

Stock markets in Third World register record gains in '93

WASHINGTON, July 12: Emerging stock markets in developing countries had another record year in 1993, according to data released by the International Finance Corporation (IFC), the private sector lending arm of the World Bank Group, according to USIS.

The report released July 10 — "Emerging Stock Markets Factbook 1994" — states that emerging market equities in 1993 took eight of the 10 top places among the world's stock markets, surpassing the 1,000,000 million dollars mark in total capitalisation for the first time ever.

The report said the IFC investable index rose by almost 75 per cent in US dollar terms, with the greatest gains registered by stock markets in Poland with 718 per cent, Turkey with 214 per cent, the Philippines with 133 per cent, Zimbabwe with 123 per cent and Indonesia with 109 per cent.

In the first five months of 1994 the strongest gains in US dollar terms occurred in Zimbabwe with 44.4 per cent, Colombia with 40.6 per cent and Peru with 25.5 per cent, IFC also reported.

Malaysia, South Africa, Mexico, Korea, and Taiwan rank among the world's top 15 markets in terms of capitalisation, far ahead of Italy, Spain, Sweden and the other smaller developed markets familiar to international investors, the report noted.

"In total, emerging stock markets grew to represent almost 12 per cent of world stock market capitalisation by year-end (1993), up from four per cent in 1984," the report said.

Many of the top performing stock markets were in countries undergoing important macro-economic and political adjustments conducive to growth such as privatisation of state enterprises and liberalisation of trade, foreign invest-

ment and financial services, the report noted.

According to IFC, all 24 emerging stock markets open to foreign investors showed greater returns in 1993 than the Standard and Poor's 500 index of stocks on the New York Stock Exchange. The five-year mean annual return was over 25 per cent for the IFC investable composite index compared with less than 15 per cent for the Standard and Poor's 500.

The report notes that emerging stock markets have provided a significant amount of equity capital to local businesses which need to modernise and expand in an increasingly competitive international environment.

"It said that in 1993, an estimated 2,000 enterprises from the 25 IFC index markets raised more than 37,900 million dollars in equity issues with privatisations comprising a significant portion of this total.

Leading examples include companies in Argentina that raised almost 9,500 million dollars, with the privatisation of oil giant YPF accounting for about a quarter of the total. Also, companies in India raised 67,400 million dollars with privatisations constituting a significant share.

The report noted that "in the history of international finance, 1993 may be seen as a watershed year in which emerging markets came into their own as capital raising mechanisms and became firmly established as a distinct asset class for the world's investment community."

IFC's emerging markets data base is the world's leading source of information on emerging stock markets. The organisation publishes weekly and monthly indexes while tracking 25 emerging markets and over 1,300 stocks in Asia, Latin America, Europe, Africa and the Middle East.

'Asia's emerging capital markets need tougher regulation'

MANILA, July 12: Global investors are ready to put one trillion dollars into Asia's fast-emerging capital markets but tougher regulation and more transparency are needed, US Securities and Exchange Commission (SEC) Chairman J. Carter Beese said Monday, reports AFP.

"Asia-Pacific is fast becoming the crown jewel of investments, Beese said during an international forum on securities market regulation and supervision sponsored by the Manila-based Asian Development Bank (ADB).

However, he said the region's developing capital markets must implement reforms to make them more stable and transparent.

These reforms should include requiring listed companies to fully disclose their financial condition as well as counting standards instead of just giving general information.

OPEC produces 25.02m BPD of crude oil in June

NICOSIA, July 12: OPEC crude oil production rose to an average of 25.02 million barrels per day (BPD) in June, a leap of 260,000 BPD from May, according to figures published Monday, reports AFP.

The specialist Middle East Economic Survey (MEES), published here said the increase brought average production by the organisation of petroleum exporting countries (OPEC) to 24.8 million BPD in the first half of 1994, up 0.53 per cent from the first half 1993 figure of 24.67 million BPD.

A 195,000 BPD rise in Iranian production was behind the overall June increase, MEES said. Iran produced 3.73 million BPD in June, compared to 3.53 million BPD in May.

The weekly added that Iran's average production for the second quarter of 1994, 3.56 million BPD, was "comfortably within the OPEC quota" of 3.6 million BPD.

The United Arab Emirates also increased its output in June. Its production rose by 55,000 BPD to 2.21 million BPD, overshooting its OPEC quota by 54,000 BPD.



A three-day meeting of the Bangladesh-Pakistan Joint Economic Commission began at the state guest house 'Meghna' in the city yesterday. Commerce Minister M Shamsul Islam and Adviser to Pakistan Prime Minister on Finance and Economic Affairs V A Jafarey led the meeting on behalf of their respective governments. — PID photo

Clinton sees trade as force uniting nations in future

BONN, July 12 (USIS) — The United States and Germany recognize that "trade as much as troops" increasingly will "define the ties that bind nations" as the next century nears, President Clinton declared July 11, says a USIS press release.

Speaking in the summer that will mark the departure of Russian and Western troops from positions they have held in Berlin since 1945, Clinton said common challenges have successfully bonded the nations of the West in the era following World War II; the task now, he said, is to integrate the nations of Central and Eastern Europe — the parts of the former Soviet Union and the former members of the Warsaw Pact — into a Europe made whole through integration of social, political and economic institutions.

Clinton's remarks came in a joint news conference with German Chancellor Helmut Kohl as they began two days of discussions in Germany. Both were to travel to Berlin — which is to become the German capital once again — for meetings with the European Union and a symbolic visit to the Brandenburg Gate, once a dividing point between West Berlin and communist East Berlin.

Clinton said the West knows how to proceed because of its experience in integrating "half of Europe" through NATO and other institutions that built stability after World War II. He said "the heart" of his discussion with Kohl "was what we

have to do to integrate Europe's other half."

He and Kohl know, Clinton said, that "American and Russian forces will soon leave places in Germany where they have been since 1945," and he said they discussed "how important it is to expand joint military exercises with our allies through the Partnership for Peace. But we also recognize that trade as much as troops will increasingly define the ties that bind nations in the 21st century."

The president said the aftermath of the Cold War requires that new institutions linking East and West, such as the partnership, the new World Trade Organization and the European Union, "must be built" on a broader base to provide even stronger stability.

Germany and the United States, he said, will help "the other half of Europe" share security protection, reform their economies, attract new investment, and "claim their place at the table of free and friendly nations of like mind."

Clinton and Kohl both avoided direct comment on the pending judgement of the German supreme court on the constitutionality of allowing German forces to participate in United Nations peacekeeping operations. But Clinton said he has "great confidence in the larger purposes and directions" of the German government and in the "support Germany has given to a unified Europe in which it is an equal partner with its neighbours."

He added, "Anything that can be done to enable Germany to

fulfil the leadership responsibilities that it is plainly capable of fulfilling is a positive thing."

The president told a questioner the statement of condolence he had issued on the death of North Korean leader Kim Il Sung "was brief, to the point and appropriate," rejecting criticism by Senate Republican leader Bob Dole. He said the statement, issued as Washington and Pyongyang were beginning high-level talks in Geneva, was "very much in the interest of the United States."



A four-member delegation led by Ryozo Masuda, President, T&K Toka Co. Ltd. Japan met the Industries Minister A M Zahiruddin Khan yesterday, to discuss business investment in Bangladesh. Sitting left to the minister is M. A. Momen, Managing Director of Toka Ink (BD) Ltd., a joint venture industry of Bangladesh with Japan while Masuda is sitting on the right.

Kuwait seeks Parliament's approval to dip into savings

KUWAIT, July 12: Facing a budget crisis, the government has asked Parliament for approval to dip into national savings to reduce the growing deficit, newspapers reported Sunday, reports AP.

The Al-Watan and Al-Qabas dailies said the Cabinet headed by Sheikh Saad al-Abdullah al-Sabah has asked the legislature to pass a law allowing use of the Fund for Future Generations to cover deficits over the next five fiscal years.

The fund is formed with 10 per cent of state revenues, which are invested mainly abroad to accumulate capital for when oil revenues run dry. The fund has dropped from dirhams 100 billion in the 1980s to around 30 billion due to sagging oil prices, mismanagement and the expenses of the Gulf War, that liberated Kuwait from Iraqi occupation more than three years ago.

Kuwait's budget deficit is 7.3 billion dollar most of it due to defense spending, compared to around 5.2 billion dollar last year.

Economist Jassem al-Saddoun, an independent consultant, said allowing the government to tap the fund would only deepen the financial crisis.

He said the government should find other means to close the gap.

Despite economists' warnings, the government, which employs about 90 per cent of working Kuwaitis, raised their salaries by a quarter.

The salaries constitute the biggest single expenditure in the budget.

The emirate, whose oil exports once made it among the wealthiest countries in the world, plans to revitalise the economy by privatizing government-run companies and introducing fees for services it has offered free of charge for decades.

Parliament has yet to endorse the budget and deputies believe that it falls short of promises of economic reform the government has been preaching.

Aluminium prices jump to fresh highs

LONDON, July 12: Aluminium, one of world's most widely used metals, jumped to fresh highs on Monday with traders convinced that growing demand was finally cutting into a stock mountain, reports Reuter.

Prices on the London Metal Exchange (LME) rose 15 dollar a tonne to 1,549 dollar for delivery in three months, the highest since early 1991 and traders said 1,600 dollar is the next target.

Prices now stand 50 per cent above last autumn's eight-year lows when a recession — hit market had more metal than it could use.

The world's major producers earlier this year agreed to cut back their output to try to help prices which in many cases had fallen below the cost of production.

Much of the extra metal was coming from Russia which, desperate for foreign exchange and faced with the evaporation of domestic demand, exported hundreds of thousands of tonnes to the west.

The cutbacks appear to be starting to take effect.

"It is all coming good at the moment, stocks are down, people need metal, and they can't get hold of it where they want it," one dealer said.

The International Primary Aluminium Institute (IPAI) said

total stocks in May fell 64,000 tonnes to 3.58 million, down 3.7 per cent from February 1994 peaks.

London Metal Exchange (LME) stocks are also falling, and at 2.59 million tonnes are 2.5 per cent off May's record highs.

A clear sign of the growing demand for metal is rising prices for delivery of aluminium in the near-term, which in one or two cases is now more expensive than some more distant months.

In a normal market, the more distant in time the delivery the higher the price, to take into account warehousing and interest rates costs.

Dealers said this supply tightness is likely to deepen throughout the summer.

World Bank cuts interest rates on loans

WASHINGTON, July 12: The World Bank said it cut interest rates on loans beginning July 1 to 7.10 per cent from 7.27 per cent under its new variable lending rate system, reports Reuter.

On loans using the older variable rate system, the rate was cut to 7.11 per cent from 7.25 per cent.

Dhaka Stock Prices

At the close of trading on July 12, 1994
Gainers dominate floor

Gainers, led by Beximco Synthetic, dominated the floor of the Dhaka Stock Exchange on Tuesday.

The total number of issues traded rose from 51 to 53, in which 25 gained, 19 incurred losses and nine others remained unchanged.

Beximco Synthetic led the gainers in terms of volume with 3500 shares traded.

United Leasing Company (1540), Eastern Cables (3220), Beximco Fisheries (3480), Tamijuddin Textile (1000) and Libra Pharma (1160) also experienced significant gains.

In terms of value, Singer BD led the gainers with a rise of Taka 28.49 per share.

Beximco Ltd topped the losers' list in terms of volume. Its 4600 shares were traded.

Among the losers, Ashraf Textile (5100), GQ Ball Pen (3325) and Eastern Insurance (1120) were also the major volume leaders.

First ICB M Fund incurred a loss of Taka 25.00 per share, leading the losers in terms of value.

The turnovers on the DSE rose. The turnover in volume increased by 21.806 per cent and the turnover in value showed a rise of 3.547 per cent.

A total of 32,589 shares worth Taka 57,78,394.50 changed hands as against Monday's 26755 shares valued

DSE All Share Price Index	
6	620
7	625
9	630
10	635
11	640
12	645

Gainers (25)	
Uttara Bank	5.00 10
ULC	17.62 1540
6th ICB M Fund	0.03 430
Aziz Pipes	2.60 25
Bengal Carbide	11.18 5
Eastern Cables	0.45 3220
Singer BD	28.49 56
BD Autocars	0.22 465
BD Thal Aluminium	0.67 200
Bengal Food	6.25 433
Beximco Fisheries	4.21 3480
Shine Pukur Jute	1.00 42
Saltham Textile	0.44 220
Tamijuddin Textile	1.00 1000
Padma Textile	0.50 400
Apex Spinning	1.54 460
Kohinoor Chemical	0.47 150
Rahman Chemicals	3.00 10
Beximco Synthetic	0.56 3500
Libra Pharma	2.77 1160
Apex Tannery	13.33 60
Savar Refractories	1.09 55
Cig Cement	5.00 5
Beximco Fisheries	2.17 83
B Pharma (Deb)	0.67 3

Losers (19)	
AB Bank	10.00 89
National Bank	3.00 30
IDLC	1.00 40
ICB	1.15 5
1st ICB M Fund	25.00 50
5th ICB M Fund	0.12 300
Atlas BD	2.19 300
Renwick Jaineswar	0.41 10
National Tubes	5.42 40
BD Oxygen	3.00 125
Ashraf Textile	0.32 3100
Tallu Spinning	0.86 680
Beximco Infusion	4.38 20
Paper Processing	1.00 550
GQ Ball Pen	0.39 3325
Beximco Ltd	0.67 4600
Apex Footwear	4.80 200
United Insurance	1.00 50
Eastern Insurance	1.00 1120

Issues (9) unchanged	
Karim Pipe (63)	Monno Jute Staffers (5)
Quasem Drycells (200)	Beximco Pharma (130)
Ibnsina (120)	Monno Ceramic (90)
Green Delta Insurance (170)	Peoples Insurance (120)
Beximco Infusion Deb (46)	

DSE Shares and Debentures	
Company	FV/ML (Taka) Closing Price (Taka)
BANKS (13)	
AB Bank	1000/1 892.00
City Bank	100/5 270.00
Eastern Bank	100/20 110.00
IDLC Ltd	100/20 480.50
ULC	100/20 387.20
IFIC	100/5 1499.82
Islamic Bank	100/5 112.00
National Bank	100/5 100.00
Pubali Bank	100/10 72.00
U.C.B.L	100/5 85.00
Uttara Bank	100/5 90.00
INVESTMENT (8)	
1CB	100/5 115.00
1st ICB M Fund	100/5 650.00
2nd ICB M Fund	100/5 285.00
3rd ICB M Fund	100/5 240.00
4th ICB M Fund	100/10 235.00
5th ICB M Fund	100/10 161.38
6th ICB M Fund	100/10 126.03
ICB Unit Cert.	
Sale Price	127.00
Re-Purchase	122.00
INSURANCE (5)	
BCIC	100/10 381.00
Eastern Insurance	100/20 239.31
Green Delta	100/10 350.00
Peoples Insurance	100/10 450.00
United Insurance	100/10 344.00
ENGINEERING (19)	
Arab Automobiles	100/5 245.00
Atlas Bangladesh	10/50 60.33
Aziz Pipe	100/5 377.60
Bangladesh Autocars	100/5 43.22
Bangladesh Lamp	100/5 144.00
B. Thal Aluminium	100/10 120.80
Bengal Carbide	100/5 540.00
Bengal Steel	10/50 20.00
Eastern Cables	100/5 120.45
Howlader PVC	100/10 60.00
Karim Pipe	100/5 60.00
Metalex Corp	100/5 370.00
Monno Staffers	100/5 880.00
Monno Jute	100/10 75.00
National Tubes	100/10 75.00
Panther Steel	10/50 8.00
Quasem Drycells	10/50 16.00
Renwick Jaineswar	100/5 61.00
Singer Bangladesh	100/52371.82
FOOD & ALLIED (24)	
AB Biscuit	100/5 198.00
Alpha Tobacco	10/50 51.00
Am Sea Food	100/5 500.00
Apex Food	100/5 890.00
Aroma Tea	100/5 55.00
Bangs	100/5 172.00
BD Plantation	100/5 500.00
Bengal Food	100/5 290.00
B.L.F.C	100/5 550.00
B.T.C	10/50 160.00
Cig. Vegetables	10/10 78.00
Cig. Vegetables	10/5 106.00
K.L. Camellia	10/5 104.00
Frugles Export	10/50 3.00
Gemini Sea Food	100/5 70.00
Hill Plantation	100/5 550.00
Modern Industries	100/5 400.00
N.T.C	100/52 300.00
Rabeva Flour	10/100 5.00
Rupon Oil	10/100 8.00
Tulp Dairy	100/10 75.00
Yousuf Flour	10/50 15.00
Zeal Bangla Sugar	10/50 7.00
Beximco Fisheries	10/50 226.19
FUEL & POWER (4)	
BD Oxygen	10/50 172.00
Eastern Laborant	10/50 14.00
National Oxygen	100/10 70.00
Padma Oil Co	10/50 68.00
TEXTILE (19)	
Apex Textile	10/50 8.00
Apex Spinning	100/20 604.54
Ashraf Textile	100/10 112.00
Arbani Textile	10/50 25.28
Desh Commodities	100/10 50.00
Dobanul Jute	100/10 109.00
Eagle Spinning	10/50 14.88
G.M.C. Textile	10/50 30.00
Modern Spinning	100/5 80.00
PAPER & PRINTING (6)	
Eagle Box	10/5 18.00
Monosop Paper	100/5 30.00
Paper Converting	100/5 85.00
Paper Processing	100/10 15.00
Padma Printers	10/50 50.00
Sonali Paper	10/50 40.00
SERVICE (2)	
Bangladesh Hotel	10/50 12.00
Bd Service	10/50 NT
MISCELLANEOUS (18)	
Apex Footwear	100/20 485.20
Apex Tannery	100/5 913.33
Aramit	10/50 20.00
Bata Shoe	10/100 88.83
Beximco	100/100 51.12
B.S.C	100/5 80.00
Cig. Cement	100/5 405.00
G. Q. Ball Pen	10/50 145.00
High Speed	100/5 50.00
Himadri Ltd	100/100 6.00
Milon Tannery	100/5 9.00
Monno Ceramic	100/5 672.50
New Dhaka Refac	100/20 90.00
Phoenix Leather	100/5 130.00
Savar Refractories	100/5 46.09
The Engineers	100/5 100.00
Texpick Ind	100/10 85.00
Umsania Glass	100/5 391.00
JUTE (12)	
Abad Jute	100/10 NT
Anwarua Jute	10/50 NT
Delta Jute	10/50 8.90
Gawasia Jute	10/50 NT
Islam Jute	100/5 70.00
Jute Spinner	100/5 126.87
Mutual Jute	100/5 120.00
Northern Jute	10/50 NT
Shamser Jute	100/5 100.00
Specialised Jute	10/50 NT
Shine Dhaka Jute	100/5 242.00
Sonali Jute	100/5 130.00
DEBENTURES (6)	
B.T.C	2000/1 2800.00
Beximco	1985/1 1800.00
Beximco Infusion	1500/2 1680.00
Beximco Pharma	856/1 770.87
Beximco Synthetic	2500/2 2480.00
Beximco Fisheries	2500/2 2668.55

PWD Tender Notice

Tender Notice No. 179/1993-94

Sealed tenders are hereby invited in Bangladesh Form No. 2911 from enlisted & approved special Class-I (One), Class-II (One) & Class-III (Three) building Contractor/Firms of PWD accordance to financial limit for the undermentioned work. Tender will be received by the undersigned, & the Executive Engineer, PWD Division, Rangpur/Kurigram/Gaibandha/ Lalmonirhat/Nilphamari/Panchagarh & Thakurgaon in their offices on 17-7-94 at 12:00 Noon & will be opened on the same day at 12:15 PM in presence of the tenderers (who may like to remain present).

Name of work	Estimated cost	Earnest money	Time for completion	Eligibility of contractor for submission of tender
1. Construction of class III (three) staff quarter (GF 2 unit each unit 600 sft) attached to the scheme of Medical College construction at Ananda Sagar in the dist of Dinajpur				