

World Bank backs infrastructural privatisation in LDCs

WASHINGTON, June 20: Reforms in the management and maintenance of existing infrastructure in developing countries can generate sufficient savings to improve the living standards of the poor in the Third World, according to a World Bank report, says a USIS press release.

Gregory Ingram, the principal author of the Bank's 1994 World Development Report: "Infrastructure for Development," said that "while implementing the reforms will not be easy, the potential gains are significant."

The report calculates that 123,000 million dollars — nearly 10 per cent of total government revenues in developing countries — could be saved annually through reduction of subsidies in just three sectors of infrastructure: electrical power, water and railways.

In addition, by raising the efficiency of services in those sectors, another 55,000 million dollars a year could be saved, amounting to about 25 per cent of what is now spent on new investment in infrastructure in the Third World, the report said.

"Looked at another way, if the annual technical losses of 55,000 million dollars could be redirected for three years — at current costs of roughly 150 dollars per person for water systems, the 1,000 million people without safe water could be served," Ingram said.

The report notes that developing countries currently invest 200,000 million dollars a year in the infrastructure sectors, accounting for about 50 per cent of all public investment and totaling around 4 per cent of their gross domestic product.

The reports says that although in the past 15 years the proportion of people in developing countries with access to safe water has increased from 45 per cent to about 70 per cent and telephone lines and power production per capita have doubled, 1,000 million people still lack access to safe water, 2,000 million lack access to electric power, and nearly 2,000 million lack adequate sanitation.

Ingram pointed out that the sources of poor performance are inadequate maintenance, poor choice of project investments, and inefficient operation of infrastructure services.

Inadequate maintenance is the most widespread and often most costly source of poor performance. The report says timely maintenance expenditures of 12,000 million dollars could have saved road reconstruction costs of 45,000 million dollars in Africa in the past decade.

The report estimates that on average inadequate maintenance of power systems in the Third World results in an operating rate of only 60 per cent of capacity compared to the average of 80 per cent that adequate maintenance would have achieved.

Ingram said that the poor often pay higher prices and larger shares of their income than the rich for lower quality infrastructure services. For example, the report says that in a survey of 17 cities, the price of water obtained from vendors serving poor neighbourhoods cost an average of 25 times more than water provided from piped systems.

"Subsidies aimed at making infrastructure (services) more affordable usually benefit mainly the better-off, and often do not even reach the poor," Ingram said.

The report proposes three basic guidelines in structuring incentives for good performance:

- Application of commercial principles of management so that infrastructure services are managed like a business and not a bureaucracy. Costs would then be basically recovered from users and subsidies virtually eliminated;
- Broadening of competition through entry of the private sector into infrastructure services;
- Involving users as full participants in the design and operation of infrastructure, particularly in the provision of



KUALA LUMPUR: Malaysian Prime Minister Mahathir Mohamad (R) shakes hands with Kuala Lumpur Stock Exchange Executive Chairman Nik Mahamad Yusoff at the launch (yesterday) of a Malay version of the KLSE annual companies handbook after opening the Asian Capital Markets Conference.

Cable TV devices fair opens in Tianjin

TIANJIN, June 20: The '94 international cable TV, and satellite reception devices fair opened yesterday in this north China's biggest port city, reports Xinhua.

The four-day fair, aiming to promote the development of cable television technology and equipment, is the largest of its kind ever held in the country.

Some 19 overseas firms and 150 domestic companies are taking part in the fair. Nearly 1000 items of cable TV equipment and satellite receiving devices are on display, including optical fiber transmission, multi-media communication and three-dimensional image installations.

By the end of 1993, China had more than 20 million cable TV customers, accounting for 10 per cent of the country's total number of television owners.

Analysts here predict that the number of cable TV sets will grow at the rate of 30 per cent every year.

India raises coal price

NEW DELHI, June 20: The Indian government has increased the coal prices by five per cent with immediate effect, reports Xinhua.

An announcement made by the government yesterday said the new price of coal from Coal India Ltd. has been raised to 401 rupees per ton from the previous 381 rupees while that of the Sigarani Collieries Company Ltd raised to 503 rupees per ton from the previous 482 per ton.

This is the second coal prices increase in India since June 1993 when prices for Coal India Limited were raised to 38 from 361 rupees per ton and that for Sigarani coal raised to 482 from 454 rupees per ton.

Since then, various inputs costs including All-India Consumer Price Index, inter-rail relief to employees, power, explosives, petroleum, oil and lubricants and other stores have increased, according to the announcement.

Direct impact of the present increase in the prices of coal was officially estimated to be very small. But the hike might have a greater impact on the general price line if the effect of coal prices on other goods and services is taken into consideration, observers here believe.

However, the increase would help the two companies to take in an additional revenue of 3800 million rupees (121 million US dollars) and 441 million rupees (14 million US dollars) respectively.

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Two comic books fetch \$ 103000

NEW YORK, June 20: Holy auction block: Batman and Superman fetched more than 100,000 dollars Saturday for the two comic books that featured their debuts, reports AP.

Action Comics No. 1, which appeared in June 1938 with Superman on its cover, sold for 54,625 dollars at Sotheby's annual auction of comic books and comic art.

Another buyer paid 48,875 dollars for Detective Comics No. 27, which introduced Batman in May 1939.

The comics, which cost a dime when they came out, sold for well above their pre-sale estimates.

Other big ticket items included a Carl Barks oil painting of five beloved Disney characters: Uncle Scrooge, Donald Duck, and nephews Huey, Dewey and Louie.

The 12-inch by 24-inch (30-centimeter by 60-inch) scene is taken from the comic book Uncle Scrooge No. 12, "The Golden Fleece," published in 1956. Its price tag, 79,500 dollars.

The auction was still Sotheby's most successful comics art sale ever, taking in more than 1.7 million dollars.

Asian currencies close week mixed

HONG KONG, June 20: Asian currencies closed the week mixed as the Japanese yen strengthened on expectations about trade action against Tokyo and analysts predicted a stronger Australian unit in line with improved world commodity prices, reports AP.

JAPANESE YEN: The yen firmed against the dollar for most of the week amid market caution against intervention by the dollar for most of the week amid market caution against intervention by the Bank of Japan. The currency closed out the week at 103.55 to the dollar, up 0.52 from a week earlier.

The Japanese unit opened the week on a strong note as market players sold dollars for yen on remarks from US trade representative Mickey Kantor that Washington might take punitive action should its trade talks with Tokyo fail.

The yen remained upbeat to reach the week's high of 102.70 on Thursday, despite worries that the central bank would step in to bolster the greenback. It fell back on Friday under selling pressure following a "plunge in Japanese government bond prices."

AUSTRALIAN DOLLAR: The Australian unit closed the week Friday slightly weaker against the US currency, but dealers said it was set to rally in the short term.

The local dollar fell to 73.26 US cents at the close from 73.45 US cents at the previous week's finish. "The Aussie was struggling to break 73.30 US cents for most of the day, but it is finding good support at 73.00 US cents," said a dealer from Chase Manhattan.

Traders said a sharp fall to 72.60 US cents on Thursday had helped to clear out investors carrying too many Australian dollars, who had prevented the currency from moving higher.

Indosuez Trasurser Martin Boyle said renewed confidence in the market was likely to lead the Australian dollar upwards in the week ahead. "It is in pretty good shape for a test of 74.00 US cents," Boyle said.

Commonwealth Bank of Australia economists said weakness in the Australian dollar earlier in the week was cushioned by "the continuing upturn in global commodity prices."

On the Reserve Bank of Australia's trade weighted index, a basket of major trading currencies, the Australian dollar closed at 54.1 points from the previous week's finish of 54.5 points.

HONG KONG DOLLAR: The Hong Kong dollar eased slightly to 7.7298 from 7.7308 US dollar, against 7.742-7.743 the previous Friday, as it returned to levels it has maintained for several months.

The trade-weighted effective exchange rate index, which gauges the local dollar against a basket of currencies, finished the week at 124.4.

SOUTH KOREAN WON: The US dollar strengthened against the South Korean unit, closing the week at 806.80 from the previous week's 806.30.

MALAYSIAN RINGGIT: The ringgit ended the week higher with a marginal four-point rise to 2.5963 to the dollar from 2.5967 a week ago in narrow-ranged trading, dealers said.

The ringgit remained firm although there were no fresh incentives to push it up against the greenback, dealers said.

"Ringgit sentiment is expected to remain strong with Deputy Prime Minister Anwar Ibrahim's remarks that the economy was on track to record yet another robust year after an 8.6 per cent growth in the first quarter," a dealer said.

"Given Malaysia's strong economic fundamentals, the ringgit is expected to hold well above the 2.59 level in the weeks ahead," he said.

SINGAPORE DOLLAR: The Singapore dollar remained unchanged against the US dollar at an exchange rate of 1.5340 here Friday.

Dealers said although the greenback was below the 1.5300 level for most of the week it gained ground on the last day of the week.

In line with the higher US dollar against most major European currencies of Friday, the local dollar also dipped slightly, a dealer said.

He added that most European central banks appeared to be in favour of supporting a higher US dollar and this saw the greenback rebound here on Friday.

Dealers said the greenback was likely to remain firm in the short-term.

THAI BAHT: The Bank of Thailand's Exchange Equalization Fund on Friday fixed the official mid-rate at 25.16 baht to one dollar, down from the previous week's close 25.21 baht.

The greenback fell against the baih because investors feared another rate adjustment by the US federal reserve after oil and gold prices increased. A Thai Ministry official said

Prices of shares, US dollar fall in Tokyo

TOKYO, June 20: Prices on the Tokyo Stock Exchange plunged Monday as the US dollar slipped against the Japanese yen, reports AP.

The 225-issue Nikkei Stock Average fell 351.27 points, or 1.63 per cent, closing at 21,152.03. On Friday, the average had climbed 135.83 points, or 0.64 per cent, to 21,503.30.

The Tokyo Stock Price Index of all issues listed on the first section was down 21.06 points, 1.23 per cent, to 1,684.27. It had gained 7.00 points, or 0.41 per cent, to 1,705.53 on Friday.

Traders said prices fell because of the stronger yen, which tends to hurt Japanese exporters by making their products more expensive and less competitive abroad. Falling bond prices also discouraged investors, they said.

Foreign investors, who have been among the most enthusiastic buyers in recent trading, were shifting toward selling as they grew more cautious about the market, said a Yamaichi Securities trader, speaking on condition of anonymity.

He said remaining uncertainties about North Korea's nuclear programme also discouraged buying.

Volume on the first section was estimated at 410 million shares, down from 510 million Friday. Declines outnumbered advances 841 to 215, with 131 issues unchanged.

The dollar closed at 102.58 yen, down 97 yen from Friday's Tokyo close and below its New York finish Friday of 102.80 yen.

Spot trading totaled 653.03 billion.

Dealers said the dollar's weakness followed its decline against the German mark on overseas markets Friday. In Monday's trading, the dollar moved little as players grew cautious about possible Bank of Japan intervention to support the US currency, said Yuko Fukakusa, a Tokai Bank dealer.

Exchange Rates

The following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on June 20 and 21.

(Figures in Taka)

Currency	Selling		Buying	
	TT & OD	EC	TT Clean	OD Sight Ex. Bills. Transfer
US Dollar	40.3350	40.3650	40.1015	40.0295 39.9055
Pound Sterling	61.8013	61.8472	60.8092	60.7000 60.5120
DM	25.1531	25.1718	24.7509	24.7065 24.6300
F Franc	7.3616	7.3671	7.2435	7.2305 7.2081
C Dollar	29.1526	29.1743	28.6748	28.6233 28.5346
S Franc	29.8613	29.8835	29.3778	29.3251 29.2343
Jap Yen	0.3951	0.3954	0.3867	0.3860 0.3848
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)	0.0231	0.0232	0.0229	0.0226 —

A) T. T. (DOC) US Dollar Spot Buying Tk 40.0655

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. 40.0295

D) US Dollar 3 months forward sale: Tk. 40.5650

Currency	Selling	Buying
	T.T. & O.D.	O.D. Transfer
S Riyal	10.7448	10.6367
UAE Dirham	10.9715	10.8614
Kuwaiti Dinar	135.6277	133.9433
Singapore Dollar	26.3074	26.0292
D Guilders	21.9250	21.6550
S Kroner	5.0931	5.0362
Malaysian Ringgit	15.5249	15.3649

Note: AMU—Asian Monetary Unit

Shipping Intelligence

Chittagong Port						
Berth position and performance of vessels as on 20.6.94						
Berth No	Name of vessels	Cargo	L.P. call	Local agent	Date of arrival	Leaving
J/1	Armas	TSP(P)	Sing	PSAL	22/5	22/6
J/2	Samudra Samrat	Rice (P)	GI Kara	SSL	12/6	24/6
J/3	Blue Shark	GI	BUSA	Prog	19/6	23/6
J/5	Banglar Robi	Cont	Mong	HSC	16/6	22/6
J/6	Pearl One	Rice (PGI)	Yang	ENCL	15/6	23/6
J/7	Nomadic Lady	Wheat (P)	Sing	Seacom	29/5	27/6
J/8	Ramdas	GI/GL	CAL	SSL	19/6	24/6
J/9	Banglar Asha	Wheat(G)	—	LAMS	R/A	22/6
J/10	Dolores	—	—	Seacom	R/A	30/6
J/11	Morakot Naree	M Seed	Vanc	Royal	12/6	25/6
J/12	Lhotse	Cont	Sing	RSL	17/6	23/6
J/13	Andrian Goncharov	Cont	Sing	CT	16/6	23/6
MPB/1	Meng Kiat	Cont	Sing	AML	14/6	22/6
MPB/2	Ultima	Cont	Mong	BTSA	15/6	21/6
CGJ	AL Tajwar	Repair	Mong	BSL	18/6	23/6
GSJ	Alkyonis	Wheat(G)	—	Lams	R/A	21/6
DOJ/1	Astron	Repair	Aqaba	SSST	25/5	22/6
DOJ/2	Infinity	Repair	Sing	RSL	17/5	30/6
CUFJ	Umag	Urea	Kand	B.Bank	08/6	24/6

Vessels Due at Outer Anchorage						
Name of Vessels	Date of arrival	Last Port	Local call	Cargo agent	Loading port	
Sea Lady	20/6	Sing	HSL	—	Cement	—
Black Whale	21/6	BUSA	Prog	—	GI	—
SOCOL-14/6	21/6	COL	Bandhi	Cont	COL	—
Green Island	22/6	—	Karna	Gill(Lash)	—	—
Asian Victory (Roro)	22/6	Sing	JF	—	Vehicles	—
Zenath-1	23/6	Mong	PSAL	—	Scraping	—
Banglar Kakoli	22/6	Mong	HSC	—	CL, UK Cont	—
Vishva Shobha	22/6	Sing	PSAL	—	Cement	—
Meng Lee 8/6	22/6	Sing	AML	—	Cont	Cal
Fong Yun 11/06	22/6	Sing	BDSHP	—	Cont	Sing
Banglar Moni 13/06	23/6	Sing	HSC	—	Cont	Sing
Imke Wehr 14/06	22/6	Sing	APL(B)	—	Cont	Sing
Salem Twelve	26/6	Mong	OWSL	J Goods/G/L	Latt	—
Yannis-II	23/6	—	PSAL	P Iron(P)	—	—

Tanker Due						
Name of Vessels	Date of arrival	Last Port	Local call	Cargo agent	Loading port	
Agostoli Bay	20/6	RAST	Archangel	—	C Oil	—
New Empress	22/6	—	Seacom	—	CDSO	—
Botany Triad	2/7	—	JF	—	Tallow	—

Vessels At Kutubdia						
Name of Vessels	Cargo	Last Port	Local agent	Date of arrival		
Ready On:						
Pavlina-1	—	Mong	ISTA	9/6		
Kaptai	Rice (P)	Kara	Karna	15/6		
Kota Bintang (Cont)	Cont	Sing	CTs	18/6		
Dignity-1	Cement	Sing	USTC	19/6		

Vessels Awaiting Instruction						
Name of Vessels	Cargo	Last Port	Local agent	Date of arrival		
Loyal Bird	Urea	Mong	ENCL	R/A 25/5		
Banglar Jyoti	—	—	HSC	R/A 15/6		
Banglar Shourabh	—	—	HSC	R/A 18/6		

Movement of Vessels for 21.6 and 22.6.94						
Outgoing	Incoming	Shifting				
21/6	22/6	23/6				
MPB/2	Ultima	NB	Banglar Mamata			
GSJ	Alkyonis	DOJ	Banglar Shourabh			
OJ/1	Alkyonis	OJ/1	Philia			
OJ/2	Alkyonis	OJ/2	Philia			
OJ/3	Alkyonis	OJ/3	Philia			
OJ/4	Alkyonis	OJ/4	Philia			
OJ/5	Alkyonis	OJ/5	Philia			
OJ/6	Alkyonis	OJ/6	Philia			
OJ/7	Alkyonis	OJ/7	Philia			
OJ/8	Alkyonis	OJ/8	Philia			
OJ/9	Alkyonis	OJ/9	Philia			
OJ/10	Alkyonis	OJ/10	Philia			
OJ/11	Alkyonis	OJ/11	Philia			
OJ/12	Alkyonis	OJ/12	Philia			
OJ/13	Alkyonis	OJ/13	Philia			
OJ/14	Alkyonis	OJ/14	Philia			
OJ/15	Alkyonis	OJ/15	Philia			
OJ/16	Alkyonis	OJ/16	Philia			
OJ/17	Alkyonis	OJ/17	Philia			
OJ/18	Alkyonis	OJ/18	Philia			
OJ/19	Alkyonis	OJ/19	Philia			
OJ/20	Alkyonis	OJ/20	Philia			
OJ/21	Alkyonis	OJ/21	Philia			
OJ/22	Alkyonis	OJ/22	Philia			

22/6	J/1	Armas	DOJ	B Jyoti	J/9	Banglar Asha to DOJ/1
J/5	Banglar Robi	J/9	B Kakoli			
MPB/1	Meng Kiat	MPB/1	SOCOL-1			
DOJ/1	Astron	NB	IMKE Wehr			
DOJ	Banglar Shourabh	J/1	B Shobha			
		J/5	Black Whale			
		Helen N				
		NB	Banglar Mamata			

The above were the Monday's shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.