

Asian tea producers interested to form int'l cartel

COLOMBO, July 27: Asian growers are keen to form an international tea cartel to shore up prices, but trouble may be brewing already with a tepid response from key African producer Kenya, regional trade sources say, reports AP.

India and Sri Lanka, the two main competitors, got together last week to propose an association of tea producing countries to safeguard common interests.

"An international tea producers' forum to safeguard the interests of tea producers through the exchange of information, research and marketing, and promoting strategies was considered an urgent need," the tea board here said.

While the official statement issued after bilateral talks did not use the word "cartel" nor go into details of how efforts would be coordinated in the proposed "forum", trade sources feel a strong cartel, similar to that formed by coffee producers, is needed to dictate world market prices.

Tea prices have been falling steadily in Asian auction centres due to United Nations

sanctions against Iraq, cash problems of Iran and the collapse of the former Soviet Union — all key consumers.

Production, on the other hand, has increased, compounding the worries of producers, who have been forced to sell at below cost.

The price of green leaf tea fell from 48 rupees (1.56 dollars) a kilogram (2.2 pounds) a year ago to 20 to 26 rupees in India, where some 100 processing plants in the southern Nilgiri region were forced to close after failing to meet costs.

The Sri Lankan government is trying to reopen some 50 factories, which closed in the past two years. Tea board officials said another 20 factories were beyond saving.

Four other tea exporting countries — Bangladesh, Indonesia, Malawi and Uganda — have expressed interest in joining a producers' club. The six countries together account for about two-thirds of the world's one billion kilogram (2.2 billion pound) tea export market.

But regional industry

sources say Kenya, which accounts for just under 25 per cent of the market, so far has remained lukewarm to the suggestion.

Unlike in India and Sri Lanka, where productivity remains low despite the industry being over a century old, Kenya's relatively new tea plantations give higher yields and good returns to growers, who can afford to bear lower prices.

Traders and exporters in the Bangladesh port city of Chittagong, the country's main tea trade centre, welcomed the idea of a tea cartel, expecting benefits in the short term.

However, Iqbal Dada, Chairman of the Bangladesh Tea Traders Association, said Kenya was a major player in any cartel and, if Nairobi stays out, the grouping may not be effective.

Earlier attempts to organise a tea forum failed in the mid-1980s because prices were so attractive, no producer was willing to forgo bumper profits by withholding supplies.

Now the situation has be-

come desperate for Asia's tea industry.

In Sri Lanka alone, some half a million people are directly employed in plucking tea leaves and processing. Tea is its main export commodity.

Western and west Asian buyers have been abandoning one auction centre after another in the region, many ending up buying tea cheap in Kenya.

Against this backdrop, the formation of a tea cartel by some major tea producers would always be welcome, an India Tea Association spokesman said.

The trade in Sri Lanka, however, believes that while the creation of a mechanism to regulate sales was welcome under present circumstances, a slight recovery might discourage producers from restricting exports.

"If the market gets a bit better, the Indians will be happy to go to it alone," a member of the Colombo Tea Traders Association said. "But for us the prices will have to go up dramatically before we can think of another course."

EU okays subsidies for Air France, Olympic Airways

BRUSSELS, Belgium, July 27: The European Union on Wednesday approved huge subsidy packages for Air France and Greece's Olympic Airways with the stipulation that the money be used to make the airlines financially healthy, reports AP.

The EU executive commission let France pump 20 billion franc (370 million dollars) into its money-losing air carrier. Separately, it approved Greek plans to inject 545 billion drachmas (2.28 billion dollars) to help restructure Olympic Airways.

The French government has promised to privatize Air France and not to give it any more funding during the three-year restructuring programme.

The airline also must pay back 1.5 billion French francs (250 million dollars) it got from the government earlier this year, the commission said. It called that an illegal subsidy.

Air France's competitors say the money would give the giant

carrier unfair advantages, and consumer advocates said it would lead to decreased competition and higher fares.

But France claims the subsidy will help make the airline more efficient by restructuring to cut jobs.

Air France lost 7.5 billion francs (1.4 billion dollars) in 1993. Its debts total 37 billion francs (6.7 billion dollars).

Under EU rules, industry subsidies must be approved by the EU executive agency that acts as an anti-trust, anti-monopoly watchdog.

Government subsidies are a sensitive issue in the 12-nation EU which is trying to open up the airline market to increased competition.

Britain has said it would take the European Commission to court if it approved the Air France subsidies.

Most of Europe's major carriers are money-losing, wholly or partly state-owned carriers. One notable exception is British Airways, which is privately-owned and profitable.

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on July 27. (Figures in Taka)

Currency	Selling		Buying	
	TT & OD	HC	OD	Transfer
US Dollar	40.3750	40.4025	40.1200	40.0425
Pound Sterling	62.9812	62.0234	60.3245	60.2080
DM	25.7767	25.7943	25.0750	25.0265
France	7.5429	7.5477	7.3437	7.3296
Switzerland	29.5220	29.5421	28.7338	28.6783
Japan	30.3345	30.3552	29.5241	29.4670
S. Korea	0.4178	0.4180	0.4023	0.4017
Indian Rupee (AMU)	1.2908	1.2973	1.2754	1.2594
Pak Rupee (AMU)	1.3204	1.3270	1.3046	1.2883
Iranian Rial (AMU)	0.0231	0.0232	0.0228	0.0225
A) T. (DOC) US Dollar Spot Buying Tk. 40.0812				
B) Usance Rates:				
30 Days DA	39.4853	39.2012	38.9170	38.3486
60 Days DA				
90 Days DA				
120 Days DA				
180 Days DA				
C) US Dollar sight export bill 3 months forward purchase: Tk. 40.0425				
D) US Dollar 3 months forward sale: Tk. 40.6025				

Currency	Selling		Buying	
	T.T. & O.D.	O.D. Transfer	O.D. Transfer	O.D. Transfer
S. Riyal	10.7664	10.6370		
UAE Dirham	10.9936	10.8614		
Kuwaiti Dinar	135.6231	133.6740		
Singapore Dollar	26.7296	26.3943		
D. Guilders	22.6508	22.3752		
S. Kroner	5.1636	5.0996		
Malaysian Ringgit	15.5798	15.3886		

Note: AMU—Asian Monetary Unit

Shipping Intelligence

Chittagong Port

Berth position and performance of vessels as on 27-7-94									
Berth	Name of Vessels	Cargo	L. Port	Call	Local Agent	Date of Arrival	Leaving		
J/1	Rasul	Cement	Sing	USC	26/7	31/7			
J/2	Alam Tenang	Sugar (P)	Bank	Seacom	17/7	10/8			
J/3	Golden Rose	Cement	Sing	PSAL	14/7	31/7			
J/5	Catrina	Sugar (P)	Kau	Seacom	8/7	5/8			
J/6	Imke Wehr	Cont	Sing	APL (B)	25/7	28/7			
J/7	Banglar Kallol	GI	Pena	BSC	23/7	3/8			
J/8	Nikola	GI	Sing	Prog	22/7	2/8			
J/9	Jiang Cheng	GI	S. Hai	HDShip	25/7	31/7			
J/10	Dolores	Idle	—	Seacom	R/A	31/8			
J/11	Banglar Mamata	GL	Mong	BSC	22/7	29/7			
J/12	Kota Bintang	Cont	Sing	CTS	23/7	29/7			
J/13	Ingenuty	Cont	Sing	RSL	22/7	27/7			
MPB/1	Mong Kiat	Cont	Sing	PSL	22/7	27/7			
MPB/2	Delta Star	Wheat (G)	SUCJ	Ancient	22/7	28/7			
RM/4	Prudent Venturer	Cement	Sing	PSAL	17/7	31/7			
RM/5	Team Trinta	HSD/MS	Sing	MSPL	10/7	31/7			
RM/6	Concord	HSD	Sing	MSPL	23/7	28/7			
DDJ/1	Banglar Shourabh	Repair	—	BSC	R/A	28/7			
DDJ/1	Pearl One	Repair	Yang	ENCL	15/6	31/7			

Vessels due at outer Anchorage				
Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo
Young-II	27/7	Sing	BML	GI
Khartoun	29/7	Sing	SSP	(P)
Pong Yun 17/7	28/7	Sing	HDShip	Cont
Yambureno 18/7	31/7	Sing	CT	Cont
Sam Houston	31/7	—	Karna	GI (Lash)
Pan Trader	2/8	SACR	OWSL	Wheat (P)
Dulaj Glory	31/7	—	Prog	GI
Optima 19/7	29/7	Sing	RSL	Cont
Pu Shan	29/7	Mad	MSL	Machinery & S. Coll
Tiger Star	29/7	—	Prog	GI
APJ Priti	30/7	Sing	USC	Cement
Arktis Sun	30/7	—	BEL	GI (Copro)
Out Jiang	31/7	L. Shan	Limond	Cement
Thru Seais	30/7	Braz	USC	P. Iron
Peter Starostin 24/7	30/7	Sing	CT	Cont
Pong Shin 23/7	1/8	Sing	HDShip	Cont
State of Nagaland	2/8	—	SSL	GL UK Cont
Ultima 23/7	2/8	Col	Baridhi	Cont
Mikhail Stenko 23/7	2/8	Col	BTSA	Cont
Dona Ouarina	3/8	—	JF	Scraping
Banglar Robi 26/7	6/8	Sing	BSC	Cont
Banglar Moni 2/7	6/8	Mong	BSC	Cont
Pelopidas	6/8	—	Limond	Wheat (P)
Samudra Raj	7/8	Kara	SSL	Rice/CI
Kutubovo	31/7	—	Seacom	(Copro)

Vessels at outer Anchorage				
Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Kranano Yarsi	GI (Copro)	Sing	Seacom	26/7
Komomolets	Cont	Vita	CTS	26/7
Kota Pusaka	Wheat (G)	Rouen	Ancient	21/7
Marlin	—	—	—	—
Banglar Jyoti	—	—	BSC	R/A (21/7)

Movement of Vessels for 28-7-94				
Outgoing	Incoming	Shifting		
MPB/1 Imke Wehr	DOJ	Global Trader	J/13	Martin to GSJ
GSJ Delta Star	DOJ	—	—	—
DOJ B Shourabh	29/7	—	—	—
J/12 Catrina	J/12	Tiger Star	J/1	Rusu Sala to J/11/5
J/12 Kota Bintang	J/12	Clipper	—	—
MPB/2 Kota Pusaka	MPB/1	Fong Yun	—	—
J/11 B Mamata	30/7	—	—	—
J/4 Young II	J/13	P Starostin	—	—
GSJ Martin	J/4/2	Arktis Sun	—	—
J/2 Alam Tenang	GSJ	B Asha	—	—
MPB/2 Optima	—	—	—	—

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

Dhaka Stock Prices

At the close of trading on July 27, 1994

Index surges by 30 points

Star Report

The Dhaka Stock Exchange All Share Price Index surged on Wednesday while the turnover on the DSE fell.

The index reached 690.56680 from 660.01064, registering a sharp gain of 30.56 points.

The turnover in volume incurred a loss of 40.350 per cent and the turnover in value decreased by 57.632 per cent.

A total of 45,088 shares worth Tk 1,15,25,620.00 changed hands as against Tuesday's 75,588 shares valued at Tk 2,72,03,826.50.

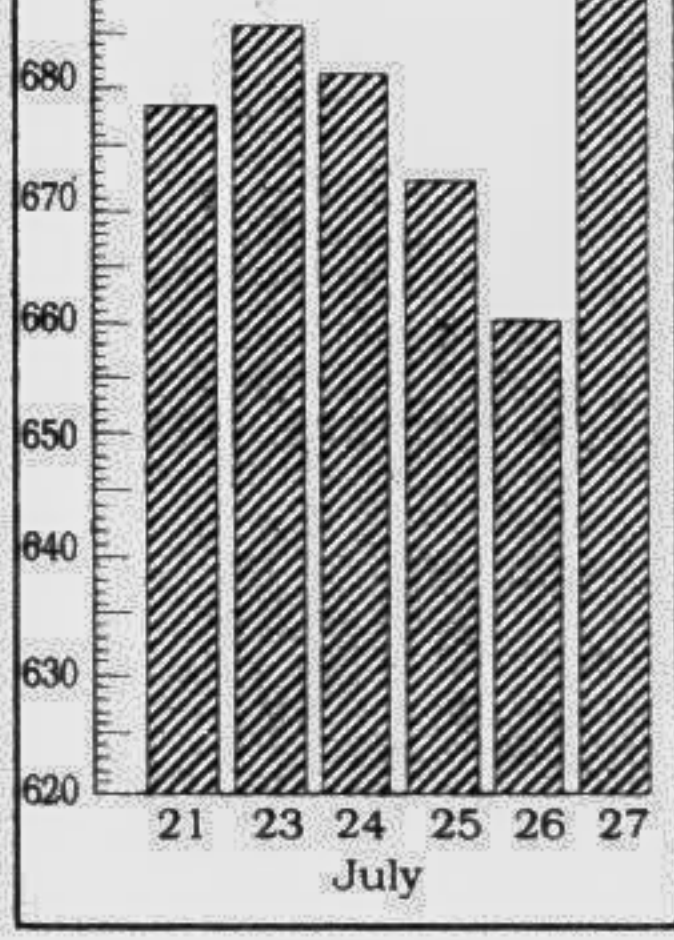
The number of issues traded totalled 55, in which 22 gained, 22 incurred losses and 11 others remained unchanged.

Zeal Bangla Sugar led the gainers in terms of volume with 10800 shares traded.

City Bank (1000), BTC (2832), Beximco Fisheries (2780), Beximco Synthetic (3300) and Apex Tannery (3192) also gained significantly.

In terms of value, Singer Bangladesh Ltd topped the gainers' list with a rise of Tk 71.43 per share.

Beximco Ltd dominated the losers' list in terms of volume. Its 48 shares were traded.



DSE Shares and Debentures

Company	FV/ML (Taka)	Closing (Taka)
BANKS (13)		
Al-Baraka Bank	1000/1	760.00
A.B. Bank	100/5	170.28
City Bank	100/5	275.00
Eastern Bank	100/20	110.00
IDLC Ltd.	100/20	460.33
ULC	100/20	380.00
IFIC	100/5	165.00
Islamic Bank	100/1	1590.67
National Bank	100/5	102.76
Punjab Bank	100/5	100.00
Rupali Bank	100/10	71.75
U.C.B.L.	100/5	80.80
Uttara Bank	100/5	90.00

INVESTMENT (8)		
ICB	100/5	125.00
1st ICB M. Fund	100/5	650.00
2nd ICB M. Fund	100/5	270.00
3rd ICB M. Fund	100/5	210.00
4th ICB M. Fund	100/10	252.73
5th ICB M. Fund	100/10	165.00
6th ICB M. Fund	100/10	133.37
ICB Unit Cert.	—	—
Sale Price	—	—
Re-Purchase	—	—
INSURANCE (5)		
BOIC	100/10	380.00
Eastern Insurance	100/20	200.68
Green Delta	100/10	350.00
Peoples Insurance	100/10	450.00
United Insurance	100/10	340.00

ENGINEERING (19)		
Afrah Automobiles	100/5	248.00
Atlas Bangladesh	100/5	58.58
Aziz Pipe	100/5	362.86
Bangladesh Autocars	100/5	43.00
Bangladesh Lamps	100/5	144.37
B. Thai Aluminium	100/10	115.42
Bengal Carbide	100/5	668.64
Bengal Steel	100/5	20.00
Eastern Cables	100/5	113.83
Howlader PVC	100/10	52.77
Karim Pipe	100/5	95.00
Metalex Corp.	100/5	50.00
Monno Staffers	100/5	360.00
Monno Jute	100/5	880.00
National Tubes	100/10	63.25
Panther Steel	100/5	8.00
Quasem Drycells	100/5	15.08
Remick Jajirwar	100/5	68.00
Singer Bangladesh	100/5	2105.40

FOOD & ALLIED (24)		
A.B. Biscuit	100/5	198.00
Alpha Tobacco	100/5	50.00
Amam Sea Food	100/5	500.00
Apex Food	100/5	890.00
Arora Tea	100/5	55.00
Bangs	100/5	172.00
B.D. Plantation	100/5	500.00
Bengal Food	100/5	292.07
BLTC	100/5	500.00
B.T.C.	100/5	171.06
Ctg. Vegetables	100/10	80.00
Dhaka Vegetables	100/5	96.50
E.L. Camella	100/5	1040.00
Froglegs Export	100/5	3.00
Gemini Sea Food	100/5	65.00
Hill Plantation	100/5	550.00
Modern Industries	100/5	350.00
N.T.C.	100/5	290.00
Rabeya Flour	100/10	—
Rupon Oil	100/10	4.77
Tulip Dairy	100/10	75.00
Young Flour	100/5	15.00
Zeal Bangla Sugar	100/5	7.33
Beximco Fisheries	100/20	206.41

FOOD & ALLIED (24)		
A.B Biscuit	100/5	198.00
Alpha Tobacco	10/50	50.00
Amann Sea Food	100/5	500.00
Apex Food	100/5	890.00
Aroma Tea	100/5	55.00
Bangas	100/5	172.00
B.D. Plantation	100/5	500.00
Bengal Food	100/5	292.07
BL.T.C.	100/5	500.00
B.T.C.	10/50	171.06
C.G. Cereals	10/50	140.00
G.G. Ball Pen	100/5	50.00
High Speed	100/5	5.00
Himalal Ltd	100/5	5.00
Milom Text	100/5	5.00
Monso Ceramic	100/5	690.00
New Onaka Relief	100/20	90.00
Phoenix Leather	100/5	130.00
Savar Refractories	100/5	4.00
The Engineers	100/5	100.00
Texpick Ind	100/10	8.00
Umanite Glass	100/5	34.00