

South must cope with export price fluctuations: WB

WASHINGTON, Apr 28: World commodity prices are unlikely to recover their pre-1990 boom level and developing countries must find new ways to cope with export price fluctuations, the World Bank warned yesterday, reports AFP.

"Despite signs of modest recovery in the short term, prices are unlikely to return to the levels of the 1970s and early 1980s," the joint International Monetary Fund World Bank development committee said in a communiqué after its spring meeting here.

It urged developing country governments to continue to diversify their economies to move away from too heavy reliance on commodity exports. But also said they could help deal with price fluctuations through hedging on the futures markets.

"They can protect themselves better against price fluctuations by hedging," World Bank President Lewis Preston told a press conference.

The bank was willing to offer its expertise to help those countries wishing to do so but with little experience of these

markets, he added.

Today the real prices of many non-oil commodities are the lowest they have been since 1945, Preston earlier told the development committee.

"In many cases prices are so low they do not cover production costs."

The current improvement in prices will "represent only a partial correction of the 1980s drop" in real terms and prices are expected to head downwards again at the end of the decade, Preston warned.

"This is a problem that the international community and the international financial institutions in particular need to seriously come to grips with," Indian Central Bank Governor C. Rangarajan told the development committee.

A number of developing countries, particularly in Africa, are heavily dependent on non-oil commodity exports, which in some cases are virtually their sole source of foreign currency earnings.

When prices in sectors from tin to coffee and cocoa started falling sharply in the 1980s many initially borrowed

to maintain living standards. Believing that prices would eventually recover.

This has left them with increased debts and no guarantee that their commodities will ever recover their previous earning levels.

French Finance Minister Edmond Alphandery said that many developing countries were "highly, if not excessively, dependent" on commodity exports and the only way for them to achieve sustainable development was to improve and stabilize their earnings from these exports.

But the question is how to stabilize earnings in a sector known for its volatility and wild price fluctuations, particularly as according to a recent IMF report "the volatility or real commodity prices has been steadily increasing since the 1970s."

Preston said that market-based risk management using forward contracts, options and commodity swaps offered a promising alternative to traditional stabilisation schemes.

But Belgian Finance Minister Philippe Maystadt

said that while such heading could provide protection against short-term price fluctuations.

Longer-term strategies must be developed for solving the economic problems of developing countries in spite of stagnant commodity prices.

He urged greater efforts by commodity-dependent countries to diversify their exports — according to IMF figures, while Asian producers generally halved the commodities share of their exports in 1965-1990. African producers generally showed little change.

Maystadt urged the World Bank to re-examine the role of transnational companies, "a few of whom almost exclusively control the marketing of a number of commodities."

Rangarajan urged financial assistance to help affected countries cope with the necessary diversification effort.

For societies heavily dependent on commodity exports, compensatory financing facilities are essential to prevent their growth efforts being derailed by unexpected external shocks, he added.

Unemployment in Japan reaches 6-year high

TOKYO, Apr 28: Unemployment in Japan, victim of the country's long recession, reached its highest average annual rate in six years in the fiscal year ending in March, the Management and Coordination Agency said today, reports Reuters.

The seasonally adjusted average jobless rate for the 12 months of fiscal 1993/94 was 2.6 per cent, up from 2.2 per cent the year before.

The 2.6 per cent figure was the highest since fiscal 1987/88, when the 12-month rate was 2.8 per cent, the agency said.

The closely-watched ratio of job offers to job seekers fell to 71 in 1993/94, showing there were 71 jobs for every 100 people seeking employment, against 100 in 1992/93.

With companies still under pressure to restructure, the labour market outlook should remain shaky.

In March, the jobless rate was unchanged from February, when the rate rose to 2.9 per cent, the highest since June 1987, and the jobs-to-applicants ratio was up to 66 in

March from 65.

"You cannot say that the worst is over. There are a lot of uncertain factors," said Toshiki Masui, a Tokai Bank economist.

Industrial output might slip again in April in reaction to earlier rises, he said. Fears remain over the high yen as well as Japan's political confusion, which has led to an unusual delay in enacting a growth-oriented budget for this year.

Average overall employment in 1993/94 rose by 170,000 persons, or 0.3 per cent from a year earlier, to 64.54 million. The number grew much more slowly than in the previous year, when average overall employment rose by 420,000.

Analysts said slower employment growth in the manufacturing sector, hit hardest by falling export returns due to the strong yen, was offset by robust employment growth in the non-manufacturing sector.

Overall employment in March rose by 100,000 persons, or 0.2 per cent from a year earlier to 63.65 million.

Dhaka Stock Prices

At the close of trading on April 28, 1994

Gainers dominate floor

Star Report

The gainers, led by Bata Shoe, heavily dominated the floor of the Dhaka Stock Exchange (DSE) on Thursday, the closing day of the week.

The company led 36 gainers in terms of volume. Its 32300 share were traded. The issue experienced a gain of Taka 0.83 per share.

Among the gainers, other major volume leaders were: Rupon Oil (3300), Ashraf Textile (1750), Eagle Star Textile (1250), Tamijuddin Textile (3220), Beximco Synthetic (2880), Apex Tannery (1750), Beximco Ltd (5000), Ctg Cement (1935) and Eastern Insurance (1760).

In terms of value, Ctg Cement topped the gainers' list with a rise of Taka 60.71 per share.

Howlader PVC dominated the list of seven losers in terms of volume. The company's 250 shares were traded.

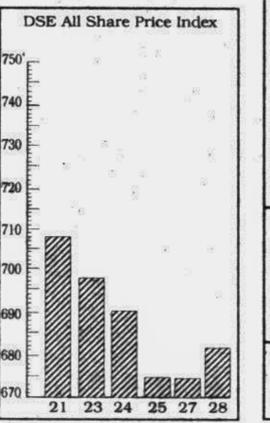
The prices of five issues remained unchanged. The number of issues traded totalled 48.

A total of 62,843 shares changed hands at Taka 96,26,432.00 as against Wednesday's 236,034 shares valued at Taka 765,60,576.00.

Trading at a glance

DSE All Price Index	681.9666
Market Capitalisation	3,102,46,01,888.00
Turnover In Volume Tk	62,843
Turnover In Value Tk	96,26,432.00

Company's name	Change (per share)	Number of shares traded
Gainers (36)		
1st ICB M Fund	9.00	5
4th ICB M Fund	1.00	78
6th ICB M fund	1.92	560
Eastern Cables	3.16	175
Atlas BD Ltd.	2.73	700
Quasem Drycells	0.75	500
Metalex Corp	1.00	150
BD Text Aluminium	3.64	210
Bengal Food	4.35	200
Dhaka/Vegetable	7.85	490
Rupon Oil	0.20	3300
BD Oxygen Ltd	4.68	600
Shine Pukur Jute	10.00	200
Ashraf Textile	0.44	1750
Quasem Silk	0.56	1750
Saham Textile	2.83	30
Eagle Star Textile	1.49	1250
Talhu Spinning	4.59	100
Tamijuddin Textile	0.97	3220
Padma Textile	13.35	340
Amber Pharma Ltd.	1.01	500
Beximco Pharma Ltd.	29.90	143
Pharmaco Ltd.	10.00	20
Pharma Aids Ltd.	4.14	10
Kobinoor Chemical	7.17	635
Ibn Sina Pharma	8.70	20
Beximco Infusions Ltd.	20.00	150
Beximco Synthetic Ltd.	15.74	2880
Apex Tannery	24.55	1750
Bata Shoe BD Ltd.	0.83	32300
Savar Refractories	5.00	15
Beximco Ltd	1.96	5000
Ctg Cement	60.71	1935
Apex footwear	38.76	480
BGIC	0.91	460
Eastern Insurance	7.10	1760
Losers (7)		
Islami Bank BD	50.00	2
Rupali Bank	1.00	10
IDLC	20.10	60
Singer BD Ltd	3.61	125
Howlader PVC	3.32	250
Wata Chemical	0.71	140
Usmania Glass	2.53	170
Issues (5) unchanged		
City Bank (50), National Bank (5), Aftab Auto (10), Bangladesh Auto (10), Beximco Pharma Deb (11).		



DSE Shares and Debentures

Company	FV/ML (Taka)	Closing Rate (Taka)	Padma Textile	100/20	373.35
BANKS (12)					
Al-Baraka Bank	1000/1	823.16	Quasem Silk	10/100	4.50
A.B. Bank	100/5	180.00	Quasem Textile	10/50	6.00
City Bank	100/5	280.00	Rahim Textile	100/5	96.00
Eastern Bank	100/20	110.00	Saham Textile	100/10	84.67
IDLC Ltd	100/20	420.00	S.T.M. (ORD)	100/5	20.00
IFLC	100/5	170.00	Stylcraft	100/5	550.00
Islami Bank	1000/1	1600.00	Swan Textile	100/20	283.73
National Bank	100/5	100.00	Talhu Spinning	100/10	122.00
Pubali Bank	100/5	100.00	Tamijuddin	100/10	200.00
Rupali Bank	100/10	70.00	PHARMACEUTICALS & CHEMICALS (20)		
U.C.B.L	100/5	103.00	Amber Pharma	10/50	24.00
Uttara Bank	100/5	85.00	Bangla Process	100/5	65.00
INVESTMENT (8)					
LCB	100/5	112.00	BCIL	100/10	475.00
1st ICB M. Fund	100/5	800.00	Beximco Infusion	100/100	700.00
2nd ICB M Fund	100/5	285.00	Beximco Pharma	100/5	1693.99
3rd ICB M Fund	100/5	284.73	B. Synthetics	100/20	83.73
4th ICB M Fund	100/10	266.00	Glazo	10/50	130.00
5th ICB M Fund	100/10	189.00	ACI	10/50	115.00
6th ICB M Fund	100/10	137.85	Kobinoor Chemical	100/5	109.17
ICB Unit Cert.			N Polymer	100/10	145.00
Sale Price		122.00	Petro Synthetic	10/50	9.00
Re-Purchase		117.00	Renata Ltd	100/5	710.00
INSURANCE (5)					
BGIC	100/10	400.91	Pharma Aids	100/5	285.00
Eastern Insurance	100/20	256.48	Pharmaco	100/5	75.00
Green Delta	100/10	366.00	Progressive Plastic	100/5	48.00
Peoples Insurance	100/10	440.00	Rackitt & Colman	10/50	95.00
United Insurance	100/10	340.00	Rahman Chemicals	100/10	50.00
ENGINEERING (19)					
Aftab Automobiles	100/5	245.00	Therapeutics	100/5	95.00
Atlas Bantobles	10/50	67.14	The Ibrnsna	100/10	120.00
Aziz Pipe	100/5	370.00	Wata Chemical	100/20	264.29
Bangladesh Autocars	100/5	51.00	PAPER & PRINTING (6)		
Bangladesh Lamps	100/10	1475.00	Eagle Box	10/5	19.00
BD Text Aluminium	100/10	123.95	Monosopul Paper	100/5	30.00
Bengal Carbide	100/5	600.00	Paper Converting	100/5	85.00
Bengal Steel	10/50	20.00	Paper Processing	100/10	18.00
Eastern Cables	100/5	136.71	Padma Printers	10/50	50.00
Howlader PVC	100/10	71.68	Sonali Paper	10/50	40.00
Karim Pipe	100/5	105.00	SERVICE (2)		
Metalex Corp.	100/5	80.67	Bangladesh Hotel	10/50	12.00
Monro Stafflers	100/5	370.00	BD Service	10/50	NT
Monro Jute	100/5	1000.00	MISCELLANEOUS (18)		
National Tubes	100/10	100.00	Apex Footwear	100/20	579.38
Pantier Steel	10/50	8.00	Apex Tannery	100/5	760.63
Quasem Drycells	10/50	17.10	Aramit	10/50	20.00
Renwick Jaineswar	100/5	80.00	Bata Shoe	10/100	90.85
Singer Bangladesh	100/5	2719.80	Beximco	10/100	66.83
FOOD & ALLIED (28)					
A.B. Biscuit	100/5	198.00	BCIL	100/5	488.81
Alpha Tobacco	10/50	70.00	G. Ball Pen	10/50	150.00
Anam Sea Food	100/5	509.00	High Speed	100/5	50.00
Apex Food	100/5	987.50	Himadri Ltd.	10/100	6.00
Aroma Tea	100/5	57.37	Milon Tannery	100/5	10.00
Bangas	100/5	175.00	Monro Ceramic	100/5	610.85
B.D. Plantation	100/5	500.00	New Jaka Refac	100/20	90.00
Bengal Food	100/5	320.00	Phoenix Leather	100/5	130.00
B.L.T.C.	100/5	800.00	Savar Refractories	100/5	60.00
B.T.C.	10/50	210.00	The Engineers	100/5	100.00
Ctg. Vegetables	100/10	120.00	Texpick Ind	100/10	90.00
Dhaka Vegetables	100/5	126.57	Usmania Glass	100/5	416.47
E.L. Camella	100/5	1040.00	JUTE (12)		
Froglegs Export	10/50	3.00	Abad Jute	100/10	NT
Gemini Sea Food	100/5	44.00	Anowara Jute	10/50	NT
Hill Plantation	100/5	550.00	Delta Jute	10/50	8.50
Modern Industries	100/5	600.00	Gawisa Jute	10/50	NT
N.T.C.	100/5	290.00	Islam Jute	100/5	100.00
Rabeya Flour	10/100	NT	Jute Spinner	100/5	105.00
Rupon Oil	10/100	6.50	Mutual Jute	100/5	105.00
Tulip Dairy	100/10	80.83	Northern Jute	10/50	NT
Yousuf Flour	10/50	NT	Shamser Jute	100/5	100.00
Zeal Bangla Sugar	10/50	8.00	Specialised Jute	10/50	NT
FUEL & POWER (4)					
BD Oxygen	10/50	187.17	Shine Pukur Jute	100/5	300.00
Eastern Lubricant	10/50	14.00	Sonali Aarsh	100/5	130.00
National Oxygen	100/10	96.00	DEBENTURES (6)		
Padma Oil Co.	10/50	74.80	BCIL	2000/1	2813.04
TEXTILE (20)					
Alhaj Textile	10/50	NT	Beximco Infusion	1500/2	1700.00
Arbee Textile	100/10	112.00	Beximco Pharma	856/1	930.00
Ashraf Textile	10/50	31.71	Beximco Synthetic	2500/2	2350.00
Chand Textile	10/50	NT	(1.4%)		
Chand Spinning	10/50	NT	Quasem Silk	1500/1	1330.00
Desh Garments	100/10	51.00	(1.7%)		
Dulaina Cotton	100/10	105.00	(1.7%)		
Eagle Star Textile	10/50	20.24	(1.7%)		
GMG Ind. Corp.	10/50	10.00	(1.7%)		
Modern Dyeing	100/5	35.00	(1.7%)		

March against child labour in India ends

NEW DELHI, Apr 28: A 5200-kilometre (3,250 mile) march against child labour drew thousands of pledges from Indians to boycott goods made by children, organisers said here Wednesday, reports AFP.

Activist Kailash Satyarthi told reporters that numerous organisation, labour unions and ordinary people had promised to avoid buying goods made by children.

Some 55 children work for a pittance across India, reports say.

They work in limestone and slate quarries, and carpet, raw silk, glass and fireworks factories.

The 27-day march ended here Sunday with 43 children among other marchers completing the trip from Kanyakumari on India's southern tip to the capital.

"We saw 12-year-old, working in huge brick kilns," Satyarthi said. "They did not know who or what the Prime Minister was, nor the name of their country."

Satyarthi said the movement would step up pressure on politicians to strictly enforce legislation against child labour.

Appeals would be made to voters to back only candidates who supported the anti-child labour movement, he said.

He said the movement would try to popularise adult-made goods through labels and dismissed suggestions that retrenchment of children would hurt family incomes.

"We notice a parallel rise in the growth of child labour and adult unemployment," he said. "Children can go to schools and their parents can take over their jobs."



Children rescued from virtual slavery in industrial units demonstrate in New Delhi Sunday. The children were brought to the capital by child rights activists who organised a 5,200 kilometer march against the exploitation of child labour. —AFP photo

Solidarity Trade Union workers on strike

WARSAW, Apr 28: Workers from the Solidarity Trade Union staged strikes in factories across Poland today to press the government to meet the union's demands, reports Reuters.

PAP news agency said several dozen plants in Warsaw, the southern towns of Wroclaw, Krakow and Walbrzych joined protests under way at hard-coal and lignite mines. It was not clear how many workers and plants had joined the strike.

Solidarity wants to force the government to accept a number of demands, including scrapping plans for reintroducing wage curbs, and to implement an industrial pact under which employees would get shares of state firms.

The government said on Wednesday it was open to negotiations.

US economic growth showing more moderate pace

WASHINGTON, Apr 28: The booming increase in the nation's economy that help trigger fears of inflation is shifting to a more moderate pace, economists say, reports AP.

And with interest rates creeping up, the slowdown likely will continue for some months and probably the rest of the year, they say.

"The economy was very strong, and it's back down and probably will stay down for awhile," said Joseph Duncan of Dunn and Bradstreet.

The Commerce Department's first look at the gross domestic product in the first quarter of 1994, due to be announced Thursday, was expected by most economists to show an increase to between 3 per cent and 3.5 per cent at an annual rate. That would put it at no more than half the sizzling 7 per cent rate of expansion for the final three months of 1993.

The GDP measures total goods and services produced in the United States.

No one expected that last quarter rate to carry over into this year. But the stunning rise

apparently helped persuade the Federal Reserve to reverse its five-year policy and begin boosting short-term interest rates.

In three increments this year, the Fed has pushed the rate from 3 per cent to 3.75 per cent with more increases likely. The boosts sent tremors through the financial markets and helped push long-term interest rates sharply higher.

That was ironic, analysts said, since the Fed's ounce of inflation prevention presumably was designed to reassure the markets and ease concerns over higher long-term rates.

In recent days, the markets steadied and began to move upward. Most markets were closed Wednesday as the nation mourned former President Nixon.

The Clinton administration, which has made low interest rates a cornerstone of its economic expansion plans, is predicting growth of around 3 per cent for 1994.

All the signs pointed to a slowdown in the first quarter of the year, in part because of the severe winter weather in

much of the nation and the California earthquake.

Also, the government previously reported a sharp drop in net exports during the first three months, while housing and business construction have slackened as well.

The Labour Department also reported this week that workers' wages and benefits during the 12-month period ended March 31 rose a mere 3.2 per cent, the smallest increase since the government began keeping the figures in 1982.

The figure signals that consumer purchasing power, a key engine of economic growth, could be stalling.

The National Association of Business Economists is forecasting healthy expansion this year accompanied by mild inflation.

Thursday's GDP estimate "should indicate this year is shaping up as a solid one," the group said in a statement. An industry survey conducted by the organization indicates stable prices and commodity costs and only limited wage increases.

Russia, Israel sign economic agreement

MOSCOW, Apr 28: Russia and Israel signed an economic and trade agreement in Moscow on Wednesday, the first of its kind between the two countries, Interfax news agency reported, says AFP.

The accord was signed by Russian Prime Minister Viktor Chernomyrdin and his Israeli counterpart, Yitzhak Rabin.

Rabin had said on Tuesday that the agreement would be "the most important" of the seven accords he signed since the start of his visit to Russia on Sunday — the first to the country by an Israeli premier.



A worker at a local tyre factory carries tyres, which he received instead of salary, in the Russian town of Omsk, Wednesday. This is only one example of the situation in some Russian regions, where plants and factories pay their employees with their products because of the lack of cash. — AFP photo

Exchange Rates

The following are the Sonali Bank's dealing rates to public