# Malaysia announces boycott of British companies

KUALA LUMPUR, Feb 25 Malaysia said Friday it was barring British companies from all further government contracts in retaliation for London press reports alleging corruption among Malaysian politicians, reports AP.

"The Cabinet has decided not to entertain any new British contracts with British companies, particularly involving government aid or assistance." Deputy Prime Minister and Finance Minister Anwar Ibrahim told a news conference in Malaysia's capital.

Britain expressed concern over the move and said it hoped the Kuala Lumpur government would reverse itself for the sake of both sides.

"Trade with Malaysia is very important to us, and our relationship is actually very important economically to Malaysia as well," Kenneth Clarke. Chancellor of the Exchequer, told the British Broadcasting Corp.

British officials stressed the government has no control over what appears in Britain's

RBI to punish

banks failing

to reduce

bad debts

Reserve Bank of India (RBI)

will punish banks that fail to

bring down high levels of bad

debt, RBI Deputy Governor D R

Mehta said yesterday, reports

their (bad debt) levels will be

penalised," Mehta warned,

of the penalties but said 22 per

cent of the total assets of state-

run banks were in the form of

bad debts, compared to inter-

national levels, of three to four

to a large extent to the banks

being forced by the govern-

ment to lend to farmers and

artisans at low rates of interest

wheat import

once the world's biggest buyer

of wheat, has cut imports as its

economy deteriorates and is.

now expected to purchase less

wheat than Egypt or South

Korea, world grain experts

said yesterday, reports Reuter.

Council, a London-based group

of importing and exporting

nations, said it expected

Russia to import just four mil-

lion tonnes in 1993/94 (July/

June), sharply down from an

estimated 11.1 million tonnes

Egypt will probably buy 5.7

million tonnes and South

Korea some 4.6 million tonnes

this season, the IWC said in its

"Numbers of livestock

consumers of feed wheat -

have been coming down in

Russia and human consump-

tion is also declining," said Bill

De Maria, chief economist at

China reduces

crude oil

imports

has not issued any official di-

rectives to suspend or stop

crude oil imports but pur-

chases have been reduced due

to high domestic crude and oil

product stocks, Chinese state

has been reduced, but pur-

chases on existing term con-

tracts won't be affected," a

trader with state China United

duction was only a temporary

measure given current high

domestic stocks. He expected

imports to increase again.

There would be more demand

for gasoil .... when spring be-

National Chemicals Import and

Export Corp (SINOCHEM) said

he did not rule out the possi-

bility that rumours of the tem-

porary ban on spot imports

were circulated with the in-

tent of depressing interna-

Chinese energy affairs said re-

cently there was a ban of new,

for the last month that Beijing

was mulling temporary sus-

pension of spot crude and

product imports to encourage

can only be made through im-

Oil purchases into China

more domestic oil sales.

port permits.

long-term product contracts.

A source familiar with

Rumours have been swirling

A source with the China

But he stressed that the re-

Corp

Petrochemicals

(UNIPEC) told Reuters.

"The sport import volume

oil sources said.

gins," he said.

tional prices.

SINGAPORE, Feb 25: China

monthly market report.

in 1992/93.

the IWC.

The International Wheat

LONDON, Feb 25; Russia.

Moscow cuts

with little security.

The losses were attributed

Mehta provided no details

"Banks which fail to reduce

Reuter.

per cent.

BOMBAY, Feb 25: The

"The British government often complains about what is in the British press, but it is not a matter for us to centrol what appears in these reports," said Clarke

The Sunday Times reported February 20 it had obtained documents from British construction company George Wimpey International (GWI) which showed the company of fered bribes to Prime Minister Mahathir Mohamed and other politicians in pursuit of a 615 million pounds (904 million dollars) contract for an aluminium smelter.

The London paper reported: "An initial payment of 50,000 dollars was approved for payment to a middle man who was to pay it into nominated account numbers in Switzerland for a team of politicians in Malaysia which was helping Wimpey win the contract.

"The documents also indi cate the middle man had made contact with Dr Mahathir who had stated his personal commitment to the project and agreed that it should come

to GWI. From the middle man Wimpey got the impression that Mahathir would receive some of the money. Despite this Wimpey did not win the contract.

Prime Minister John Major messaged Mahathir Thursday night in a bid to head off a

An initial casualty could be Malaysian government contracts worth two billion pounds (2.9. billion dollars) won by British companies for an airport project at Sepang near Kuala Lumpur

In the 1980s, Malaysia, an ex British colony, adopted a Buy-British-Last policy to protest high fees imposed by the London government on Malaysian and other foreign students in Britain. Malaysia dropped that policy after six years following intervention by the then prime minister Margaret Thatcher.

Since then, trade between the two countries has boomed and Malaysia is the biggest market for British companies in the Asia Pacific region apart from Hong Kong.

British exports to Malaysia. most based on contracts with the government there, totalled 862 million pounds (1.26 billion dollars) last year. Malaysian exports to Britain in the same period totalled 1.4 billion pounds (2 billion dollars).

Major's government has recently confirmed that in 1988 a sale of British arms to Malaysia was at first formally linked to the provision of British aid but that Malaysia was later told such a link was not permissible under British

A grant of 234 million pounds (343 million dollars) in British aid for Malaysia's Pergau hydro-electric dam project was eventually approved by Foreign Secretary Douglas Hurd after consulting Major.

Hurd overruled the advice

of British officials that the Pergau project was economically unsound in order to honor earlier commitments. An inquiry into the affair is being conducted by a parliamentary committee in London.

## Yeltsin vows to defend economic reforms

MOSCOW, Feb 25: President Boris Yeltsin, seeking to allay fears that Russia is swinging away from a Western-style market economy, declared reforms a priority in 1994 but said a middle way must be found to ease their burden on the people, reports Reuter.

"As long as I am the presi dent, I will defend and protect the course of economic transformation," Yeltsin said in a televised state of the nation speech.

Yeltsin, in a warning to a government that has announced generous spending plans and delayed key economic decisions, said the crisis would be prolonged if inflation was not curbed.

"The government is far removed from people's everyday lives," the President declared.

Failure to approve a 1994 budget has triggered inflation fears. The rouble tumbled for the second day in a row on Thursday to a record low of 1.57 to the dollar, down 1.99 per cent from Wednesday.

Enterprises must stop producing products which nobody needs. Before providing selective support for enter-

prises, we must stop and think whether the products they produce are needed in this

country," Yeltsin said. With most reformers ousted from the government, a conservative cabinet under Prime Minister Viktor Chernomyrdin has promised trillions of roubles in cheap credits to industries to reverse a decline in production.

The government has no magic solution to the crisis. It is under pressure to avert the threat of labour unrest in state industries where supporters of "shock therapy" in the previous government frequently delayed wage payments and cut subsidies.

The economy is still shrinking, with gross national product falling 12 per cent in 1993 after 1992's 19 per cent

Acting Finance Minister Sergei Dubinin has promised an austerity budget with a deficit of five per cent of gross domestic product (GDP).

But conservative central bank Chairman Viktor Gerashchenoko said this week the government would not be able to keep its 1994 deficit below 60 billion to 70 trillion

## ROK offers jt economic projects with DPRK

SEOUL, Feb 25: South Korean President Kim Young-Sam on Friday offered joint economic projects with North Korean after the communist state clears suspicions it is developing nuclear arms, reports Reuter.

In a speech marking the first anniversary of his inauguration as head of state, he expressed fears that North Korea's suspected nuclear weapons programme could block efforts to reunify the divided Korean peninsula.

"I take this occasion to make it clear that once the North gives up its nuclear arms development programme and opts for serious intra-Korean dialogue, we are willing to tap our technological expertise and capital resources to expeditiously pursue joint economic development with the

Kim said joint projects could cover the manufacturing. agriculture, construction and energy sectors,

North....." he said.

US Secretary of State Warren Christopher said last week the world did not want to isolate economically struggling North Korea, and he made a strong pitch for the benefits that 'could accrue if the North resumed a dialogue with Seoul and satisfied international nuclear demands.

"The international commutions," Christopher said.

#### The South Korean President was offering a new olive branch to North Korean in a bid to persuade Pyong-Yang to allow experts to inspect its nuclear sites.

nity, I would stress, does not seek to isolate North Korea.... we wish to help it join the mainstream of East Asian na-

## US Congress will force Japan to open markets

People offer bundles of firewood in a street downtown Sarajevo Thursday. The Bosnian

Interior Ministry withdrew the ban on citizens gatherings in the open which was introduced

WASHINGTON, Feb 25: Two weeks after President Clinton failed to win a new trade deal with Tokyo, Congress took matters into its won hands Thursday with steps to force Japan to buy American or risk

shortly after the February 5 market massacre.

The move not only turns up the screws on Tokyo but piles new pressure on the Clinton administration to make good on its threat to force Japan to cut its massive trade surplus.

sanctions, reports Reuter.

Lawmakers said they would introduce a bill that would mirror Clinton's effort of coerce Tokyo into a marketopening strategy, but this time backed by an overt sanctions threat.

"The bottom line here is that we've tried, everything else," said house majority leader Richard Gephardt. "If Japan continues to travel down

a narrow one-way trading street, pretty soon we're all going to reach a dead end."

Under his bill, the US side would reviews Japan's imports in key areas and set a timetable for winning specific

#### Indonesia asks US to increase textile quota

JAKARTA. Feb 25: Indonesia on Friday asked Washington to increase its textile quota in return for cotton imports from the United States, reports AP.

Minister of Industry Tungky Ariwibowo spoke with reporters after meeting with the visiting US Undersecretary of Commerce for International Trade Jeffrey Garten.

Three Chinese women walk past an advertisement board of

US softdrink company Pepsi Cola in Beijing Feb 25 featuring

Michael Jackson's Dangerous World Tour. China's

advertising industry notched up a record annual turnover of

10 billion yuan (1.15 billion dollars) last year. — AFP photo

While the Japanese embassy had no immediate reaction to the new bill, US Trade Representative Mickey Kantor praised "this expression of Congressional support for a policy that finally achieves real market opening in key sectors in Japan.

- AFP photo

AFP from Tokyo says: Prime Minister Morihtro Hosokawa on Friday agreed with cabinet ministers to draw up a package of voluntary measures aimed at opening Japan's markets by the end of March, officials said.

Hosokawa last week outlined a four-point package of voluntary trade measures covering deregulation, promoting imports and investment from abroad, competition and government procurements. Ministers from related government agencies met Friday to discuss the package.

### Seoul posts first current account surplus in 4 yrs SEOUL, Feb 25: Due to a boom in exports, South Korea recorded its first current-ac-

count surplus in four years. Bank of Korea officials said Friday, reports AP. The 450 million dollar sur-

plus for 1993 follows a deficit of 4.53 billion dollar the year before, the central bank officials said. The current account mea-

sures a nation's trade in goods and services plus certain other capital flows. Exports gained by 7.8 per

cent to 81.02 billion dollar, and imports rose by 2.1 per cent to 78.95 billion dollar, resulting in a surplus of 2.08 million dollar, they said: The trade balance recorded a deficit of 2.15 million dollars in 1992. The upswing in exports was

the result of a two-digit increase in overseas trade in heavy and chemical industry products, officials said. Price competitiveness of South Korean products as the result of the rise in the Japanese yen also helped exports, they said. While the current account

is forecast to record a surplus of between 500 million dollars to one billion dollars this year, the gain is not guaranteed in the long run, officials cautioned.

Last year's current account surplus was the first since 1989, when South Korea recorded a surplus of 5.05 billion dollar.

## Asian stock markets close mostly lower

HONG KONG, Feb 25: Asian stock markets closed mostly lower Friday, with prices plunging in Hong Kong for the second straight day because of jitters about the political future of this British colony, reports

AP. The Hang Seng Index, the Hong Kong market's key indicator of blue chips, fell 331.77 points, or 3.1 per cent, closing at 19,100.25. On Thursday, the index had tumbled 331 points.

Brokers attributed the continued tumble to the decision on Thursday by Gov Chris Patten to push ahead with his democratic plans for the territory, which reverts to Chinese rule in 1977.

China has warned that Patten's action has shut the door on Sino-British negotiations on the smooth transition of Hong Kong to Chinese sovereignty.

Weakness in overseas markets also added ie bearish sentiment, the rokers said. Going against the trend was the Tokyo Stock Exchange.

where prices rose for the second consecutive session. The 225-issue Nikkei Stock Average gained 37.90 points, or 0.19 per cent, to wrap up

the week's trading at 19,803.38. The aver- had gained 423.65 points, or 1.84 per cent, on Thursday. The Tokyo Price Index of

all issues listed on the first section was up 2.25 points.

The markets were closed in Thailand and the Philippines for national holi-

TAIPEI: Share prices closed lower despite some bargainhunting late in the session. The market's Weighted Index fell 4.13 points to 5,666.58 after Thursday's 98-point slump.

WELLINGTON: New Zealand share prices slumped in line with weaker world stock exchanges. The NZSE-40 Capital Index fell 52.98 points, or 2.3 per cent, to 2,216.28. SYDNEY: Australian share

prices closed sharply lower because of concerns about higher interest rates in the United States and the overnight slump on Wall Street. The All-Ordinaries Index closed at 2,148.8, down 48.2 points or 2.2 per cent. SEOUL: Share prices closed

lower in light trading. The Korea Composite Stock Price Index fell 12.39 points to 919.76.

SINGAPORE: Share prices closed lower for the second straight day in choppy trading. The 30-share Straits Times Industrials (STI) Index fell 27.85 points to 2,357.39.

**KUALA LUMPUR:** Malaysian share prices closed mostly lower on heavy profit taking in the light of losses in regional markets. The Composite Index fell 22.3 points to 1124.11.

## Exchange Rates

The following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on Febru-

Currency			(Figures		
	T & OD	elling EC	TT Clean	Buying OD Sight Ex. Bills.	OD Transfer
US Dollar	40:1820	40.2120	39.9805	39.8965	39.7725
Pound Sterling	59.4332	59.4776	58.6718	58.5486	58.3665
DM	23.3656	23.3831	23.0106	22.9622	22.8908
F Franc	6.8783	6.8835	6.7741	6.7598	6.7388
C Dollar	29.9932	30.0156	29.5239	29.4620	29.3704
S Franc	27.7775	27.7982	27.3444	27.2869	27.2021
Jap Yen	0.3825	0.3828	0.3727	0.3719	0.3708
Indian Rupee (AMU)	1.2825	1.2863	1.2722	1.2564	MACHINI STATE
Pak Rupee (AMU)	1.3171	1.3211	1.3065	1.2903	-
Iranian Riyal (AMU)	0.0230	0.0231	0.0228	0.0225	

90 Days DA 120 Days DA 180 Days DA 39.6312 39.3480 39.0648 38.7816 38.2152 C) US Dollar sight export bill 3 months forward purchase: Tk. 39.8965 Tk. 40.6120 D) US Dollar 3 months forward sale: **Indicative Rates** Selling Buying

Currency T.T. & O.D. O. D. Transfer S Riyal 10.6989 10.5889 UAE Dirham 10.9265 10.8120 Kuwaiti Dinnar 135.3644 133 6446 Singapore Dollar 25.1817 24.9091 D Guilders 20.7039 20.4873 S Kroner 5.0420 4.9874

Note: AMU-Asian Monetary Union.

## Dhaka Stock Prices

Weekly comparison: At the close of tradings on February 17 and February 24, 1994

	· · ·	17 and			1993-94
Company	FV/ML*	Feb 17 Taka	Reb 24 Taka	High	Low
BANKS (12) Al Baraka Bank	1000/1	805.00	810.00	908.00	
A.B Bank City Bank	100/5	175.00 290.00	185.00 292.00	200.00 355.00	160.00
Eastern Bank IDLC Ltd	100/20	110.00	110.00 265.00	110.00	105.00
LFIC Islami Bank	100/5	155.13 1407.00	158.00 1410.00	198.00	140.00
National Bank Pubali Bank	100/5 100/5	120.00 100.00	120.00 100.00	130.00	85.00
Rupali Bank U.C.B.L	100/10 100/5	80.00 108.00	80.00 108.00	91.00	65.00
Uttara Bank INVESTMENT (	100/5	90.00	90.00	103.00	87.00
ICB 1st ICB M.Pund	100/5 100/5	110.00	110.00	113.00 750.00	
2nd ICB Fund 3rd ICB M. Fund	100/5 100/5	190.00 159.00	183.00 162.00	205.00 195.00	160.00
4th ICB M. Fund 5th ICB M. Fund	100/10	160.00 133.92	163.50 135.38	190.00	
6th ICB M. Fund Unit Certificate	100/10 113.00	96.02	98.78	107.00	57.00
Sales Price Re-purchase	108.00	118.00 113.00	118.00 113.00		
INSURANCE (4) BGIC	100/10	305.00	305.20	330.00	177.00
Green Delta Peoples	100/10 100/10	272.00 405.00	300.00 405.00	307.00 405.00	
United ENGINEERING (	100/10	275.00	294.17	305.00	186.00
Aftab Automobile Atlas Bangladesh		216.21 50.00	220.00 53.48	290.00 62.00	
Aziz Pipes Bangladesh Autoc	100/5	291.00 30.00	301.00 37.41	300.00 68.00	225.00
Bangladesh Lamp B.Thai Alluminius	s105/5	500.00 86.00	500.00 95.00	720.00 96.00	240.00
Bengal Carbide Bengal Steel	100/5	502.56 20.00	502.56 20.00	510.00	
Eastern Cables Howlader PVC	100/5 100/10	81.00 74.00	89.60 74.00	92.00 116.00	100 ACC   100 AC
Karim Pipe Metalex Corp.	100/5 100/5	80.66 39.00	80.66 38.00	88.00 41.00	54.00
Monno Stafflers Monno Jutex	10/05	340.00 1000.00	280.00 1000.00	340.00 1000.00	155.00
National Tubes Panther Steel	100/10 10/50	57.00 8.00	57.00 8.00	68.00	
Quasem Drycells Renwick Jajnesw	10/50 ar 100/5	11.50 70.00	12.00 75.00	12.00 86.50	
FOOD & ALLIED	h100/5	1655.00	1699.17	1870.00	
A.B Biscuit Alpha Tobacco	100/5 10/50	199.00 50.00	199.00 50.00	199.00 65.00	199.00
Aman Sea Food Apex Food	100/5	105.00 800.00	150.00 900.00	105.15 930.00	15.00 675.00
Aroma Tea Bangas B D Plantation	100/5 100/5 100/5	45.13 140.00 500.00	45.13 140.00 500.00	50.00 150.00	120.00
Bengal Food B.L.T.C.	100/5	167.57 800.00	195.39 800.00	550.00 200.50 800.00	500.00 111.00 615.00
B.T.C. Ctg. Vegetable	10/50 100/10	180.00 93.75	180.00 96.00	220.00 95.00	79.00
Dhaka Vegetable E.L. Cemellia	100/5 100/5	87.96 1040.00	92.00 1040.00	103.00	57.00
Frogleg Export Gemini Sea Food Hill Plantation	10/50 100/5 100/5	2.00 36.00 550.00	2.00 36.00	3.00 10 <b>0</b> .00	1.80 34.00
Modern Industrie		400.00 275.00	550.00 400.00 275.00	400.00 280.00	185.00 205.00
Rabeya Flour Rupan Oil	10/500 10/100	N T 3.38	N T 3.95	5.00	3.30
Tulip Dairy Yousuf Flour	100/10	≠ 68.00 → NT	68.00 N T	70.00	50.00
FUEL & POWER	(4)	6.50	6.80	8.00	5.80
BD Oxygen Eastern Lubricant National Oxygen	10/50 10/50 100/10	166.00 14.00 74.33	180.00 14.00 65.00	175.00 95.00	66.00 49.00
Padma Oil Co.	10/50	181 48.00	48.00	48.50	41.00
Alhaj Textile Arbee Textile	10/50	NT	NT 112.00	:	· · · · ·
Ashraf Textile Chand Textile	10/50 10/50	27.60 NT	27.00 N.T	30.50	22.00
Chand Spining Desh Garments	100/10	50.00	50.00	55.00	50.00
Dulamia Cotton Eagle Star GMG Ind. Corp.	100/10 10/50 10/50	77.00 12.50 10.00	82.00 15.00 10.00	95.00 19.00	70.00
Modern Dying Padma Textile	100/5 100/20	35.00 259.41	33.00 264.00	50.00 290.00	21.00 157.00
Quasem Silk Quasem Textile	10/100 10/50	2.40 2.50	2.48 2.50	3.50 3.40	2.00 2.50
Rahim Textile Saiham Textile S.T.M. (ORD)	100/5 100/10 100/5	100.00 74.50 20.00	95.00 78.76	90.00	79.00 66.50
Stylecraft Swan Textile	100/5	550.00 9.00	20.00 550.00 9.00	550.00 13.00	20.00 150,00 8.00
Tallu Spinning Tamijuddin	100/10 100/10	93.77 136.00	95.17 137.00	107.00	87.50 120.00
PHARMACEUTIC Ambee Pharma	10/50 CHI	EM (20) 14.42	17.52	26.00	9.00
Bangla Process Bangladesh Chemical		60.00 308.00	60.00 313.60	64.50 350.00	59.00 280.00
Beximeo Infusion Beximeo Pharma	100/5 10/50	614.05 1230.00	655.56 1277.50	810.00 1400.00	212.00 425.00
B. Synthetics Glaxo	100/20 10/50	211.00 125.00	213.27 125.00	238.00	116.00
I C I Kohinoor Chemica		10.00 73.00	10.00 70.00	78.00	57.00
National Polymer Petro Synthetic	10/50	7.00	115.00 7.00	115.00 10.50	110.00 6.00
Pfizer Pharma Aids	100/5	650.00 181.00	650.00 180.00	650.00 191.00	450.00 160.00
Pharmaco Progressive Plastic		65.00 22.00	67.00 22.00	68.00 32.00	50.00 22.00
Reckitt & Colman Rahman Chemicals	s100/10	90.00 50.00	90.00 46.00	100.00 65.00	75.00 31.50
Therapeutics The Ibnsina	100/5 100/10	72.00 104.00	72.00 104.00	90.00 · 105.00	67.00 95.00
Wata Chemical PAPER & PRINTII	100/20 NG (6)	191.00	194.00	210.00	116.00
Eagle Box Monospool	10/50 100/5	16.00 24.00	16.00 25.00	23.00 35.00	13.00 16.00
Paper Converting Paper Processing	100/5 100/10	55.00 15.25	55.00 14.50	67.00 20.00	55.00 14.00
Padma Printers Sonali Paper	10/50 10/50	50.00 52.00	50.00 52.00	52:00	52.00
SERVICE (2)	menes o	1:50256			
Bangladesh Hotel	10/50	1200 NT	12.00 NT	NT.	NT.
Apex Footwear	100/20	494.19	500.00	530.00	171.00
Apex Tannery Aramit	100/5	693.78 30.00	712.79 30.00	770.00 30.00	330.00
Bata Shoe Beximco	10/100	88.26 66.38	90.00 62.57	90.00 86.00	35.00 18.06
Itg Cement	100/5 100/5	80.00 393.75	80.00 396.49	80.00 445.00	55.00 167.50
High Speed	10/50 100/5	50.00	115.00 50.00	125.00 60.00	75.00 50.00
Milon Tannery	10/100 100/5	6.00 5.00	6.00 5.00	15.00	5.00
New Dhaka Refrac		492.37 89.17	503.00 89.17	535.00 99.00	270.00 65.00
Savar Refractories		115.00 60.00	60.00	115.00 84.00	110.00 52.00
Texpick Industries		90.00	90.00	100.00	90.00
JUTE (12)	100/5	290.00	300,00	320.00	246.00
Ahad Jute Anowara Jute	100/10 10/50	NT NT	NT NT	€ "	==
Gawsia Jute	10/50 10/50 100/5	8.50 N T 85.00	8.50 N.T 85.00	100.00	45.00
Jute Spinner Mutual Jute	100/5 100/5	80.00 105.00	80.00 105.00	80 000	71.00
	10/50 100/5	N T 100.00	N T 100.00	-	-

232.52

127.78

2732.00

1770.00

215 00 110 00

2755 00 1670 00

1960 00 1700.00

1770 00 1640 00

1270 00 900 00

2510 00 2360 00

1340 00 1155 00

130.00 105.00

200 00

120.00

2732.00

1650 00

10/50

2000/1

2166/1

2500/2

1500/1

Sonali Aansh

17%/1

Beximco

(17% 1997)

B. Synthetic

Quasem Silk

(17% 1994)

14% 2003

Spcialised Jute

DEBENTURES (6)

Shine Pukur Jute 100/5

Beximco Infusion 1500/2

Beximco Pharma 1285/1