

Beijing moving faster to combat inflation

BEIJING, Feb 28: China's economic growth has advanced at double-digit speed for the past two years, reports Xinhua. The country's inflation rate climbed to 13 per cent nationwide last year when the central government unveiled its fiscal reforms and unified the exchange rate at the start of 1994, it declared war against inflation by repeated pledges of tighter control on credit and money supply as well as on investment in fixed assets.

The question is, however, will China's battle against inflation be successful.

The inflationary pressure is obvious with last year's 1,300 billion yuan spent on fixed assets, excessive money supply over the past few years and the bigger-than-ever stride in price reforms in 1993.

Meanwhile, higher production costs will force some enterprises to raise the prices

of their products in order to maintain a balanced book. A vicious cycle is thus set.

The biggest pressure comes from local enthusiasms to start more construction projects, and with last year's projects to be continued and new ones started, the central bank faces mounting pressure to issue more money.

But this year the central government indicates a strong determination to fight against inflation. It must do so because it wants the economic boom to continue. It also needs a good economic and social environment to push ahead reforms in other fields including state enterprises, investment system as well as finance.

Therefore, the central authorities target this year's growth at around 9 per cent, hoping to achieve a 'soft landing' of some kind.

Meanwhile, the central bank has repeatedly vowed to

keep a tighter rein on credit and money supply in the new year. According to central bank sources, the total money supply for 1994 will not exceed last year's level, the increase in bank lending will be kept on a par with that of last year, which means a reduced rate of credit increase.

Recently, a senior official of the central bank disclosed that the central bank had no intention of making changes in interest rates in the foreseeable future.

After two rises in 1993, the interest rate for one-year deposits stands at a relatively high level of 10.8 per cent.

A month earlier, the state council issued a circular demanding a strict grip on fixed asset investment. It stressed that the government would, in principle, not allow new construction projects to start this year.

Coupled with the state council's move, the central bank has worked out a set of rules for banks across the country to follow, which feature tougher conditions extending loans for fixed assets investment. Vice-Premier Zhu Rongji, who is also the central bank governor, told the banks not to provide loans to unauthorised projects, while the credit quotas must not exceed the planned figure.

To reach an understanding between the central government and different areas, keeping the general balance in demand and supply while maintaining a relatively high growth is expected, to become one of the main points of discussion during the National People's Congress due to open on March 10.

This year, the government will limit bond issuing by localities and enterprises.

Clinton admn submits bill on export-control system

WASHINGTON, Feb 28: The Clinton administration has submitted long-awaited legislation for reforming the US export-control system, but exporters called the proposal far from adequate, according to USIS release.

At the same time, the administration announced significant relaxation of controls on exports of computers.

The legislation offered February 24 involves the Export Administration Act (EAA), expiring June 30 and last overhauled in 1979. The EAA aimed to prevent export of advanced technology to the former Soviet Union and Soviet bloc countries.

Two goals — difficult to reconcile — permeate the EAA legislative proposal: moving away from the Cold War threat to the present threat of proliferation of weapons of mass destruction, while not putting US industry at a disadvantage with foreign competitors.

According to Barry Carter, acting under secretary of com-

merce, the administration bill would use multilateral controls where possible, especially working through the Missile Technology Control Regime, the Australia Group (concerned with chemical and biological weapons) and the Nuclear Suppliers Group.

The bill would continue use of unilateral controls "when absolutely necessary," however, Carter said, to promote such US foreign-policy goals as anti-terrorism, human rights and stability in unstable regions of the world.

Industry groups complained especially about continued use of unilateral controls "where the only entity harmed are American companies, not the targeted country," said Willard Workman, Vice President of the US Chamber of Commerce.

Industry spokesmen complained also that often multilateral controls amount to unilateral controls because only the United States bothers to enforce them.

Dhaka Stock Prices

At the close of trading on February 28, 1994

BTC leads gainers

Star Report

The Bangladesh Tobacco Company Ltd. dominated the gainers' list in terms of volume on the floor of the Dhaka Stock Exchange (DSE) on Monday.

The BTC topped the list of 22 gainers out of 43 issues traded while the Beximco Ltd led the losers numbering 13.

The BTC's 14335 shares were traded at the rate of Taka 180.00 as against Taka 178.22.

The 6th ICB M Fund (1090), Zeal Bangla Sugar (4500), Rupun Oil (4300), BD Oxygen (11673), Eagle Star Textile (9400) and the Beximco synthetic (3420), also gained significantly.

The Beximco Ltd's 9100 shares changed hands at the rate of Taka 62.50 as against Taka 64.49 of the previous day.

Other major losers were: The Quasem Drycells (2150), Ctg Cement (1030), and the Apex Footwear (1100).

Both the turnovers on the DSE rose. The volume increased by 56.00 per cent and the value showed a gain of 114.00 per cent.

A total of 69139 shares valued at taka 8369883.50 changed hands as against Sunday's 44269.25 shares

DSE All Share Price Index	546.16884
Market Capitalisation	24846794756.47
Turnover in Volume Tk	69139
Turnover in Value	8369883.50

Company's name	Change Number (per share)	Share traded
Gainers (22)		
Islami Bank	8.75	1
6th ICB M Fund	3.25	1090
Eastern Bank	0.47	840
Atlas Bangladesh	0.60	440
BD Autocars	0.64	420
B Thai Aluminium	1.88	380
BTC	1.78	14335
Bengal Food	0.05	494
Dhaka Vegetable	0.83	380
Zeal Bangla Sugar	0.24	4500
Rupun Oil	0.14	4300
Ctg Vegetable	2.18	560
BD Oxygen	3.00	11673
Eagle Star Textile	0.80	9400
Dulama Cotton	4.67	510
Pharmaco	5.00	20
Rahman Chemicals	4.00	120
Beximco synthetic	0.04	3420
Bata Shoe	1.00	920
BGCJ	0.70	140
United Insurance	0.86	20
B Infusion (Deb)	7.00	20
Losers (13)		
Afab Automobiles	0.51	25
Quasem Drycells	0.20	2150
Shine Pukur Jute	8.57	70
Ambee Pharma	0.20	700
Beximco Pharma	4.38	60
Kohinoor Chemical	1.37	80
Apex Tannery	2.79	390
Monno Ceramic	4.71	35
Usmania Glass	2.00	50
Beximco Ltd	1.39	9100
Ctg Cement	2.86	1030
Apex Footwear	0.12	1100
BCIL (Deb)	32.00	1

Issues (8) unchanged	
Rupali Bank (30), Striger BD (65), National Tubex (130), Satham Textile (50), Therapeutics (5), Ibsinsa (20), Beximco Infusions (60), Beximco Pharma Deb (5).	

Myanmar move to meet energy demand

YANGON, Feb 28: The Myanmar government plans to drill more gas wells in Aphyauk gas field to meet energy demand, reports Xinhua.

Aphyauk gas field is situated 72 kilometres northwest of Yangon, the capital of Myanmar.

The Myanmar Oil and Gas Enterprise (MOGE) drilled three wells in 1993 — two in Aphyauk region and one in northern Ngarlarhaung region — where gas production is commercially feasible, according to an official report today.

In 1994, MOGE drilled more new wells and rehabilitated the old ones by means of four drilling rigs.

Up to now, the drilling of three new wells in Aphyauk and southern and northern Ngarlarhaung regions has been completed.



CHINA: China's Foreign Trade Minister Wu Yi (R) and European Union (EU) commissioner Leon Brittan (L) at a joint press conference yesterday which was cut short after a heated exchange on Hong Kong and Sino-British trade ties. EU warned China that any attempt to discriminate against Britain in trade terms because of the Sino-British row over Hong Kong was unacceptable and would have serious consequences. — AFP photo

Assam jute mills facing closure

GUWAHATI, Feb 28: The Assam Jute Association has appealed to the state government to exempt the jute industry from taxes and provide financial back-up to save the jute mills from imminent closure, reports PTI.

In a joint press statement here all the four private jute mills in the state said their mills were on the verge of closure due to heavy tax burden imposed by the state government.

They demanded that the government should waive taxes like purchase tax, mandi tax, sales tax and excise tax. Instead the industry should be provided with soft loans for its revival, they said.

The Assam government, they said, should allocate four crore rupees on simple interest basis for modernisation of jute mills.

Iran reaches settlement with Germany on debt repayment

TEHRAN, Feb 28: Iran has reached a settlement with Germany on the repayment of two or three billion dollars of its overdue debts despite opposition from the United States, reports AFP.

Iranian Ambassador to Bonn said Saturday that Germany, the main commercial partner of the Islamic republic, had agreed for its trade banks to provide a loan to Iran's central bank to repay its debt.

He said Iran expected to reach similar agreements with other major creditors such as Japan and several European countries to pay off the arrears in the payment of its guaranteed public debt.

The loan, details of which have not been finalised, is the largest concession to Iran by

one of its major creditors and could ease the country's debt burden, according to Western economic experts in Tehran.

Neither Tehran nor Bonn have disclosed the exact amount of the loan, or the condition under which it was granted. However the experts put the figure at three billion marks (two billion dollars) at least, but said it most likely neared 4.5 billion marks (three billion dollars).

The sum would allow Iran to pay back its current overdue debts of around two billion dollars to the German credit insurance company, Hermes, and another 600 to 700 million dollars which will be due by the end of 1994.

Iranian Deputy Foreign Minister Mahmud Vaezi, who-

se trip to Bonn last week is believed to have accelerated the settlement, told the daily Tehran Times on Sunday that Iran had agreed to pay Germany around three billion dollars within five years, starting 1996.

It was Iran's first bilateral agreement with a foreign creditor to refinance its guaranteed public debt, which was traditionally to have been settled multilaterally within the framework of the Club of Paris.

The agreement with Germany came amid efforts by the United States to convince its Western allies to cut trade with Iran or its alleged support of terrorism and procurement of weapons of mass destruction.

Exchange Rates

The following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on February 28.

Currency	Selling		Buying	
	TT & OD	EC	TT Clean	OD Sight Ex. Bills
US Dollar	40.1810	40.2110	39.9805	39.8960
Pound Sterling	59.7813	59.8259	59.0170	58.8923
DM	23.6428	23.6604	23.2771	23.2279
F Franc	6.9546	6.9598	6.8487	6.8343
C Dollar	29.9680	29.9904	29.4999	29.4378
S Franc	28.2985	28.3196	27.8575	27.7987
Jap Yen	0.3898	0.3901	0.3800	0.3792
Indian Rupee (AMU)	1.2844	1.2883	1.2741	1.2583
Pak Rupee (AMU)	1.3191	1.3231	1.3085	1.2923
Iranian Riyal (AMU)	0.0231	0.0232	0.0229	0.0226

A) T. T. (DOC) US Dollar Spot Buying Tk 39.9382
B) Usance Rates:
30 Days DA 39.3480 60 Days DA 39.0648 90 Days DA 38.7816 120 Days DA 38.2152 180 Days DA 37.2512
C) US Dollar sight export bill 3 months forward purchase: Tk 39.8960
D) US Dollar 3 months forward sale: Tk 40.6110

Currency	Selling		Buying	
	T.T. & O.D.	O.D. Transfer	O.D. Transfer	O.D. Transfer
S Riyal	10.6989	10.5889	10.5889	10.5889
UAE Dirham	10.9265	10.8120	10.8120	10.8120
Kuwaiti Dinnar	135.3644	133.6446	133.6446	133.6446
Singapore Dollar	25.1817	24.9091	24.9091	24.9091
D Guilders	20.7039	20.4873	20.4873	20.4873
S Kroner	5.0420	4.9874	4.9874	4.9874

Note: AMU—Asian Monetary Union.

Shipping Intelligence

Chittagong port

Berth position and performance of vessels as on 28.2.94

Berth No.	Name of vessels	Cargo	Last port	Local agent	Date of arrival	Leaving
J/3	Ronjay Victory	Cement	Viza	USTC	7/1	5/3
J/4	Al Taisir	Wheat (G)	—	BSL	R/A	28/2
J/6	Gold Finch	MOPPI	Ukta	MSA	4/2	3/3
J/7	Ivon Vazov	GI	Suez	OTL	23/2	5/3
J/8	Qing He Cheng	GI	S.Hai	BDShip	22/2	2/3
J/9	Iokasti	Cement	Tuti	Lithmond	1/1	5/3
J/10	Dolores	Idle	—	Seacom	R/A	15/3
J/11	Luna-II	Wheat(G)	Sing	Prog	19/2	3/3
J/13	Andrian Goncharov	Cork	Sing	CT	28/2	2/3
MB/1	Eporynia	Cork	Sing	CTS	25/2	1/3
CFJ	Doo-yang Brave	C.Clink	Vish	CNCL	16/2	5/3
GSJ	Banglar Baani	Wheat (G)	—	BSC	R/A	2/3
TSP	Georgios-M	R.Phos	Agaba	SSST	15/2	1/3
DM/4	Sea Nymph	Cement	Visa	PSAL	19/2	5/3
RQJ	Banglar Jyoti	C.Oil	—	BSC	R/A	28/2
DD	Loyal Bird	Repair	Mong	Seacom	15/11	15/3

Name of vessels	Date of arrival	Last port	Local agent	Cargo	Loading
Banglar Robi 15/02	28/2	Mong	BSC	Cont	Sing
Vishva Parijat	1/3	Cal	SSL	GI/GL	UK,Cont
Al Tabith	1/3	Mong	RSL	Scrapping	—
Ultima 2/2	1/3	Col	BTSA	Cont	Mong.
Sukarawan Maree	1/3	Geel	Litmond	D. Peas	C. Peas
Continent-1	2/3	Kala	OLA	—	—
Meehar-II	5/3	—	BBA	—	—
Banglar Urmi	5/3	Col	BSC	GI/GL	UK, Cont
I. Yamburenko 19/02	3/3	Sing	CT	Cont	Sing
Fong Shin 20/2	3/3	Sing	BDShip	Cont	Sing
Imke Wehr 23/02	3/3	Sing	APL(B)	Cont	—
TINA V	3/3	—	Eastwest	Cement	—
Myobhyang 2	4/3	Sing	PSAL	Cement	Sing.
Banglar Moni 22/2	4/3	Sing	BSC	Cont	Sing.
Infinity 22/2	4/3	Sing	RSL	Cont	Sing.
Kota Buana 26/2	7/3	Sing	RSL	Cont	Sing.
Fong Yun 27/2	8/3	Sing	BDShip	Cont	Sing.
Lanka Mahapala 27/2	8/3	CBO	Bardhi	Cont	Col.
Landra	12/3	Niko	Cosmo	MOPPI	—
China Star	12/3	Sing	BBA	GI	—
Vishva Bandhan	16/2	—	SSL	GI	—

Name of vessels	Date of arrival	Last port	Local agent	Cargo	Loading
Ocean Meg	3/3	—	Seacom	C.P.L	—
Ilya Chavchavadze	16/3	—	CT	L.Oil	—

Name of vessels	Cargo	Last port	Local agent	Date of arrival
Kamlesh	C.Oil	Jebe	Archangel	22/2
Banglar Shourabh	C.Oil	—	BSC	R/A

Name of vessels	Cargo	Last port	Local agent	Date of arrival
Hang Loy	Cement	Sing	Nishat	9/2
Banglar Asha	Wheat (G)	—	BSC	R/A (25/2)
Pine Trust	Wheat (G)	Sing	Prog	24/2
Tanary Star	Cement	Tuti	USTC	20/2
Albissa	Cement	Sing	Bright	24/2
Thallia	GI	Const	OTL	26/2
Supertias	Cement	Sing	SBS	27/2
Darjanne	Wheat (P)	Hald	MBL	27/2

Name of vessels	Cargo	Last port	Local agent	Date of arrival
Hang Wan	—	S. Hai	BDShip	R/A (25/2)
Salem Nine	SSP	—	MSA	R/A (27/2)

Name of vessels	Cargo	Last port	Local agent	Date of arrival
Chestnut Hill	Idle	Sing	BSL	16/2
Lord Caribico	Scrapping	Dabao	JF	20/2
Sea Sprite	Scrapping	Sing	JF	27/2
Ifigenia	Cement	Ribha	PSAL	23/2
Da Ye	Cement	Yant	OTL	26/2
Abakernik Semenov	HSD/PP	Sing	QCSL	27/12

Section 1. INVITATION FOR BIDS

Government of the People's Republic of Bangladesh

Third Fisheries Project

Department of Fisheries, Matshya Bhaban
Park Avenue, Ramna, Dhaka.

Invitation for International Bids Lot No. 18B: Survey Equipment

Memo No: TFP (Pro) 22-93/PA 856 Dated: 20 February 1994

The Government of the People's Republic of Bangladesh has received a credit from the International Development Association (IDA) in various currencies towards the cost of the Third Fisheries Project and it is intended that part of the proceeds of this credit will be applied to eligible payments under the Contract (s) for which this invitation for Bids is issued.

- Sealed Bids are hereby invited from eligible Bidders from IDA member countries for the supply and delivery of Survey Equipment to Matshya Bhaban, Park Avenue, Ramna, Dhaka.
- Interested eligible Bidders may obtain further information from and inspect the Bidding Documents at the Office of the Project Director, 6th floor, Matshya Bhaban.
- A complete set of Bidding Documents can be obtained by any interested eligible Bidder on the submission of a written application to the above and upon payment of a non-refundable fee of Tk 1,000/-, during normal working hours up to 6 April 1994.
- All Bids must be accompanied by a security of not less than 2% (two percent) of Total Bid Price in the form of Bank Draft/Pay Order/Bank Guarantee and must be delivered to the Office of the Project Director on or before 12.00 hours on 7 April 1994.
- Bids sent by post or other means must reach within the date and time stated above and postal or other delay for whatever reason shall not be considered.
- Bids will be opened immediately after the deadline for closing in the presence of Bidders' representatives who choose to attend the Office of the Project Director.
- The Department of Fisheries does not bind itself to accepting the lowest Bid or to accept any Bid submitted in response to the Invitation for Bids.

Md Liaquat Ali
Additional Director
(Project Director)
Third Fisheries Project

DFP (G) 3588-22/2
G-336

India unveiling world's largest diamond bourse

BOMBAY, Feb 28: Across the mangrove swamps of Bandra, at the centre of this oblong-shaped metropolis, India's enterprising diamond merchants are building a dream, reports AFP.

Construction workers using heavy bulldozers and earth-movers are feverishly at work, lifting mountains of land, giving shape to what is billed as the world's largest and most modern diamond bourse.

The trading halls of the Bharat Diamond Bourse are expected to come to life by the end of 1995 to the sparkle of hundreds of thousands of diamonds changing hands.

Some 2,600 diamond processors and exporters scattered all over India have come together to promote the 233 million dollar project in the teeming western Indian metropolis, the hub of the diamond trade.

"We wanted to develop Bombay into a modern, highly-sophisticated diamond market with all facilities available under one roof for global trading in rough as well as cut and polished stones," said K Y Padmanabhan.

Padmanabhan is a former federal government official midwifing the birth of the bourse.

"It was essential to help processors and exporters to come on a common platform to promote exports more aggressively," he said.

India is one of the world's largest exporters of cut and polished precious stones, made out of imported roughs. India exported processed dia-

monds worth 3.45 billion dollars in 1993.

Exports from India account for 35 per cent of the value of the world trade in diamonds. But volume-wise, India's low-priced diamonds have a 75-per cent share in the business.

The offices of diamond merchants now do the length and breadth of this sprawling port city, from swank buildings in the exclusive business district on Nariman point and grubby high-rises in opera house to shopping malls in suburban malad.

Foreign buyers have to visit several locations and negotiate with several traders to clinch the right deal.

"Because of the scattered nature of the diamond trade now, the buyer may not be aware of the range of sizes and colours available here," said Padmanabhan.

A single trading centre will offer the buyer a wider choice and enable deals to be sewed up quickly.

"It will certainly mean more competition. But competitiveness is the strength of the Indian exporter," Padmanabhan said.

Outside a down-market trading centre, several hundred brokers and sub-brokers crowd the roads.

Armed hold-ups are common. Newspapers of ten carry reports of robbers making off with diamonds worth several million rupees after threatening the merchants with meat cleavers or revolvers.

DSE Shares and Debentures

Company	FV/ML (Taka)	Closing Rate (Taka)
Modern Dyeing	100/5	33.00
Padma Textile	100/20	266.00
Quasem Silk	10/100	2.48
Quasem Textile	10/50	2.50
Rahim Textile	100/5	95.00
Satham Textile	100/10	77.00
S.F.M. (ORD)	100/5	20.00
Stylcraft	100/5	550.00
Swan Textile	100/5	75.00
Talhu Spinning	100/10	98.86
Tamiruddin	100/10	145.00

BANKS (12)	
Al-Baraka Bank	1000/1 810.00
A.B. Bank	100/5 185.00
City Bank	100/5 292.00
Eastern Bank	