

Oil prices rise

NEW YORK, June 14: Oil prices finished higher Monday as OPEC oil ministers arrived in Vienna for their quarterly meeting confident that current quotas should be enough to keep prices well above their recent lows, reports AP.

Light sweet crude oil for delivery next month settled at 18.79 dollar per 42-gallon barrel, up 31 cents, at the New York Mercantile Exchange.

Many of the ministers arriving for Wednesday's meeting were encouraged that the decision to keep output steady through the rest of the year was having its intended effect.

Nymex prices are nearly five dollars per barrel higher than a recent low of 14 dollar reached in March. Production by the Organisation of Petroleum Exporting Countries outstripped demand during the recession, but as world economies have improved, so has demand for OPEC crude.

The group is also expecting the usual winter increase in demand for heating oil will help crude prices if supply holds steady.

Natural gas prices were lower, with contracts for delivery in July settling at 2.121 dollars per 1,000 cubic feet, down 1.3 cents.

In London, North Sea Brent Blend crude oil for delivery in July settled at 16.41 dollars per barrel, up two cents, at the International Petroleum Exchange.

Japan extends emergency aid to Sudan

NAIROBI, June 14: The Japanese government has decided to extend to the World Food Programme (WFP) an emergency aid of four million US dollars for the relief of the Sudanese people afflicted by starvation, reports Xinhua.

A press release issued today by the Japanese Information Centre in Nairobi said that in Southern Sudan, agricultural production has been deteriorated by the civil war, which began in 1983, as well as by the bad weather, the reduced acreage under irrigation, and insect pests.

As a result, the press release said, about 2.2 million people are confronted with imminent starvation.

In January 1994 the WFP appealed to the International Community for 60 million dollars to transport 199,000 tons of relief food to the displaced people in Southern Sudan.

However, the international community's response is not ideal. Only 6.7 million dollars, or 11 per cent of the total requirements, have been committed so far.

ICI plans to set up terephthalic acid plant in Pakistan

LONDON, June 14: Imperial Chemical Industries (ICI) said on Monday that its ICI Pakistan unit was considering building a plant at Port Qasim, Pakistan to manufacture Pure Terephthalic Acid (PTA) which is used to make polyester fibre, reports AFP.

The plant, which would have capacity of 400,000 tonnes a year, was expected to come on line in 1997, subject to successful negotiations with the Pakistan government and approval from the ICI board.

ICI said that most of the plant's output would be sold domestically. Deryk King, Managing Director of ICI's international polyester business, said: "ICI has been considering a PTA investment in Pakistan for some time and growth in demand from the polyester fibre industry is now such that a world-scale, internationally competitive plant can be justified."

Colombia, Mexico, Venezuela sign free trade pact

CARTAGENA, Colombia, June 14: Colombia, Mexico and Venezuela signed a free trade pact Monday, marking a major step toward ending trade barriers in Latin America, reports AFP.

Presidents Cesar Gaviria of Colombia, Carlos Salinas of Mexico and Rafael Caldera of Venezuela eliminated tariff barriers between their countries, which have a combined population of 140 million people.

The signing took place in the Caribbean resort city of Cartagena, Colombia.

Salinas said the group of three trade agreement is second in importance to the North American Free Trade Agreement linking Canada, Mexico and the United States.

The move by the three nations gives further impetus to the free-trade movement within Latin America, where many countries are aiming at improved economic relations with the United States in hopes of gaining access to its huge market.

Pakistan plans to build rail road links with Tajikistan

ISLAMABAD, June 14: Pakistani Prime Minister Benazir Bhutto's cabinet approved plans on Monday to build a railway to Tajikistan through Afghanistan and road links to Central Asian republics through China, reports Reuter.

Pakistan is eager to develop trade with the Central Asian republics of the former Soviet Union but links have been hampered by civil war in Afghanistan.

It was unclear where funding for such a project would be obtained, one diplomat said.

The cabinet approved plans for a rail link from Chaman, on the border between Afghanistan and the Southwestern Pakistani province of Baluchistan and where the current rail tracks end, Information Minister Khalid Ahmad Khara

told a news conference.

The new railway line would stretch from Chaman through the Southern Afghan city of Kandahar to the western city of Herat and north to Kushka in Tajikistan where the track would link up with existing lines, Khara said.

The link would require construction of an additional 800 km (480 miles) of track at an estimated cost of 600 million while the line from the Baluchistan capital of Quetta to Chaman would have to be upgraded at a cost of 100 million dollar, he said.

Asked who would pay for the railway, Khara said: "funding takes time to organise." He refused to give further details.

The World Bank had already

agreed to help with financing of 1.5 million dollar for a feasibility study, Khara said.

"We will sign an agreement with the government of Afghanistan," Khara said when asked if Kabul had agreed to the plan. "They will also benefit from the project."

The cabinet also approved plans for road links to Central Asia via the Kunjerab Pass — the highest road Pass in the world — through China. He was unable to give more details.

Pakistan had hoped to establish road links with the newly independent central Asian republics via Kabul after the Mujahideen took power from the former Moscow-backed government in April, 1992 but a bloody civil war in Kabul among the rival parties has thwarted those plans.



Professor M Islam, Director General of Bangladesh Diabetic Association seen receiving a cheque as death settlement claim (Group Insurance) of the policy holder of the National Life Insurance Company Ltd late Abul Qasem from the Managing Director of the company Rezaul Hakim in the city recently.

UN urges rich states to rethink development aid strategies

COPENHAGEN, June 14: The United Nations urged industrialised countries yesterday to rethink development aid strategies in the New Post-communist age, reports Reuter.

The world body made this call in launching its 1994 Human Development Report.

The report, published by the United Nations Development Programme (UNDP) carries an impassioned appeal for cuts in military aid and more focus on human security.

In the post-cold war era, human security is increasingly interpreted as security of people in their daily lives. Human security must be regarded as universal, global and indivisible," Dr Mahubul Haq, special adviser to the UNDP and author of the report, said here.

It is easier, "more humane and less costly to deal with the new issues of human security upstream rather than downstream," he said.

He said that it made no sense to incur a staggering

cost of 240 billion dollars in the last decade for the AIDS epidemic when even a small fraction of that amount invested in primary health care and family planning education would have prevented such a fast spread of the disease.

"Is it a great tribute to international diplomacy to send two billion dollars in a single year on soldiers in Somalia to deliver humanitarian assistance when such an amount invested much earlier in increased domestic food production and social development may have averted the final human tragedy?" Dr Haq said.

He said that 86 per cent of the arms trade with the poor world emanated from the five permanent member nations of the United Nations security council.

It is worrying that nations entrusted as guardians of world security should also be the planet's leading suppliers of arms, Dr Mahubul said.

"What we want is a transfer from arms to human develop-

ment, we must forge a new consensus for peace through development not soldiers," he said.

"The world has seen more hopeful changes in the last decade than ever before — from the collapse of communism to the fall of the Berlin Wall, from the end of apartheid in South Africa to a dim outline of peace in occupied Palestine — this is a time to build a new edifice of human security throughout the world," Dr Mahubul said.

The UNDP Human Development Report ranked 173 countries according to income and quality of life, measuring factors such as life expectancy literacy, schooling and real purchasing power.

Topping the UNDP's 1994 human development index are Canada, Switzerland, Japan, Sweden and Norway, with Barbados, Hong Kong, Cyprus, Uruguay and Trinidad and Tobago leading the developing countries on the list.

India's Congress asks govt to restructure state firms

NEW DELHI, June 14: India's ruling Congress Party has asked the government to immediately restructure state-owned firms and implement recommendations by committees — the Rangarajan Committee and Goswami Committee — have made valuable recommendations on the restructuring of public sector enterprises, including sick enterprises. The AICC urges the government to implement these reports, it added.

India's state-owned sector set up over the past four decades, has been a burden on the country's resources as it continues to be unprofitable due to outdated technology and a large, inefficient workforce.

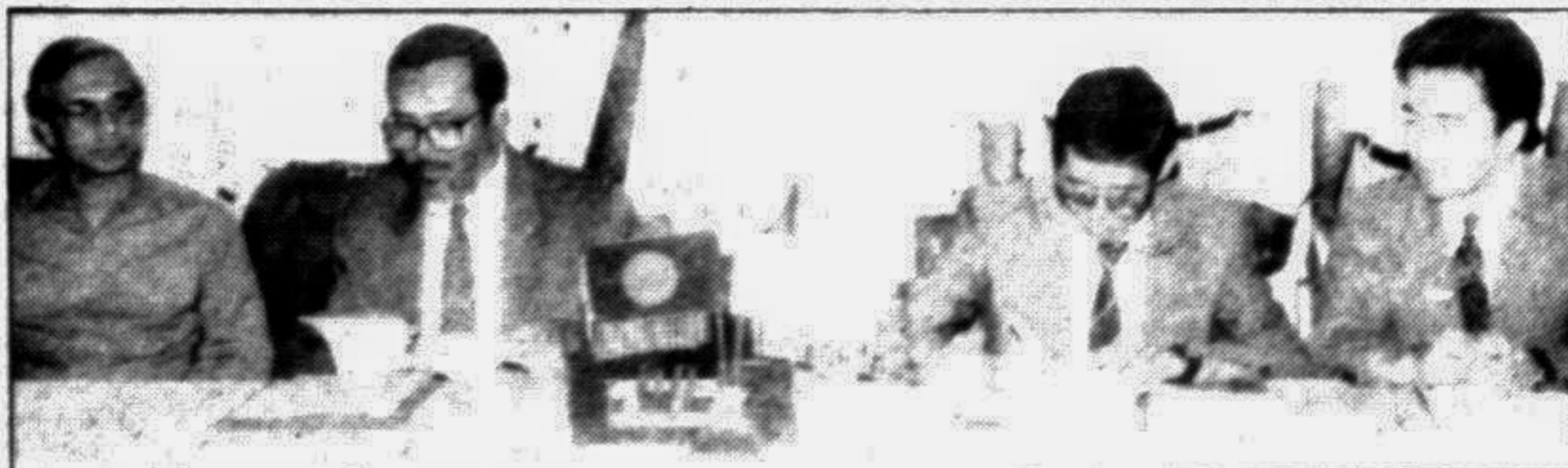
The Rao government, which has introduced far-reaching economic reforms since coming to power in 1991 has been

dragging its feet over the closure of unviable state firms because of opposition by trade unions and opposition parties.

It has also been slow in divesting from state-owned firms despite pledges to do so as part of new liberalisation measures.

It set up two committees, one led by central bank Governor Chankravarty Rangarajan to suggest ways of divesting from state-owned firms, and another by economist Omkar Goswami for closure of loss making units.

The Rangarajan Committee suggested the government divest 49 per cent of its holdings in state-owned firms and restructure their financing pattern.



Mohammad Shahidul Alam, Additional Secretary of Economic Relations Division (ERD) and Hisao Tanimoto, chief representative of Overseas Economic Cooperation Fund (OECF) in Dhaka signed two agreements in the city yesterday under which Bangladesh will receive 200 million US dollar as loan assistance for the Jamuna Multipurpose Bridge Project and 13 million US dollar for the development of Feni/Bakhrabad Gas Project from OECF of Japan.

Michelin to eliminate 1170 jobs

CLERMONT-FERRAND, France, June 14: Michelin, the world's biggest tyre company, said Tuesday it plans to eliminate 1,170 jobs at three factories in France by the end of next year, reports AP.

It also plans to close its factory at Roubaix by the end of this year. There are 200 employees at the factory, which produces tyre-making machinery. The job-cutting plans are to be proposed formally at a meeting of the company's worker-management committee June 22. But management released details Tuesday, saying the reductions would affect factories in Bourges, tours and the main plant in Clermont-Ferrand.

The company said it hoped to avoid outright layoffs by offering early retirement or shorter working hours to some employees.

US anti-smoking lawmakers to seek regulatory action on tobacco

WASHINGTON, June 14: Anti-smoking lawmakers said Monday they will seek action this week on a bill to give the US Food and Drug Administration (FDA) regulatory authority over tobacco, reports AP.

"We have the opportunity this week to enact sensible regulation of tobacco and we will not let it pass us by," said Rep. Dick Durbin.

Durbin, joined by Rep Mike Synar and Ron Wyden plan to offer their proposal as an amendment to the agriculture spending bill to be taken up by the House of Representatives later this week.

The Rules Committee, which determines how bills are presented to the House, is to decide Tuesday or Wednesday whether to allow the amendment.

The tobacco industry con-

tends that it is inappropriate to put cigarettes under FDA controls because tobacco products are neither a drug nor a food.

The amendment would prohibit the FDA from banning tobacco products. But it would give the FDA authority to regulate the manufacture, sale, labeling, advertising and content of tobacco products.

The legislation, Synar said, "will for the first time permit the FDA to put a halt to the tobacco companies' unabashed targeting of children, and their unchecked assault on the health of the American people."

"This is the premier children's health measure of our day," Wyden said. "This is a fight for kid's health."

The congressmen said the FDA's federal power would do

much to deter the sale of cigarettes to children and advertising aimed at young people. They said 3,000 youngsters under 18 take up smoking every day.

They said that the FDA, if it had regulatory powers over tobacco, could restrict or even ban nicotine content in cigarettes.

FDA Commissioner David Kessler said earlier this year that the FDA is considering classifying nicotine as a drug, which would allow it to regulate most tobacco products.

Synar said they are confident of more success in attaching the proposal to the agriculture appropriation bill because spending bills are not subject to filibusters in the Senate, which allow 41 of the 100 senators to block a vote.

Dollar falls sharply in Tokyo

TOKYO, June 14: The dollar closed sharply lower at 102.85 yen on the Tokyo foreign exchange market Tuesday, down 0.99 yen from the previous day's finish of 103.77 yen, reports AFP.

The Tokyo market mostly reflected trends overseas, dealers said.

The Greenback plunged below 103 yen in New York Monday as it lost ground against the German mark after a victory of German Chancellor Helmut Kohl's ruling coalition in Sunday's European parliamentary elections.

After opening at 103.09 yen, the dollar moved between 102.87 yen and 103.14 yen on the Tokyo market today. The closing rate here was slightly higher than 102.85 yen quoted in New York late Monday.

Spot turnover increased from the previous day's 2.154

billion dollars to 4.495 billion dollars.

Investors were cautious about possible intervention by the central bank of Japan to support the dollar, dealers said.

Bank of Japan Governor Yasushi Mieno told parliament Monday that the central bank would continue monitoring the yen-dollar exchange rate as a further advance of the yen would delay economic recovery in Japan.

Investors had discounted mounting tension on the Korean peninsula, dealers said. Tension increased further overnight with North Korea announcing it would withdraw from the International Atomic Energy Agency (IAEA).

The possibility of UN Security Council sanctions against North Korea has reportedly increased.

Foreign investment plunges in China for tax policies

BEIJING, June 14: Foreign investment in China, a key engine behind the country's economic boom, is plunging due to new tax policies and government efforts to avoid dangerous overheating, an official newspaper said today, reports Reuter.

The number of newly established foreign-funded enterprises tumbled to 10,739 in the first quarter, down 43.6 per cent against the same period last year, the state administration for industry and commerce (SAIC) told the China Daily.

New foreign investment and registered capital both slumped by 50-per cent in the period, according to SAIC statistics.

The newspaper did not give actual totals.

"Last year investment was at an extraordinarily high level, so even in the context of a long-term increase it makes sense to see a drop off," said a western diplomat who follows the economy.

"In addition, there is a lot of nervousness about the state of the Chinese economy, and a

lot of sectors where investment was flowing, like real estate, are the targets of a tighter credit policy and the clampdown on speculation."

China has led the world in economic growth for two straight years.

Last year, when the economy expanded by 13.4 per cent, foreign investment was at a record level, with new agreements signed promising foreign capital of 122.7 billion dollars up 76.7 per cent over 1992.

Foreign capital actually utilised during the year rose 91.5 per cent to 36.77 billion dollars.

But China has paid a stiff price for booming economic growth.

Inflation is raging at more than 23 per cent per year in major cities, alarming communist party officials who fear social turmoil.

Government efforts to slow down the economy, control inflation and reform the fiscal structure had made China less attractive to foreign investors, officials said.

NASA orders two small earth-observing satellites

WASHINGTON, June 14: The National Aeronautics and Space Administration (NASA) has ordered two small earth-observing satellites with unprecedented sensor technology that will be able to tell whether a tree is diseased or healthy and locate urban utility cables from the sky, according to USIS.

NASA Administrator Daniel Goldin told reporters June 8 that two companies were chosen in an industry-led competition to build, launch and operate the "smallsats" — each no bigger than a console television set — for less than 60 million dollar each. NASA usually pays more than 220 million dollars apiece for new earth-scanning satellites.

The NASA contracts call on CTA, of Rockville, Maryland, and TRW, Incorporated of Redondo Beach, California, to have the minisat completed and launched in 24 months or less, instead of the five to 10 years in normally takes to develop remote-sensing satellites.

The satellites will be launched on small 12 million dollar Pegasus vehicles instead of the typical 60 million dollar rockets.

Goldin said that the new craft are an example of NASA's "faster, better, cheaper" policy being put into practice. The space agency has also developed a new strategy for planetary exploration called the Discovery program, which calls for launching small, cheap sci-

entific spacecraft on modest-size rockets to explore planets and asteroids.

Goldin said that because the two smallsats will be "blazing new trails," the agency has nicknamed them "Lewis and Clark." After the American explorers Meriwether Lewis and William Clark who mapped the Northwest wilderness of the United States in the early 1800s.

"This is a new way of doing business for NASA," he said. "We told the industry what to do, not how to do it. If the satellites don't perform, they don't get their performance fees. If they run into cost overruns, they'll face a dollar-for-dollar reduction in their fees."

In contrast to the aging technology used in the Landsat remote sensing satellites, which have seven spectral imaging bands, TRW's "Lewis" satellite will feature the first-ever "hyper-spectral" imaging system, using a sensor with 384 separate spectral bands.

The new craft will also be able to "edit out" cloud-covered sites and remember to observe them later when they are not obscured, which is a crucial achievement in remote sensing.

"The satellite is designed to tell us whether it's looking at a sugar maple or an elm," Goldin said of Lewis. "It will tell farmers when pests are invading their crops, monitor Superfund cleanup sites from space, track coastal erosion,

Exchange Rates

The following are the Sonali Bank's dealing rates for some selected foreign currencies effective as on June 14. (Figures in Taka)

Currency	Selling		Buying	
	TT & OD	EC	TT Clean	OD Sight Transfer
US Dollar	40.2950	40.3325	40.1015	40.0190
Pound Sterling	61.2887	61.3457	60.3447	60.2206
DM	24.6030	24.6259	24.2265	24.1766
F Franc	7.2077	7.2144	7.0992	7.0846
C Dollar	29.3134	29.3407	28.8615	28.8021
S Franc	29.2056	29.2328	28.7638	28.7066
Japan Yen	0.3949	0.3953	0.3849	0.3845
Indian Rupee (AMU)	1.2908	1.2973	1.2754	1.2594
Pak Rupee (AMU)	1.3177	1.3243	1.3020	1.2858
Iranian Ryal (AMU)	0.0232	0.0233	0.0230	0.0227

A) T. T. (DOC) US Dollar Spot Buying Tk 40.0602

B) Usance Rates:

30 Days DA	60 Days DA	90 Days DA	120 Days DA	180 Days DA
39.7512	39.4671	39.1831	38.8990	38.3309

C) US Dollar sight export bill 3 months forward purchase: Tk. 40.0190

D) US Dollar 3 months forward sale: Tk. 40.5325

Indicative Rates

Currency	Selling		Buying	
	T. T. & O. D.	EC	O. D. Transfer	EC
S Riyal	10.7467			10.6348
UAE Dirham	10.9740			10.8596
Kuwaiti Dinar	135.2803			133.5717
Singapore Dollar	26.2969			26.0132
D Guilders	21.5060			21.2855
S Kroner	5.0629			5.0052
Malaysian Ringgit	15.5340			15.3706

Note: AMU—Asian Monetary Unit

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 14.6.94.

Berth No.	Name of Vessels	Cargo	L. Port	Local Agent	Date of Arrival	Leaving
J/1	Armas	TSP(P)	Sing	PSAL	22/5	17/6
J/2	Samudra	Rice (P) GI	Kara	SSL	12/6	20/6
J/3	Saleem	S Ash/GI	Aska	MSA	4/6	15/6
J/4	Mulpha	Cement	Sing	Paragon	27/5	16/6
J/6	Mulpha Sibu	Wheat (P)	Sing	Seacom	29/5	21/6
J/7	Nomadic Lady	GI	Sing	EDPL	12/6	18/6
J/8	Kamalevereti	GL	Mong	BSC	10/6	15/6
J/9	Banglar Sampa	Idle	—	Seacom	R/A	30/6
J/10	Dolores	M Seeds	Vanc	Royal	12/6	20/6
J/11	Morakat	Cont	Sing	RSL	11/6	15/6
J/13	Socoi-7	Cont	Sing	BDSHP	8/6	14/6
MPB/1	Fong Shin	Cont	Sing	PSAL	17/5	15/6
RM/4	Sea Nymph	Repair	Sing	PSAL	17/5	15/6
DOJ	Banglar	Wheat (G)	—	BSC	R/A	18/6
CCJ	Banglar Asha	Wheat (G)	—	BSC	R/A	18/6
TSP	Banglar Jyoti	Repair	—	BSC	R/A	18/6
RM/4	Sea Nymph	Repair	Sing	PSAL	17/5	15/6
DOJ	Banglar	Wheat (G)	—	BSC	R/A	18/6
CCJ	Banglar Asha	Wheat (G)	—	BSC	R/A	18/6
TSP	Banglar Jyoti	Repair	—	BSC	R/A	18/6
RM/4	Sea Nymph	Repair	Sing	PSAL	17/5	15/6
DOJ	Banglar	Wheat (G)	—	BSC	R/A	18/6
CCJ	Banglar Asha	Wheat (G)	—	BSC	R/A	18/6

VESSLS DUE AT OUTER ANCHORAGE

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Leaving
Randam	17/6	Cal	SSL	GI/GI	UK Cont
Pearl One	14/6	Yang	ENCL	Rice/GI	—
Ultima 29/5	15/6	Mong	BTSA	Cont	CA
Meng Kiat 6/6	14/6	Sing	AMI	Cont	Sing
Philia	14/6	Dank	LTL	Wheat (G)	—
Igiena	14/6	Col	H & S	GI	—
Al Tawar	14/6	Mong	BSC	Repair	—
Champion Trader	16/6	Mong	BEA	GI	Jap Cont
Banglar Rabi 2/6	16/6	Mong	BSC	Cont	Sing
Peace	15/6	Sing	PSAL	MSEA	Cont
Yamnis-II	18/6	Sing	PSAL	P Iron (P)	—
Kousharn (Roro)	15/6	Jaha	BEA	Veicles	UK Cont.
Banglar Kakoti	16/6	Mong	BSC	GI	UK Cont.
Kaptai	15/6	—	Karna	Rice (P)	Karachi
Zenith-1	17/6	—	PSAL	Scraping</	