee (AMU)	1.2825	1.2868	1.2722	1.2564
Pak Rupee (AMU)	1.3245	1.3953	1.3138	1.2975
Iranian Ryal (AMU)	0.0229	0.0230	0.0227	0.0224

A) T. T. (DOC) US Dollar Spot Buying Tk 39.8777  
 B) US Dollar Rates:  
 30 Days DA 39.2885 60 Days DA 39.0057 90 Days DA 38.7230 120 Days DA 38.1574 180 Days DA 38.1574  
 C) US Dollar sight export bill 3 months forward purchase: Tk. 39.8355  
 D) US Dollar 3 months forward sale: Tk. 40.5545

Indicative Rates

Currency	Selling T.T. & O.D.	Buying O. D. Transfer
S Riyal	10.7004	10.5889
UAE Dirham	10.9265	10.8120
Kuwaiti Dinar	135.0639	133.3305
Singapore Dollar	25.2374	24.9607
D Guilders	20.6470	20.4282
S Kroner	5.1118	5.0525

Note: AMU—Asian Monetary Union.

## Shipping Intelligence

### Chittagong port

Berth position and performance of vessels as on: 8-2-94

Berth No	Name of vessels	Cargo	Last port	Local agent	Date of arrival	Leaving
J/1	Rong Jiang	GI	Sing	Prof	07/2	14/2
J/2	Vishva Vikram	GL	Mong	RHSA	03/2	09/2
J/3	Banglar Sampad	GL	Mong	HSC	04/2	09/2
J/4	Marine Three	Cement	Tuti	MMI	21/1	11/2
J/5	Island Sky	D Peas	Sing	MSA	01/2	10/2
J/7	Samudra Samrat	GI	Kara	SSL	02/2	09/2
J/10	Dolores	Idle	Seacon	R/A	15/2	
J/11	Smryna	Wheat(F)	Sing	Litmond	18/1	
J/12	Fong Yun	Cont	Sing	BDSHP	06/2	09/2
J/13	Hang Wan	Cement	S Hai	BDSHP	31/1	12/2
MF/B/1	* Infinity	Cont	Sing	CTS	04/2	08/2
J/13	APJ Angad	Wheat(G)	Rwen	OWSL	03/2	09/2
TSP	Iokasti	Cement	Tuti	Litmond	01/1	15/2
RM/3	Aliares	GPO	Pena	Royal	07/2	09/2
RM/4	* Pu Aspiraton	Cement	Sing	PSAL	03/2	14/2
RM/5	* Gemini	HSD	Sing	MSPL	04/2	08/2
DOJ	Banglar Jyoti	C Oil	Sing	BSC	R/A	11/2
RM/9	Banglar Asha	Repair	Sing	BSC	R/A	10/2

### Vessels due at outer anchorage

Name of vessels	Date of arrival	Last port	Local agent	Cargo	Loading port
Al Reza	08/2	Mong	BSL		
Calatagan AM	18/2	Wall	Litmond	Dun Peas	
Lanka Mahapola	08/2	Col	Baridhi	Cont	Col
Hang Loy	08/2		Nisbat	Cement	Chin
Salem Nine	19/2	Sing	MSA	SSP	
NGS Ranger	09/2	Sing	BDSHP	Cont	Sing
Meng Kiat	09/2	Sing	AML	Cont	Cal
Meng Lee	09/2	Cal	AML	Cont	Sing
Shaplaeverett	09/2	Sing	EBPL	GI	Japa Fe
Blue Ocean	10/2	Cal	Cross	Phises	Yang
Dorlanne	10/2	Hald	MBH	Wheat (F)	
Chestnut Hill	11/2	Sing	BSL	Wheat(G)	
Andrian Goncharov	11/2	Sing	CT	Cont	Sing
P-pouyma	11/2	Sing	CTS	Cont	Baha
Philia	11/2	Sing	USC	Cement	
Banglar Robi	12/2	Mong	BSC	Cont	Sing
Foag Shin	13/2	Sing	BDSHP	Cont	Sing
I Yamburenko	14/2	Sing	CT	Cont	Sing
Iugentaty	14/2	Col	RTSA	Cont	Sing
Ivra Vazov	15/2	Cont	GTL	GI	
Imke Wehr	16/2	Sing	APL/BI	Cont	USA Fe
Robert Lee	17/2		Karna	GI (Lash)	
San Pablo (Roro)	17/2		JF	Vehicles	
Luna II	19/2		Prog	Wheat(G)	
Pine Trust	23/2		Prog	Wheat (G)	

### Tanker due

Nina	09/2	Sing	MSPL	(RM/S)
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### Vessels at Kutubdia

Name of vessels	Cargo	Last port	Local agent	Date of arrival
* Moskoviysky Komsonolets	Cement	Tuti	ANCL	7/2
* Kota Boana	Cont	Sing	RSL	8/2
* Gold Finch	MPO (F)	UKRA	MSA	4/2
* Mauo D Alesto	HSD/SPK	Sing	MSPL	05/2
* Al Tabith	Mong	BSC	BSL	5/2

### Vessels not ready

Ronjay Victory	Cement	Viza	USC	07/1
Qun Chong Nyon Ho	Cement	Sing	Litmond	03/2
Hang Cheung	Cement	Sing	PSAL	06/2

### Vessels awaiting instruction

Lowal Bird	Mong	Sevon	15/11
Banglar Shourabh		HSC	R/A (4/2)

### Vessels not entering

Litua	Cement	Sing	USC	01/2
Ouremia		Sing	seabird	R/A (3/2)
Akademik Semenov	HSD/PI	Sing	Q/SI	27/12
Sonne	Crew		Ancient	R/A (12/2)

### Movement of vessels for: 9/2/1994

Outgoing	Incoming	Shifting
J/2 Vishva Vikram	J/12 Lanka Mahapola	
J/3 B Sampad		
J/7 Samudra Samrat		
J/9 Al Tabith		
J/11 Smryna		
J/12 Fong Yun		
GSJ APJ Angad		
RM 3 Antares		

The above were the Tuesday'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 February 8, 1994

## Bata Shoe leads gainers

Star Report

The Bata Shoe Company (Bangladesh) Ltd with 52080 shares dominated the 29 gainers out of 58 issues traded on the floor of the Dhaka Stock Exchange (DSE) on Tuesday.

Among the gainers, the Quasem Drycells (8000), Monno Ceramic (3120), Cig Cement (1745) and the Eagle Star Textile (1400) also gained significantly.

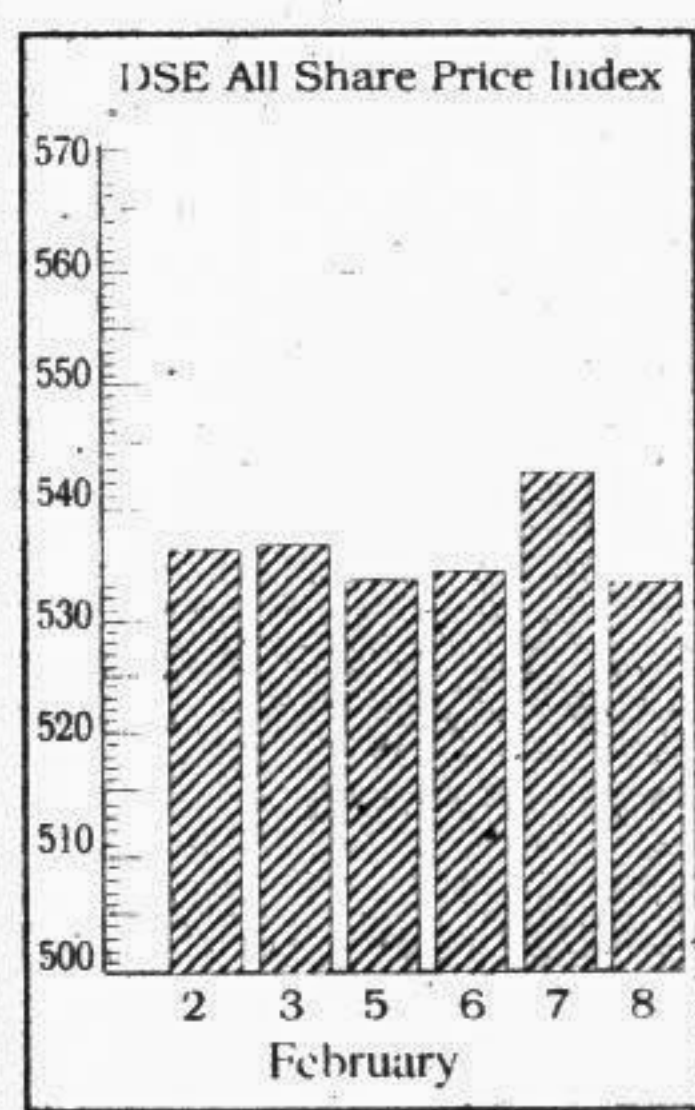
The GQ Ball Pen trading 58015 shares led the losers numbering 20.

Other major losers were: The Bengal Food (5143), Ambee Pharma (1100), Wata Chemical (1260) and the Beximco Ltd (14000).

The turnover on the DSE in volume term rose by 168.637 per cent and the turnover in value term showed a gain of 125.815 per cent.

A total of 166800 shares worth Taka 18029432.00 changed hands as against 72981 shares valued at Taka 7984152.00 of the previous day.

The DSE All Share Price Index incurred a loss of 9.088 points, declining to 533.65037 from 542.73923.



### Trading at a glance

DSE All Share	533.65037
Price Index	1.00
Market Capitalisation Tk	24277293694.80
Turnover in Volume Tk	166800
Turnover in Value Tk	18029432.00

Company's name	Change Number (perof shares share) traded
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