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BUSINESS

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Salvage operation of sunken wrecks in limbo

From Nurul Alam

CHITTAGONG, Mar 25: The salvage operation planned to dispose of the sunken wrecks from the channels of Chittagong port, Mongla port and other coastal rivers for ensuring a risk-free navigation reportedly plunged into uncertainty due to go-slow process.

According to sources, the list of the sunken wrecks was sent to the higher authority almost long time ago by the concerned convening committee but no progress or response in this regard was made so far.

About 60 wrecks of ship and other water crafts were

located and listed for lifting after a proper survey launched by the concerned organisations.

The decision for embarking on a country-wide programme sources added, to clear off the sunken wrecks was taken as per instruction issued about five months before by the Ministry of Port and Shipping which led to the constitution of a convening committee.

The convening committee included the high ranking officials of Chittagong port, Mongla port, Bangladesh Inland Water Transport Authority (BIWTA) and Mercantile Marine

Department (MMD). The Principal Officer of MMD Abdul Hoque was made the convenor of the committee formed for overall monitoring of the salvage operation.

Of the total sunken wrecks, Chittagong port authority submitted a list of 16 vessels needed to be salvaged from around its channel.

A large number of ships and water-crafts sank into the channel of Chittagong port during the catastrophic cyclone of April 29, 1991 that left a trail of devastation here, officials said.

As a result, ship movement

at Chittagong port channel after the cyclone was suspended for some days. But with the salvage operation of 20 sunken vessels in a hectic move, Chittagong port was somehow made fit for navigation, port sources said.

The rest of the sunken wrecks, however, remained unlifted which made the surrounding areas of main channel almost hazardous, sources also informed. Besides, during the heavy current of last year's monsoon flood two other water-crafts sank into the water at around the estuary of Karnafully river, sources said.

Kantor warns Japan Come up with plan to open market or face more bans

NEW YORK, Mar 25: US Trade Representative Micky Kantor urged Japan to be forthcoming about a plan to end the trade crisis between the two nations, because the US would otherwise resort to more punitive sanctions to open Japanese markets. The New York Times reported today, says Reuter.

"We have been encouraging them to come up with as bold and far reaching package as possible," Kantor told the paper.

Japan was likely to announce a package by Tuesday to open markets on autos, auto parts, telecommunications, insurance and medical equipment, the paper reported.

American officials told the paper that Japanese officials in

Washington have been trying to determine what is the minimum that the Clinton administration will accept to end the trade crisis between the two nations.

American officials told the paper that the Japanese are trying to get a positive response from Washington to bring down yen values and reduce the Japanese stock market's concerns, while not making too many concessions.

Kantor said President Clinton will try to open Japan's markets through negotiations, which have failed up to now, or using trade laws. If the Japanese come with a "bold" proposal, negotiations are likely to resume. Kantor told the paper.

KIB announces budget for '94

Krishibid Institution Bangladesh (KIB), the only national institution of around 10,000 agriculturists in the country, yesterday placed their annual budget of Tk 61,92,224.58 for the year 1994, reports UNB.

In a general meeting of KIB at BARC auditorium here, Secretary General of Krishibid Javed Iqbal said the institution is expected to earn Tk 55,79,230.73 in 1994 from different sources.

The proposed budget has a deficit of Tk 6,12,993.85.

A new 26-member of KIB Executive Committee for the year 1994-95 was also elected in the meeting with Ayubur Rahman as president and Javed Iqbal as secretary general.

The other members of the committee are: Vice President Tofsiir Uddin Siddique, Joint Secretary General Salekur Rahman Masum and Golam Mostafa, Organising Secretary Dr Nitish Chandra Debnath and Treasurer Dr Mohammad Sultan Mohiuddin.

Expressing solidarity with Prokrichi movement, the KIB General Secretary said "we have no way to retreat from the movement for implementation" of its 17-point demand.

KIB will observe a full-day work stoppage on April 5 to protest the government's decision on halting of upgrading pay scale to nine cadres including that of livestock, the meeting announced.

WB approves \$ 350m for China

WASHINGTON, Mar 25: The World Bank approved here yesterday a loan of 350 million US dollars to support China's thermal power project in Jiangsu province, reports Xinhua.

The Yangzhou thermal power project will alleviate acute power shortages in one of the fastest growing areas in China, the bank said.

The 1.08 billion dollars project, the bank said, will provide 1,200 megawatts (MW) of power to the east China power grid after construction of a thermal power plant and two 500 kilovolt transmission lines.

China's electricity output has grown by leaps and bounds, but demand outpaced this growth and its forecast to continue growing at about 11 per cent a year through 2002," said Vukota Mastilovic, the world Bank's Task Manager.

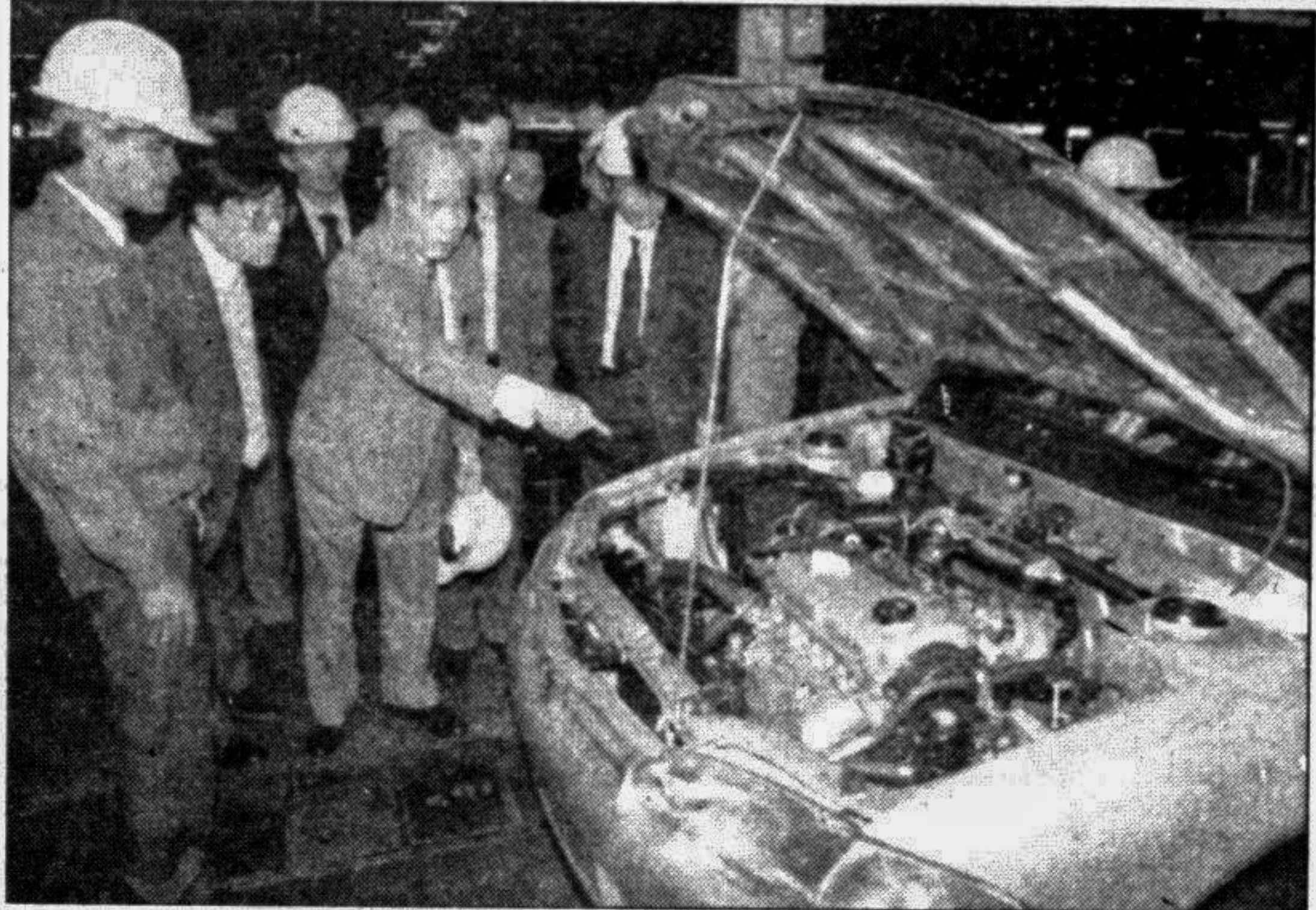
It's imperative that China meet this demand so as no to bottleneck future growth," the manager said. Meeting this demand will require the addition of 17,000 MW of power capacity each year.

Mexico joins OECD

MEXICO CITY, Mar 25: Mexico joined the Organization of Economic Cooperation and Development on Thursday, becoming the first Latin American nation member of the influential club of industrialized democracies, reports AP.

President Carlos Salinas de Gortari announced Mexico's admission into the Paris-based group Thursday at a meeting with business, labour and political leaders.

"Today, Mexico has entered into one of the most important economic organizations in the world, the OECD, allowing our country to develop an even greater presence among industrialized nations, particularly in Europe," Salinas announced at his residence.



Vietnam's Communist Party Secretary General Do Muoi points at the engine compartment of Malaysia's latest national car, Proton Wira, during a tour of the Proton plant yesterday. Do Muoi is here on a four-day official visit. — AFP photo

Asia's growing market to cure ailing wheat trade

LONDON, Mar 25: Growing populations and incomes in Asia's developing countries should help inject new life into the world's ailing wheat trade, grain experts said yesterday, reports Reuter.

However, no significant recovery will occur unless Russia and China, traditionally the biggest importers, resume large-scale buying of wheat, they said.

The International Wheat Council (IWC), a London-based group of exporting and importing nations, said in its monthly report that it expected world wheat trade in 1994/95 (July/June) to reach 96 million tonnes.

The Far East could account for more than a third of global trade in 1994/95 as growing populations and rapid economic growth buoy demand, senior IWC economist Bill de Maria said.

"However, rising incomes can cut both ways," he added. "They can sometimes signal a shift from grains to other foods like more fruit and vegetables."

"In any case, it is difficult to get too optimistic about trade prospects while demand in Russia and China remains so subdued," de Maria told Reuters.

The IWC predicted that Chinese wheat imports would rise to nine million tonnes in 1994/95 from an estimated six million this season, partly due to poor infrastructure and the difficult logistics of moving grain from rural to urban areas.

Russian wheat imports, however, are expected to stay fairly flat at four million tonnes

against 3.5 million projected for this season.

Despite official comments from Moscow that Russia aims to buy no foreign grain in 1994/95, the IWC said some imports would be necessary to meet a likely shortfall in domestic production.

Pakistan, Indonesia and the Philippines are expected to be big importers of grain, while India should stay self-sufficient.

Saudi Arabia, a major exporter in recent years, will

curb output to avoid exhausting limited water supplies, the IWC said.

Competition between major wheat exporters like the United States and the European Union will remain fierce. Price subsidies will continue to distort the grain trade ahead of the entry into force of an agreement to liberalise world farm trade.

The deal under the General Agreement on Tariffs and Trade is due to take effect from July 1995.

\$6b US swap facility to protect Mexican peso

WASHINGTON, Mar 25: The United States set up a six billion US dollars credit line for Mexico Thursday in a vote of confidence for the country following the assassination of its leading presidential candidate, reports Reuter.

The so-called swap facility — which will be supplied equally by the treasury department and the federal reserve — is designed to help Mexico protect its currency from speculative attacks when its markets reopen Friday.

"We're prepared to try to help," President Clinton told a news conference.

He said that Mexico's institutions remain "fundamentally strong" despite the assassination of ruling party presidential candidate Luis Donaldo Colosio, who was shot and killed Wednesday while cam-

paigning. Noting that Mexico closed its financial institutions Thursday, Clinton said, "we'll just have to see whether anything else happens — but I think things will settle down here."

Under the six billion swap facility set up by Washington, the United States will swap dollars for pesos with Mexico so that the Latin American country has enough foreign exchange reserves to head off a run on its currency.

The swap will be unwound at some point in the future when pressure on the Mexican currency abates.

Vice President Albert Gore said Colosio's death would not stall the Mexican economy or harm the North American Free Trade Agreement.

Opposition tax plan to hit economy: Kohl

BONN, Mar 25: Chancellor Helmut Kohl waded into Germany's first major election-year row yesterday, saying the tax plans of the opposition Social Democrats (SPD) would kill off economic recovery "like a hard frost on spring seeds," reports Reuter.

The SPD, which hopes to unseat the Christian Democrat leader in elections in October, retaliated by accusing Kohl of focussing on foreign policy to try to distract attention from his inability to bring down unemployment.

At a news conference at which he dealt largely with international affairs, the Chancellor refused to comment on differences between his own reintroduction of an income tax surcharge next year and SPD plans to replace it from 1996 with a 10 per cent levy to be paid only by higher earners.

But he said the SPD's proposals would be worse for Germany.

"Everyone in Germany can see that the tax plans of the SPD would have an effect on our slowly recovering economy like a hard frost on spring seeds," he said.

Finance Minister Theo Waigel on Tuesday seized on a newly unveiled SPD manifesto, saying billions of marks would flee Germany for foreign tax havens and small businesses would go bankrupt because of higher property and inheritance taxes.

The SPD responded by publishing a half-page advertisement in a mass-circulated newspaper on Wednesday.

claiming that 82 per cent of single people and 85 per cent of married couples would be better off under its proposals.

"Kohl's club will hit every-one earning small and medium incomes," the advertisement said.

Deputy SPD leader Oskar Lafontaine, the main author of the party's economic programme, said the government had deliberately distorted the figures.

"With false figures, the government is trying to hide the fact that it has brought the tax burden and state debt to record levels," he said.

At his news conference, Kohl claimed credit for maintaining low inflation and a stable Deutsche mark in the last three years despite the huge financial burden of German unification.

The government had confounded "international currency quirs" who had predicted that inflation would surge to 10 per cent.

Instead, inflation would fall below three per cent this year and the mark had remained stable.

"The result is undeniably positive, he said. A low inflation rate is the best social policy there is.

The Chancellor said Germany was in the position of a company which needed to carry out a thorough review of its activities every few years.

"We must consider what has gone well, what product has a future and where must we change," he said. "We must change in a whole series of important fundamentals."

Arabs bring 710 new oil wells on stream in '93

ABU DHABI, Mar 25: Arab states brought 710 new oil wells on stream in 1993 to meet growing world demand, with Algeria recording the largest expansion in production capacity, according to an official report, says AFP.

The number of oil wells in the 22-member Arab League rose to 8,536 in 1993, out of a world total of 926,132, said the report by the Organisation of Arab Petroleum Exporting Countries (OAPEC).

Despite massive projects in Saudi Arabia and other major Gulf oil producers, the number of wells in some of them increased only slightly while in others the figure remained unchanged said the study obtained here on Thursday.

At the end of 1993, Algeria had 1,446 wells, compared with 969 at the end of 1992, an increase of 477.

Kuwait's wells increased to 350 from 295, while in Qatar they increased to 268 from 238.

4 US companies withdraw shares from Tokyo stock market

TOKYO, Mar 25: In another sign of waning confidence in the Tokyo stock market, four major American companies have applied to withdraw their shares, an official said Friday, reports AP.

Trading in Eastman Kodak Co, Goodyear Tire and Rubber Co, Chase Manhattan Corp and Bell Atlantic Corp will officially end on June 29, exchange official Jun Shimizu said.

The companies said separately that declining trading volumes made the costs of maintaining shares on the bourse too high. Chase Manhattan cited similar reasons for delisting.

Japan's stock market is still struggling out of a slump that began in January 1990 in the collapse of the speculative "bubble economy" of the late 1980s.

\$10b libel suit against ABC TV

WASHINGTON, Mar 25: Philip Morris Cos Inc Thursday filed a 10 billion US dollars libel suit against the ABC Television network for a news programme that claimed the tobacco company put extra nicotine in cigarettes to keep smokers hooked, reports Reuter.

The world's largest tobacco company, maker of the leading brand Marlboro, said the capital cities ABC Inc unit made false and defamatory statements about how it manufactures cigarettes.

ABC's "day one" programme first made the charge in late February, saying the tobacco maker spikes cigarettes to keep people hooked, a Philip Morris statement said.

"These allegations are not true, and ABC knows they are not true," said Murray Bring, Senior Vice President and General Counsel of Philip Morris.

The cigarette maker's legal team told reporters at a news conference that the company had sent ABC two statements before the broadcasts "making it very clear that we do not spike our cigarettes. The suit, filed Thursday in Virginia circuit court in Richmond, seeks five billion dollars in compensatory and five billion dollars in punitive damages in favour of Philip Morris and its domestic tobacco subsidiary. It names ABC, as well as day one reporter John Martin and producer Walt Bogdanich.

Dhaka Stock Prices

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

Company	FV/ML*	March 17		March 24		High	Low
		Tabn	Tabn	Tabn	Tabn		
BANKS (12)							
Al Baraka Bank	1000/1	810.00	810.00	908.00	800.00		
AB Bank	100/5	190.00	190.00	200.00	160.00		
City Bank	100/5	286.00	290.00	355.00	280.00		
Eastern Bank	100/20	110.00	110.00	110.00	105.00		
IDLC Ltd	100/20	347.86	425.30	415.00	200.00		
LF.LC	100/5	163.12	168.96	198.00	140.00		
Islami Bank	1000/1	1500.00	1550.00	1705.00	1300.00		
National Bank	100/5	127.00	128.00	130.00	85.00		
Pubali Bank	100/5	100.00	100.00	100.00	85.00		
Rupali Bank	100/10	95.00	96.00	96.00	65.00		
U.C.B.L	100/5	108.00	108.00	120.00	80.00		
Utara Bank	100/5	90.00	90.00	103.00	80.00		
INVESTMENT (8)							
ICB	100/5	110.00	115.00	113.00	100.00		
1st ICB M.Fund	100/5	600.00	660.00	730.00	350.00		
2nd ICB Fund	100/5	200.00	221.92	280.00	160.00		
3rd ICB M.Fund	100/5	190.00	235.00	230.00	140.00		
4th ICB M.Fund	100/10	200.00	240.00	220.00	140.00		
5th ICB M.Fund	100/10	149.36	175.00	175.00	86.00		
6th ICB M.Fund	100/10	119.17	153.96	156.00	57.00		
Unit Certificate		113.00					
Sales Price		108.00	119.00	119.00			
Re-purchase		114.00	114.00				
INSURANCE (4)							
BOIC	100/10	369.67	409.17	358.00	177.00		
Green Delta	100/10	315.00	312.60AL	330.00	280.00		
Peoples	100/10	408.00	377.08	421.00	285.00		
United	100/10	346.78	450.00	400.00	166.00		
ENGINEERING (19)							
Arab Automobiles	100/5	277.00	301.59	310.00	167.00		
Atlas Bangladesh	10/50	73.31	82.00	85.00	41.00		
Asia Pipes	100/5	399.00	410.00	415.00	225.00		
Bangladesh Autocars	100/5	69.82	52.00	80.00	28.00		
Bangladesh Lamps	100/10	650.00	712.20	720.00	240.00		
B. Th Aluminium	100/10	135.00	130.00	143.00	77.00		
Bengal Carbide	100/5	425.00	425.00	510.00	250.00		
Bengal Steel	10/50	20.00	20.00				
Eastern Cables	100/5	104.06	177.44	165.00	65.00		
Howlader PVC	100/10	100.00	96.25	116.00	72.00		
Karim Pipe	100/5	110.00	105.00	112.00	60.00		
Metalex Corp.	100/5	61.67	65.00	65.00	25.00		
Monno Staffers	10/05	308.33	360.00	370.00	155.00		
Monno Jute	100/5	1000.00	1000.00	1000.00	270.00		
National Tubes	100/10	98.67	113.44	110.00	56.00		
Panther Steel	10/50	8.00	8.00				
Quasem Drycells	10/50	16.34	19.10	18.30	9.00		
Renwick Jaineswar	100/5	92.87	100.00	100.00	62.00		
Singer Bangladesh	100/5	1805.00	1999.95	1950.00	795.00		
FOOD & ALLIED (23)							
A.B Biscuit	100/5	199.00	199.00	199.00	199.00		
Alpha Tobacco	10/50	53.00	60.00	65.00	43.00		
Aman Sea Food	100/5	509.00	500.00	500.00	15.00		
Apex Foods	100/5	910.00	910.00	930.00	675.00		
Aroma Tea	100/5	45.13	56.00	65.00	45.00		
Bangas	100/5	140.00	140.00	150.00	120.00		
B.D Plantation	100/5	500.00	500.00	550.00	500.00		
Bengal Food	100/5	207.14	339.88	305.00	111.00		
B.T.C.	100/5	800.00	800.00	800.00	615.00		
B.T.C.	100/50	275.15	203.28ND	220.00	70.00		
Chg. Vegetable	100/10	117.67	120.00	120.00	60		