

Indian banks ease conditions for export credit

NEW DELHI, Mar 10: The Reserve Bank of India and commercial banks in the country have decided to ease conditions for export credit to support exports, reports Xinhua.

This was announced at a high-level meeting with representatives of trade and industry chaired by Cabinet Secretary Zafar Saifullah on Tuesday, which considers fiscal and non-fiscal issues arising out of the 1994-95 budget and their impact on the export sector.

There would be no limit on credit for the exporters from now on. The banks also pointed out that there had been an increase of about 70 per cent in the disbursement of credit as compared to the pre-

vious year.

It was also announced at the meeting that round-the-clock handling of consignments would be introduced at all major airports and seaports by the end of this month. At present, this facility is restricted to Delhi and Bombay airports.

The exporting community requested that 'deemed export' be provided with all the incentives in order to stimulate the demand for the domestic industry while augmenting the country's exports rather than relying on the route of duty-free imports.

Omani oil firm sets up joint ventures

Another report says: Oman Oil Company has set up two

joint ventures in India, local newspapers said.

The two joint ventures, one in Maharashtra and the other in Madhya Pradesh, will involve an investment of 30 billion rupees (938 million US dollars) and 50 billion rupees (1,562 million US dollars) respectively.

The joint ventures are considered significant as they are expected to bridge the growing deficit in the refining capacity of the country.

\$125m US grant for urban services

Xinhua adds further: The US Agency for International

Development (USAID) will give 125 million US dollars to India to improve its urban services.

An agreement to this effect was signed by the USAID India Acting Director Steven P. Mintz and Indian representatives of the Housing Urban Development Corporation and the Infrastructure Leasing and Financial Services Limited of India on Tuesday.

The grant will be used to strengthen India's debt market for providing the urban population with basic amenities.

The programme will initially focus on selected municipalities which are willing to implement basic policy reforms.

IMF-Russia loan talks resume

MOSCOW, Mar 10: Russia and the International Monetary Fund began a new round of talks in Moscow on a stalled 1.5 billion US dollars credit and a 4 billion US dollar standby loan, reports Reuters.

But senior western economists and bankers expected no quick breakthrough from the talks and doubts continue over the Russian government's ability to tighten belts.

The IMF visit comes after a long-awaited budget for 1994 was finally approved by the government last week. It targets a deficit at 10.2 per cent of Gross Domestic Product (GDP).

Russia has one pleasant surprise to offer the IMF with news that monthly inflation fell sharply to a 18-month low of 9.9 per cent in February after January's 22 per cent. But bankers and economists said it was too early to rejoice.

Dalai Lama's nephew files for bankruptcy

BLOOMINGTON, Ind., Mar 10: Businessman and restaurateur Jigme Norbu, the nephew of the Dalai Lama, has filed for protection in the US Bankruptcy Court in Indianapolis, reports AP.

Norbu, who owns a Tibetan restaurant, a motel, an Oriental grocery and a night club, filed the Chapter 11 case February 23, the Bloomington Herald-Examiner reported in Wednesday's editions.

According to court records, Norbu owes creditors 128,131 dollars and has county, state and federal tax claims totaling 102,952 dollars.

Norbu's father, Thubten Norbu, founded the Tibetan Cultural Centre in Bloomington and is brother of the Dalai Lama, the spiritual leader of the Tibetan people. The Dalai Lama won the Nobel Peace Prize in 1989.

Jigme Norbu listed real estate assets of 1.68 million dollars, including the Snow Lion and Show Lion East restaurants, the Shangri-La grocery, the defunct Diamond Inn motel and the closed Mirage night club.

Chapter 11 protection allows a corporation to reorganize and operate under court supervision in an attempt to restructure debt and better allocate assets.

US energy firms losing market in developing world

WASHINGTON, Mar 10: The failure of US energy companies to invest much in research on the use of sunlight, wind and other renewable fuels to produce electricity has put them at a competitive disadvantage in the growing market for the new technology in the developing world, US officials say, reports USIS.

As an example, William White, Deputy Secretary of Energy, told a US Senate committee March 8 that China has drilled a 2,006-meter well in the Tibetan plateau to tap 262-degree-Celsius water to generate 10 megawatts of electricity.

"At this time, New Zealand, not the United States, appears to have the inside track for assisting China in the development of the Tibetan plateau, a resource which may be able to produce several hundred megawatts of generation capacity," he told the Senate Energy Committee.

New technology has dramatically dropped the price of solar and wind energy. Prototype windmills indicate that they could produce electricity at a lower cost. That is competitive with the price of electricity produced in large coal-fired plants.

Developing countries produced about 30 per cent of the energy consumed in 1991 by all countries.

China to maintain economic growth momentum in '94: Li

BEIJING, Mar 10: Chinese Premier Li Peng said that China will maintain its economic growth momentum in 1994, a crucial year for the country's economic reforms, reports Xinhua.

The central government has set the growth rate of China's national economy in 1994 at nine per cent, he said.

In his 16,000-word report on government work he delivered today at the second session of the eight National People's Congress (NPC), the premier called for a good handling of relations among reform, economic development and social stability.

Li's government work report consists of seven parts. They are: A review of 1993 domestic work and basic principles from work in 1994, maintaining a steady, rapid and sound development of the national economy, speeding up the establishment of a socialist market economy, expanding scientific and technological undertakings and promoting

education and culture, strengthening socialist democracy and the legal system, actively promoting the peaceful reunification of China, and diplomatic work.



On economic work in 1994, according to Li Peng, the government will deepen reform, open wider to the outside world, strengthen and improve macroeconomic controls, restructure the economy, pro-

mote technological progress, explore new markets, improve economic efficiency and keep inflation under control.

Li Peng said that the planned 1994 growth rate on nine per cent for the national economy is realistic given the fact that the country has seen a growth rate of 13 per cent in the past two consecutive years.

The premier reiterated the fundamental status of agriculture in the economy. He called for continued implementation of existing rural policies, deepening rural reform, solving problems that arise in the process of rural economic development, and trying every means possible to boost the income of farmers.

Li emphasized the importance of improving transport and manufacturing industries, especially in terms of the management and production of large- and medium-sized state-owned enterprises, saying this is of vital importance for a sustained development of the national economy.

To rein in the investment scale, the premier said, the central government will not approve the establishment of any new economic development zones in 1994.

The government report dwells on taxation and finance reform, establishment of a modern enterprise system, renationalisation price relations and reform of the government structure.

Talking about financial difficulties faced by the government, Li said that deficit of the central government will be made up by issuing bonds instead of overdrawing on the bank.

Prices of shares, US dollar up in Tokyo

TOKYO, Mar 10: The US dollar edged higher against the Japanese yen Thursday, while share prices on the Tokyo Stock Exchange rose as tensions over a possible US-Japan trade war eased, reports AP.

The dollar closed at 105.57 yen, up 0.40 yen from Wednesday's close, but below its overnight finish in New York at 105.85 yen.

After opening at 105.67, the dollar ranged between 105.35 yen and 105.75 yen.

Dealers said the dollar gained after Mickey Kantor, the US trade representative, reported in Washington that some progress had been made in talks aimed at opening Japan's cellular phone market. Washington is threatening sanctions unless Japan ensures more access to its markets.

But Yuko Fukagusa of Tokai Bank said the dollar's rise was halted by heavy dollar-selling orders from Japanese exporters placed around 106.00 yen.

Japanese economists believe a protracted trade brawl will result in further gains for the yen against the dollar as a means to reduce the trade imbalance with the United States, now running 59.3 billion dollars a year in Japan's favour.

A higher yen hurts Japan's export-related businesses, the backbone of the world's second largest economy, by making their products more expensive abroad.

On the stock market, the 225-issue Nikkei Stock Average rose 251.53 points, or 1.27 per cent, to close at 20,090.71. On Wednesday, the index shed 59.21 points, or 0.30 per cent.

It was the Nikkei average's highest finish since it closed at 20,216.62 on March 1. A majority of the 225 issues covered by the index are manufacturers and export-related business firms.

CGES study says

Riyadh should defend oil market to bolster economy

NICOSIA, Mar 10: Saudi Arabia needs to defend its oil market share in the next few years to bolster its deficit-ridden economy and avoid incurring further debts, according to a study obtained here Wednesday, reports AFP.

The world's top oil producer and exporter is already suffering from debts and a persistent deficit in its budget and current account, while it has used up the bulk of the overseas funds it amassed during the oil boom.

With oil prices expected to remain as low as 14.5 dollars a barrel in the next five years, the kingdom should raise production to boost its trade surplus and cover the current account deficit, said the study by the London-based Centre for Global Energy Studies (CGES).

Up to the year 2000 Saudi Arabia will either return to the role of a swing producer, getting a quota within an agreement based on its last output quotas in September, or it will be allocated a share in line with its vast production capacity, according to the study.

"The results show that Saudi Arabia's adoption of the role of swing producer would generate cumulative trade surpluses over the next five years of only 36 billion dollars", it said.

"If Saudi Arabia were to adopt the role of swing producer, it would have to borrow heavily over the next five years and, although the level of borrowing required would not be excessive for such and under-borrowed country as Saudi Arabia, it does represent a level of indebtedness with

which Saudi policy-makers would not be comfortable."

Saudi Arabia acted as a swing producer within OPEC for a few years before the 1991 Gulf War, cutting output when prices dropped and raising it when they surged, to maintain a reasonable price level.

Manila's oil import falls

MANILA, Mar 10: The Philippines' imports of crude oil and petroleum products declined by 0.64 per cent to 197,027 million barrels last year from 197,200 barrels the previous year, according to the Department of Energy (DOE), reports Xinhua.

In terms of value, the gross oil import bill went down 6.06 per cent to 1.887 billion US dollars in 1993 from 1.998 billion US dollars a year earlier.

The country's exports of petroleum products, on the other hand, also contracted by 1.29 per cent to 161 million US dollars from 163 million US dollars elevating the net oil import at 1.16 billion US dollars or 6.49 per cent less than the previous year's 1.835 billion US dollars.

Data showed the country imported a total of 83.08 million barrels of crude oil last year, down 8.97 per cent from 91.958 million barrels the previous year.

Meanwhile, imports of petroleum products expanded by 58 per cent to 23,321 million barrels from 16,765 million barrels.

Exchange Rates

The following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on Mar 10 and 11.

Currency	Selling		Buying	
	TT & OD	HC	TT	OD
			Clear	Sight
			Ex. Bills	Transfer
US Dollar	40.1805	40.2105	39.9805	39.8960
Pound Sterling	60.1904	60.2353	59.4019	59.2764
DM	23.8421	23.8599	23.4735	23.4239
F Franc	6.7617	6.7669	6.6589	6.6449
C Dollar	29.7250	29.7472	29.2612	29.1994
S Franc	28.3378	28.3590	27.8966	27.8377
Jap Yen	0.3845	0.3848	0.3746	0.3738
Indian Rupee (AMU)	1.2844	1.2883	1.2741	1.2583
Pak Rupee (AMU)	1.3178	1.3218	1.3072	1.2910
Iranian Ryal (AMU)	0.9231	0.9231	0.9229	0.9226

A) T.T.(DO) US Dollar Spot Buying Tk 39.9882				
B) Usance Rates:				
30 Days DA	60 Days DA	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 39.8960				
D) US Dollar 3 months forward sale: Tk 40.6105				

Currency	Selling		Buying	
	T.T. & O.D.	HC	O.D.	Transfer
S Riyal	10.7158		10.6500	
UAE Dirham	10.9425		10.8294	
Kuwaiti Dinar	134.7451		133.1470	
Singapore Dollar	25.3828		25.1080	
D Guilders	20.8278		20.6099	
S Kroner	5.0316		4.9771	
Malaysian Ringgit	14.7887		14.6325	

Note: AMU—Asian Monetary Union

Bangladesh Bank Affairs

Statement of affairs of the Bangladesh Bank, Banking Department as on the February 24, 1994.

Liabilities		Assets	
Taka		Taka	
Capital Paid Up	3,00,00,000	Gold Coin and Bullion	105,67,62,000
Reserve Fund	3,00,00,000	Silver Bullion	—
Rural Credit Fund	211,05,96,000	Special Drawing Rights held with the IMF	—
Industrial Credit Fund	59,78,52,000	Loans and Advances to Government	—
Export Credit Fund	61,00,00,000	Government's Debtor Balances	—
Agricultural Credit Stabilisation Fund	205,00,00,000	Other Loans and Advances	915,72,79,000
Deposits:		Investments	639,57,11,000
(a) Government	116,36,83,000	Other Assets	2141,59,14,000
(b) Banks	4252,02,31,000	Total Assets	11612,12,63,000
(c) Others	4930,67,56,000	Issue Department	
Allocation of Special Drawing Rights	91,74,31,000	Notes held in the Banking department	92,26,000
Bills Payable	150,34,44,000	Notes in Circulation*	5200,98,41,000
Other Liabilities	1528,12,70,000	Total Notes Issued	5201,90,67,000
Total Liabilities	11612,12,63,000	Total Liabilities	5201,90,67,000
Assets		Liabilities	
Taka		Taka	
Notes	92,26,000	Notes held in the Banking department	92,26,000
Taka Coin	—	Notes in Circulation*	5200,98,41,000
Subsidiary Coin	3,000	Total Notes Issued	5201,90,67,000
Bills Purchased & Discounted:		Total Liabilities	5201,90,67,000
(a) Internal	—	Issue Department	
(b) External	—	Notes held in the Banking department	92,26,000
(c) Govt Try Bills	—	Notes in Circulation*	5200,98,41,000
Balances held outside Bangladesh	7914,31,30,000	Total Notes Issued	5201,90,67,000
Special Drawing Rights held with the IMF	—	Total Liabilities	5201,90,67,000
Loans and Advances to Government	—	Issue Department	
Government's Debtor Balances	—	Notes held in the Banking department	92,26,000
Other Loans and Advances	915,72,79,000	Notes in Circulation*	5200,98,41,000
Investments	639,57,11,000	Total Notes Issued	5201,90,67,000
Other Assets	2141,59,14,000	Total Liabilities	5201,90,67,000
Total Assets	11612,12,63,000	Issue Department	
Assets		Liabilities	
Taka		Taka	
IA. Gold Coin and Bullion	105,67,62,000	Notes held in the Banking department	92,26,000
Silver Bullion	—	Notes in Circulation*	5200,98,41,000
Special Drawing Rights held with the International Monetary Fund	—	Total Notes Issued	5201,90,67,000
Approved Foreign Exchange	2700,00,00,000	Total Liabilities	5201,90,67,000
B. Taka Coin	23,51,06,000	Issue Department	
Government of Bangladesh Securities	276,63,69,000	Notes held in the Banking department	92,26,000
Internal Bills of Exchange and other Commercial Papers	2096,08,30,800	Notes in Circulation*	5200,98,41,000
Total Assets	5201,90,67,000	Total Notes Issued	5201,90,67,000
Assets		Liabilities	
Taka		Taka	
IA. Gold Coin and Bullion	105,67,62,000	Notes held in the Banking department	92,26,000
Silver Bullion	—	Notes in Circulation*	5200,98,41,000
Special Drawing Rights held with the International Monetary Fund	—	Total Notes Issued	5201,90,67,000
Approved Foreign Exchange	2700,00,00,000	Total Liabilities	5201,90,67,000
B. Taka Coin	23,51,06,000	Issue Department	
Government of Bangladesh Securities	276,63,69,000	Notes held in the Banking department	92,26,000
Internal Bills of Exchange and other Commercial Papers	2096,08,30,800	Notes in Circulation*	5200,98,41,000
Total Assets	5201,90,67,000	Total Notes Issued	5201,90,67,000

*The Statement with regard to 'Notes in Circulation' is made without prejudice to the claims of the Government of the People's Republic of Bangladesh/Bangladesh Bank for obtaining value from the Government of Pakistan/State Bank of Pakistan in respect of Pakistani Currency Notes demonetised and withdrawn from circulation.

Dhaka Stock Prices

At the close of trading on March 10, 1994

Zeal Bangla leads gainers

Star Report

The gainers, led by the Zeal Bangla Sugar Mills Ltd in terms of volume, dominated the floor of the Dhaka Stock Exchange on Thursday, the closing day of the week.

The Zeal Bangla topped the list of 35 out of 47 issues traded while only seven issues, led by the Ambee Pharma, incurred losses and five others remained unchanged.

The Zeal Bangla's 5200 shares were traded at the rate of Tk 9.53 as against Tk 8.46, the previous closing rate.

The Quasem Drycells (1800), Rupon Oil (5000), Quasem Silk (3200), Beximco Pharma (5007), Beximco Synthetic (3280) and the Beximco Ltd (2400), also gained significantly.

The Ambee Pharma's 3200 shares changed hands at the rate of Tk 17.60 as against Tk 17.84, the previous rate.

The Ctg Cement (1170) also incurred significant loss.

A total of 38575 shares changed hands on the floor at Tk 9264150.00 as against Wednesday's 227414 shares valued at Tk 30454291. The changes showed declines of 83.038 and 69.580 per cent in the total volume and the value

respectively. The DSE All Share Price Index increased. It reached 577.44016 from 574.62745, a gain of 0.4895 per cent.

Trading at a glance

DSE All Share Price Index 577.44016
Market Capitalisation Tk 2828847207.00
Turnover in Volume 38575
Turnover in Value Tk9264150.00

Company's name Change Number (per share) of shares traded

Gainers (35)

IDLC 9.50 40
4th ICB M Fund 0.45 70
6th ICB M Fund 0.64 540
4th Automobiles 5.00 15
Aziz Pipes 11.11 20
Eastern Cables 3.07 45
Singer BD 0.40 51
BD Autocars 2.61 100
Quasem Drycells 0.82 1800
B Thal Aluminium 5.23 140
Bengal Food 1.31 193
Zeal Bangla Sugar 1.07 5200
Rupon Oil 0.01 5000
National Oxygen 5.00 600
Quasem Silk 0.03 3200
Saham Textile 2.22 750
Modern Dyeing 7.00 155
Eagle Star Textile 1.01 1100
Tallu Spinning 2.16 670
Beximco Pharma 4.74 5007
Pharmaco 2.71 9
Pharma Aids 1.25 40
Kohinoor Chemical 5.20 435
Wata Chemical 1.33 220
Beximco Synthetic 18.00 3280
Eagle Box 0.50 200
BD Monopoly 8.64 55
Paper Processing 11.70 450
Bata Shoe 2.00 100
GQ Ball Pen 3.45 250
Savar Refractories 2.00 150
Beximco Ltd 0.34 2400
Apex Footwear 0.23 480
BGIC 3.93 100
United Insurance 3.00 50

Losers (7)

Dhaka Vegetable 0.95 265
Tajuddin Textile 0.80 250
Ambee Pharma 0.34 3200
Rahman Chemicals 3.00 50
Beximco Infusions 0.79 80
Usmania Glass 9.04 110
Ctg Cement 0.90 1170

Issues