

Wages of port workers in India to rise

BOMBAY, July 25: Over one lakh port and dock workers at all the major ports of the country will receive a wage increase ranging between 300 and 1,000 rupees per month following the signing of a memorandum of understanding (MOU) between the port authorities and five major federations of port and dock workers at New Delhi yesterday, reports PTI.

The workers would get by way of wage hike and liberalisation of other service conditions an amount of about 107 crore rupees per annum, the All India Port and Dock Workers' Federation President S R Kulkarni said in a statement here.

The amount of wage increase will be exclusive of the expenditure on the liberalised pension scheme on the lines of the central government, he said, adding, the MOU would come into retrospective effect from January one 1993. This was the first time in the history of wage revisions that a negotiated settlement has been arrived at without resorting to strike.

Geneva named seat of WTO

GENEVA, July 25: The World Trade Organisation (WTO) Preparatory Committee voted unanimously for Geneva as the seat of the future WTO, according to USIS.

The committee arrived at the decision after its Subcommittee on Budget, Finance and Administration had assessed the competing proposals of Geneva presented by Switzerland and Bonn presented by Germany.

It adopted the recommendation of the sub-committee, which noted that although both proposals were "largely comparable in quality," Geneva is "already host to some international organizations with which the WTO is expected to establish a close working relationship."

Furthermore, the committee found situating the WTO in Geneva to be in the interest of making the transition from the GATT to the WTO "as smooth and secure as possible." The General Agreement on Tariffs and Trade, which will gradually be superseded by the WTO, has its seat in Geneva.

China's forex reserve increases

HONG KONG, July 25: China's foreign exchange reserve topped 31.8 billion dollars at the end of June, a 50 per cent increase over the first part of the year, a senior financial official said yesterday, reports AFP.

"The record high growth has considerably improved the country's balance of payments and indicates a sound performance of the national economy," the Xinhua news agency quoted the Vice Governor of the Bank of China the Central Bank, Zhu Xiaoxu as saying.

Zhu said China had "no intention of building up annually big foreign exchange reserve," noting that China was "a heavy debtor."

China's external debts stood at 83.5 billion dollars at the end of last year, according to official figures.

Analysts said the increase has come against a backdrop of a range of macro-economic control policies which, since they were introduced last summer, have sought to curb the scale of investment in fixed assets.

Project to link Arab stock markets nearing completion

ABU DHABI, July 25: An ambitious project to link Arab stock markets as part of overall development plans is nearing completion, but experts stressed that regional markets first needed to open up to foreign investors, reports AFP.

The stocks data base, a computerised network established by the Abu Dhabi-based Arab Monetary Fund (AMF), was launched five years ago and it could be completed later this year, the fund said in a report on Sunday.

"The fund is pressing ahead with the final arrangements for launching the stock data system as part of plans to develop Arab stock markets," it said.

The base will provide regional exchanges with information on stock markets and economic conditions in member states, trading institutions, prices of shares and monthly reports on turnover in each market.

The AMF, the watchdog of Arab economies, said this would help tackle the persistent problem of lack of information on Arab stock markets and consequently enable investors in one country to trade in other member states.

All formal floors in the 22-member Arab League would gradually be linked to the data base while other Arab countries could join later when they establish exchanges, according to the report.

It said the AMF, with a capital of 1.3 billion dollars, had already signed agreements in this regard with the official stock markets in Oman, Bahrain, Kuwait, Jordan, Tunisia and Morocco. Other floors would join in later.

"The base will be one of the main elements in the AMF's programmes to upgrade Arab stock markets and encourage those without exchanges to establish floors," the report said.

Only 10 of the Arab countries have formal exchanges and activity of such markets have remained relatively small due to political uncertainty in some members and lack of incentives and information about trading institutions.

About 1,100 banks companies trade their shares in the Arab region, with a capitalisation of nearly 50 billion dollars, a fraction of the total world share capitalisation of more than nine trillion dollars in 1992.

Arab officials have repeatedly called for development of regional stock markets as part of reforms to heal their ailing economies and attract part of their overseas funds, estimated at 800 billion dollars, they have exceeded the combined 1992 Arab Gross Domestic Product of around 450 billion dollars.

Addressing an economic conference here last year, former AMF Chairman Osmat Al-Faqih criticised regulations governing Arab stock markets and called for comprehensive structural reforms to develop them.

Saudi Arabia and the United Arab Emirates (UAE) account for nearly half the total market capitalisation in the Arab world but they have no formal floors and their share dealing is still confined to local investors.

Kuwait has also shut the doors for foreign investment in shares and activity, once the highest in the region, has sharply declined as the market struggles to recover from the 1990 Iraqi invasion.

"Linking Arab stock markets in a single network will boost dealing in some countries as it will give investors access to other markets," said Zuhair Kaswani, leading UAE stock broker.

US Treasury says China controls exchange rate for unfair trade

WASHINGTON, July 25: China manipulates its exchange rate system to prevent effective balance of payments adjustment and gain unfair competitive advantage in international trade, according to the most recent Treasury Department report on international exchange rate policies, according to USIS press release.

This is the third consecutive year that China has been cited in this report for foreign exchange manipulation.

The report, required annually by Section 3004 of the Omnibus Trade and Competitiveness Act of 1988, also says that while neither the Republic of Korea nor Taiwan is manipulating its exchange rate within the meaning of Section 3004, Treasury remains concerned about financial and foreign exchange policies in both economies, particularly capital controls, which discourage investment and impede the operation of market forces in exchange rate determination.

The report, which was released July 11, praised China for its decision to unify its dual exchange rate by January 1, 1994. "Nonetheless," it says,

"further reforms implemented on April 1, 1994, segmented the foreign exchange market and imposed restrictions that limit foreign-funded enterprises access to foreign exchange."

Presenting the report to the Senate Committee on Banking, Housing and Urban Affairs July 11, Treasury Undersecretary Lawrence Summers said the United States has pursued a two part strategy to convince China to eliminate the segmentation of its foreign exchange market and restrictions on access to foreign exchange, actions that he said should facilitate imports and promote adjustment in China's large bilateral trade surplus with the United States.

"First," he said, "we have raised our concerns directly with Chinese central bank officials. In my negotiations with them, I have stressed our disappointment with the April regulations, our continued concern over the large and rising bilateral imbalance, and our firm position that China should establish a single, unified foreign exchange market with free access to foreign exchange for both domestic and foreign enterprises."

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on July 25. (Figures in Taka)

Currency	Selling		Buying	
	TT & OD	EC	TT	OD
US Dollar	40.3800	40.4100	40.1300	40.0550
Pound Sterling	62.1715	62.2177	60.5293	60.4161
DM	25.6341	25.6531	24.9552	24.9086
F Franc	7.4977	7.5033	7.3010	7.2874
C Dollar	29.5963	29.6184	28.8098	28.7559
S Franc	30.2550	30.2775	29.4505	29.3955
Jap Yen	0.4157	0.4161	0.4006	0.3998
Indian Rupee (AMU)	1.2908	1.2973	1.2754	1.2594
Pak Rupee (AMU)	1.3204	1.3270	1.3046	1.2883
Iranian Ryal (AMU)	0.0231	0.0232	0.0227	0.0224

A) T. T.(DOC) US Dollar Spot Buying Tk 40.0925				
B) Usance Rates:				
30 Days DA	60 Days DA	90 Days DA	120 Days DA	180 Days DA
39.7794	39.4952	39.2109	38.9267	38.3582
C) US Dollar sight export bill 3 months forward purchase:				Tk. 40.0550
D) US Dollar 3 months forward sale:				Tk. 40.6100

Currency	Selling		Buying	
	T.T. & O.D.	EC	O.D. Transfer	Transfer
S Riyal	10.7678		10.6430	
UAE Dirham	10.9956		10.8675	
Kuwaiti Dinar	136.4735		134.6744	
Singapore Dollar	26.7398		26.4140	
D Guilders	23.1977		22.9240	
S Kroner	5.2473		5.1841	
Malaysian Ringgit	15.5749		15.3896	

Note: AMU—Asian Monetary Unit

Shipping Intelligence

Chittagong Port

Berth position and performance of vessels as on 25.7.1994						
Berth	Name of vessels	Cargo	L.P. Port	Local agent	Date of arrival	Date of leaving
J/1	Ingenuty	Cont	Sing	RSL	23/7	26/7
J/2	Karaberevett	GI	Sing	EBPL	18/7	25/7
J/3	Banglar Kallol	GI	Pena	BSC	23/7	8/8
J/4	Safina-E-Ismael-2	Rice/GI	Kara	Prog	14/7	26/7
J/5	Catrina	Sugar/GI	Kaus	Seacom	08/7	31/7
J/6	Perla One	Cement	Sing	PSAL	28/6	25/7
J/7	Sea Song	Wheat (P)	Cana	Seacoast	10/6	25/7
J/8	Nikoula	GI	Sing	Prog	22/7	2/8
J/9	Banglar Robi	Cont	Sing	BSC	22/7	26/7
J/10	Dolores	Idle	—	Seacom	R/A	30/7
J/11	Banglar Mamata	GI	Mong	BSC	22/7	25/7
J/12	Irene P.	Cement	Sing	PSAL	13/7	25/7
J/13	Andrian Goncharov	Cont	Sing	AML	21/7	26/7
MPB/1	Meng Kiat	Cont	Sing	RSL	22/7	26/7
MPB/2	Lhotse	Cement	Sing	JALA	06/7	25/7
GSJ	Delta Star	Wheat (GI)	Sing	ANCIENT	22/7	27/7
RM/4	Akademik Vekua	CDO	Sao	Royal	19/07	26/7
RM/5	Team Trinta	HSD/MS	Sing	MSPL	10/7	27/7
RM/6	Changl	LOIL	Sing	MSPL	23/7	25/7
DOJ	Banglar Shourabh	Repair	—	BSC	R/A	26/7
DDJ/1	Perla One	Repair	Pena	ENCL	15/6	28/7
RM/9	AL Swamru	Repair	Yanga	ASL	29/6	26/7

Vessels Due at Outer Anchorage						
Name of vessels	Date of arrival	Last Port	Local agent	Cargo	Loading port	
Jiang Cheng	25/7	S.Hai	BD Ship	GI	C Ports	Sing
Imke Wehr	25/7	Sing	APL(B)	Cont	—	—
San Pablo	—	—	—	—	—	—
(Roro) 17/7	25/7	Sing	JF	Vehicles	—	—
Kota Pusaka	25/7	Viza	CTS	Cont	—	—
Rosario Del Mar	25/7	—	—	Scraping	—	—
Rusula	26/7	Yang	USTC	Cement	—	—
Krasno Yarski	26/7	—	Seacom	GI (Copra)	—	—
Komosolets	26/7	—	—	Cement	—	—
Gul Jiang	27/7	L.Shan	Litmond	MSPL	—	—
Khuram	27/7	Sing	Comso	SSPP	—	—
Young-II	27/7	Sing	BML	GI	—	—
Fong Yun	27/7	Sing	BD Ship	Cont	Sing	Sing
I Yambarenko	28/7	Sing	CT	Cont	Sing	Sing
Sam Houston	28/7	—	Karna	GI (Lash)	—	—
Pan Trader	28/7	SACR	OWSL	Wheat (P)	—	—
Arktika Sun	28/7	—	BSL	GI (Copra)	—	—
Optima	29/7	Sing	RSL	Cont	Sing	Sing
Phu Shan	29/7	Mad	MSL	Machinery & S. Coil	—	—
Tiger Star	29/7	—	Prog	GI	—	—
Dubai Glory	28/7	—	Prog	GI	—	—
Tirgu Secules	30/7	Braz	USTC	P. Iron	—	—
Banglar Moni	30/7	Mong	BSC	Cont	Sing	Sing

Vessels at Kutubdia				
Name of Vessels	Cargo	Last Port	Local agent	Date of arrival
Concord	HSD	Sing	MSPL	23/7
Kota Bintang	Cont	Sing	CTS	23/7
Golden Rose	Cement	Sing	PSAL	14/7

Vessels Awaiting Instruction				
Banglar Jyoti				
ISC R/A (21/7)				

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.

A price war between India's 2 leading English dailies

NEW DELHI, July 25: A price war between India's two leading English dailies here has brought cheer to readers but fear to smaller competitors who face being squeezed out of the market, reports AFP.

The Hindustan Times, the city's best-selling newspaper, has slashed its price by about one-third to 150 paise (five cents) to beat back a stiff challenge from its main rival, The Times of India.

The battle is expected to spill over to other Indian cities soon.

"Yes, you may call it a war," said Ramesh Chandra, Executive Director of The Times of India, the country's oldest English-language daily, which was founded in 1838 and is published from six cities, including New Delhi and Bombay.

It was the decision by The Times, which occupies the second slot among English papers here, to similarly cut its price to 150 paise in March which triggered the race for supremacy.

"A full-scale war is now inevitable," warned S H Venkatramani, an advisor to The Pioneer, the capital's sleek, upmarket newspaper. "Other newspapers will have to follow suit."

The undercutting is being compared to the bitter price war ranging among British dailies and has raised charges of unfair trading practices.

But A N Verma, Chairman of the monopoly restrictive trade practices commission, said the situation is not clearcut.

"I am not sure whether such undercutting of prices constitutes an unfair practice," he said.

The price war here has sparked a vendors protest and even a knife attack.

Vendors who deliver newspapers to people's doorsteps began boycotting The Times on June 28, complaining that their earnings have gone down since the daily came out with the new price, reportedly robbing in 30,000 more readers.

The Times accused the Hindustan Times of instigating the strike.

The Hindustan Times, which sells some 343,000 copies daily to The Times' 140,000, denied the charge.

As Times' employees began distributing the paper themselves, vendors reacted violently, beating up one Times executive and stabbing a vendor who defied the union dictate.

The vendors called off their boycott in mid-July after The Times promised not only to retain their commission but to give them further monetary incentives. On July 18, The Hindustan Times suddenly slashed its price.

Hindustan Times Executive President Naresh Mohan refused to discuss the subject. Chief Circulation Manager Rakesh Sharma called it a marketing strategy but declined to go into details.

The Times, which is the market leader in Bombay, gloated over The Hindustan Times' decision to cut its price.

Greenback closes mixed against Asian currencies over the week

HONG KONG, July 25: The US dollar gained ground on the yen this week amid fears of political uncertainty in North Korea following the death of its leader Kim Il-Sung, but closed mixed against other Asian currencies, reports AFP.

JAPANESE YEN: The yen ended the week at 98.96 yen against the dollar, down 0.66 yen from last Friday's finish of 98.30 yen, with sentiment turning slowly in favour of the US currency.

After opening at 97.30 yen, the Japanese currency fell throughout the week on short-covering following a month-long surge.

Dealers said fears of political uncertainty in North Korea following the death of President Kim Il-Sung pushed the dollar higher. They said the market looked ready to test the 100-yen level soon, but strong resistance was seen at 101 yen.

AUSTRALIAN DOLLAR: The Australian dollar closed the week Friday about one-fifth of a US cent firmer but stuck in a tight trading range. It closed at 73.85 US cent, up from 73.68 US cent the previous week. A

report by Commonwealth Bank of Australia said the currency benefited from Treasurer Ralph Willis' comments on Tuesday in the United States that monetary policy would remain "appropriate" to keep a lid on inflation.

HONG KONG DOLLAR: The Hong Kong dollar, pegged to its US counterpart, went into the weekend at 7.7291, up from 7.255-7.265 the previous Friday, after sagging to around 7.73 at the start of the week.

The effective exchange rate index, which tracks the Hong Kong dollar against a trade-weighted basket of foreign currencies, ended Friday at 123.0, compared with 122.4 a week earlier.

INDONESIAN RUPIAH: The Indonesian rupiah closed the week's trading Friday at 2,167 rupiah to the dollar, compared to the previous week's finish of 2,164 rupiah. The rupiah started the week at the same rate of 2,164 rupiah against the dollar on Monday.

MALAYSIAN RINGGIT: The Malaysian ringgit closed the week 50 points higher at 2.5899, from 2.5840 a week earlier, after central bank in-

tervention towards the week's close, dealers said.

PHILIPPINE PESO: Despite calls to halt the peso's recent appreciation which has unnerved exporters and local businessmen, the peso strengthened to 26.308 pesos to the US dollar on Friday from 26.385 on July 15.

SINGAPORE DOLLAR: The Singapore dollar ended unchanged against the US dollar at an exchange rate of 1.5120 here Friday.

Dealers said there was a complete lack of interest in the greenback throughout the week following the recent failure of the G-7 summit to take steps to support and

strengthen it against the yen. Fears of an interest rate hike in the US also contributed to the US dollar finding little support with activity largely concentrated on the German mark and the yen.

Earlier in the week the dollar slipped to 1.5100, but found some support late Friday, the dealer said.

SOUTH KOREAN WON: The won strengthened from 806.40 won to the dollar a week ago to 803.90 on Saturday.

The won has gained against the dollar as booming exports have brought in more dollars, analysts here said. The recent export boom is partly due to the strong Japanese yen, which has made Korean exports cheaper in overseas market.

TAIWAN DOLLAR: The US dollar advanced to close Friday at 26.668 Taiwan dollars in heavy trading this week, up 9.15 Taiwan cents from the previous week's finish of 26.765.

Market dealers attributed the greenback's jump to seasonal demand by local firms.

Dhaka Stock Prices

At the close of trading on July 25, 1994

Index falls by 9 points

Star Report

The Dhaka Stock Exchange All Share Price Index fell sharply on Monday while the turnovers on the DSE rose.

The index dropped by 9.159 points to 672.22276 from 681.38141.

The turnover in volume rose by 19.222 per cent and the turnover in value showed a gain of 47.415 per cent.

A total of 43,327.00 shares worth Tk 1,204,45,152.50 changed hands as against 36,341.50 shares valued at Tk 81,70,898.50.

Beximco Ltd led the list of 22 losers in terms of volume with 8000 shares traded.

Among the losers, Zeal Bangla Sugar (1600), Beximco Fisheries (3260) and Beximco Synthetic (1660) were also major volume leaders.

Bangladesh Leaf Tobacco Co Ltd incurred a loss of Tk 50.00 per share, leading the losers in terms of value.

Monno Ceramic dominated the gainers' list in terms of volume. Its 10260 shares were traded.

Apex Spinning (1280) and Bata Shoe (6960) also experienced significant gains.

The number of issues traded fell from 59 to 53, in which the share prices of 12 issues remained unchanged.

Trading at a glance

DSE All Share Price Index	672.22276
Market Capitalisation Tk	3,058,13,025.04
Turnover in Volume Tk	43,327
Turnover in Value Tk	1,204,45,152.50

Company's name	Change (per share)	Number of shares traded
----------------	--------------------	-------------------------

Losers (22)		
--------------------	--	--