

Myanmar to extend air services to KL, Kunming

YANGON, Aug 12: Myanmar's flag carrier plans to extend services to Kuala Lumpur and the southern Chinese city of Kunming in preparation for the New Light of Myanmar reported yesterday, says AFP.

The state-run daily said Myanmar Airways International had recorded an average 27 per cent increase in passengers each month since the beginning of this year, and expected a further influx in 1996.

Myanmar is the official name of Burma.

The airline announced it would put a Boeing 737-400 leased from Malaysia Airlines (MAS) into regular service on its daily Yangon-Bangkok schedule from Sunday, replacing a 757-200 from Royal Brunei Airlines.

Negotiations are underway with MAS for another leased 737 to be put into service by November, the airline said. The Boeing 737-400 has been in commercial service since September 1988.

The lease on the first plane, signed August 2, is for an initial period of two years and is renewable.

PAL ground staff continue picket

MANILA, Aug 12: Despite a return-to-work order, ground staff of Philippine Airlines continued pickets for a third day Friday, but management said flights were not significantly affected, reports AP.

A PAL spokesman said three international flights from Los Angeles, San Francisco and Singapore and in-bound planes from Taipei, Hong Kong and Jakarta were delayed for an average of an hour due to "aircraft situations." He refused to elaborate.

Members of the Philippine Airlines Employees Association began a picket on Wednesday to protest management's refusal to reinstate some 183 members fired after a strike June 16.

PALEA is the largest of the airline's three unions. It claims membership of over 9,000 of PAL's 14,000 strong workforce.

The June strike was over the non-implementation of a two-year-old order to increase wages over three years.

On Thursday, the Department of Labour ordered the picketers to return to work.

China achieves trade balance in 7 months

HONG KONG, Aug 12: China achieved a trade balance in the first seven months of the year on the strength of a 31 per cent surge in exports and a slowdown in imports, the Xinhua news agency reported yesterday, reports AFP.

Total trade from January to July was 117.55 billion dollars, a 24.8 per cent increase over the same period in 1993, with exports reaching 58.74 billion dollars and imports 58.81 billion dollars, up by 19 per cent, it said.

Xinhua added in a dispatch monitored here that Japan was still China's biggest trade partner, accounting for 23.15 billion dollars in bilateral trade, followed by Hong Kong at 20.98 billion dollars and the United States at 17.42 billion dollars.

Trade with the European Union amounted to 16.42 billion dollars, followed in descending order by Taiwan, South Korea, Russia and Singapore.

The Southern province of Guangdong remained China's engine of growth, accounting for 49.34 billion dollars in trade in the seven-month period, a 29.4 per cent increase, Xinhua said in the report, citing customs figures.

The country's main exports were light industrial products, textiles and electronics while imports were largely raw materials, machinery and electronic products.

Shares in Solidere Co decrease

BEIRUT, Aug 12: Shares in the Solidere Company behind the reconstruction of Beirut's war-battered city centre fell for the first time yesterday because of profit-taking, reports AFP.

Shares were selling at 165 dollars, compared to 173 dollars over the previous two days.

The fall was the result of "normal profit-taking after a speculative rise," said Nabil Aoun, a member of a committee in charge of supervising the secondary market.

The shares were initially sold at 100 dollars each in January. The 25-year project involves the reconstruction and development of the city centre devastated by the 1975-1990 war in Lebanon.

Exchange rate manipulation

China slams US allegations

BEIJING, Aug 12: China slammed yesterday the US Treasury Department for making "ill-informed" allegations that Beijing was manipulating its exchange rate to gain an unfair export advantage. Xinhua reported, says AFP.

The accusation by the US Treasury Department does not converge with reality, Xinhua quoted a People's Bank of China spokesman as saying referring to an "ill-informed Congressional report" issued on July 21.

The semi-annual treasury report followed far-reaching Chinese exchange reforms that began January 1 with the unification of its dual rate system at 8.7 yuan to the dollar, in line

with the currency's value on limited-access swap markets rather than the old official rate of 5.7 yuan the dollar.

The central bank spokesman refuted allegations of subsequent government manipulation to make exports relatively cheaper than foreign competition, saying the exchange rate — which now stands at 8.6 yuan to the dollar — was determined by market supply and demand.

The stability of the currency "indicates that there is no manipulation," the official was quoted as saying.

Despite a continuing Sino-US trade imbalance in China's favour, Chinese figures show its overall trade balance has

deteriorated from a 4.4 billion surplus in 1992 to a 12.2 billion dollars deficit in 1993.

The spokesman also rejected as "unreasonable" the Treasury report's allegation that China had taken "a step back from its initial reform plans" when it "segmented" its exchange market by excluding foreign-funded enterprises from an interbank market that came into operation April 1.

He was referring to the report's comments on Beijing's decision to keep open swap markets for use by foreign-funded enterprises seeking to balance foreign exchange needs despite earlier official statements that all such centres would be scrapped in

favour of a national interbank market.

"Treasury urges the Chinese authorities to eliminate the segmentation of the foreign exchange market and restrictions on access to foreign exchange," the US report said, warning the present system remained incompatible with China rejoining the General Agreement on Tariffs and Trade.

"There is now only one unified exchange market in China," of which swap centres are an "integral component," the Chinese central bank official said, maintaining they had been kept open as a "concessional measure" that favoured foreign-funded enterprises.

Angola's exports of major products fall

LUANDA, Aug 12: Angola's exports of petroleum, diamond and coffee in the first quarter of this year reached 593 million US dollars, 16.12 per cent down compared with the same period last year, reports Xinhua.

Of the 593 million US dollars, the exports of oil account for 98.6 per cent, that of diamond 1.3 per cent and that of coffee 0.1 per cent.

The old exports reached 585 million US dollars, 16.78 per cent up compared with the same period last year. Its major purchaser is the United States.

The diamond exports reached eight million US dollars, 294.4 per cent up compared with the same period last year. Its major purchasers are Belgium and Luxembourg.

NAM calls for massive debt reduction

JAKARTA, Aug 12: A group of Non-Aligned Movement (NAM) experts have called for a massive 70 per cent debt reduction to allow the economic survival of heavily-indebted poor countries, a report said today, reports AFP.

The call came in a report on the debt crisis facing developing nations, submitted by Advisory Group Chairman, Gamani Corea, of Sri Lanka, to NAM Chairman, President Suharto of Indonesia here today.

"Scaling down the debts of low and lower-middle income, heavily-indebted developing countries by 70 per cent on average, would seem to be an appropriate objective to be aimed at in international debt policy," a summary of the report said.

The report is due to be discussed in a NAM ministerial meeting on debt and development, involving 31 heavily-indebted countries and Indonesia to be opened here tomorrow.

It said that the ability of indebted countries to resume economic growth through domestic saving, investment and new foreign capital inflow were already limited by their existing debts.

The problem was further aggravated by the competition from Eastern European countries in drawing assistance and investment from wealthier nations and organisations, the summary said.

It said that 32 — or two thirds — of the 58 heavily-indebted countries in 1992, were least-developed.



US Marines from the Military Expeditionary Unit 24 out of Camp LeJune take target practice Wednesday on the flight deck of the USS Portland off the coast of Guantanamo Bay, Cuba. The Marines are part of the group deployed to aid in the evacuation of US citizen from Haiti if necessary. — AFP photo

Liberalisation policy proves better for Thai economy

BANGKOK, Aug 12: A Thai economist has said the Chuan Leekpai government has managed to lead the country's economy in the right direction during its two years in office, reports Xinhua.

But he also said that lack of political determination has hampered efforts to solve some economic problems.

It was a positive sign that the government had introduced economic liberalization plans aimed at improving the function of the entire economic system, said Dr Kittit Limkul, Director of the Economic Modeling and Forecasting Programme.

Examples he cited included the various government-sponsored trade talks with other countries and the development of banking and financial institutions.

Speaking at a seminar here Wednesday, Dr Kittit said the government had one little in the way of concrete achievements on income distribution and rural development.

He said rural inhabitants endure long working hours with little income while urban quality of life had deteriorated

due to chronic congestion. He said the authorities should try to reduce the number of car registrations rather than concentrating on the construction of mass transit projects.

He said one prominent government achievement was its successful land distribution programme, initiated by the Democrat party.

He also warned that the government should watch its spending to prevent excessive economic expansion, the root cause of inflation.

The Chuan government completes its two-year half time next month.

US dollar plunges on European rate hikes

NEW YORK, Aug 12: The American dollar plunged to a three-week low against the German mark and declined against other key currencies Thursday as dealers reacted to European interest rate hikes and a disappointing sale of US Treasury bonds, reports AP.

Trading centered on European currencies for much of the day following moves by the Swedish and Italian central banks to raise official rates. The mark advanced broadly, hitting a record high against the Italian lira. Trading in dollars was thin, exacerbating the US currency's fall, dealers said.

Gold prices rose. On New York's Commodity Exchange,

gold for current delivery gained 1.50 dollars settle at 378.70 dollars per troy ounce. Republic National Bank quoted gold at 378.90 dollars up 1.40 dollars at 4 pm EDT (2000 GMT).

An early dollar rally on news that producer prices rose 0.5 per cent in July — heightening expectations that the Federal Reserve will raise short-term US interest rates next week to head off inflation — was quickly overshadowed by the rate hike announcements from the Swedish and Italian central banks.

The unexpected news sparked a sell-off in bond markets across Europe and flight from the continent's weaker currencies into the mark.

Venezuela seizes property linked to bank scam

CARACAS, Aug 12: The government seized property linked to companies that owed millions of dollars to two banks recently taken over by the state, authorities said Thursday, reports AP.

The property, which included offices, stores, buildings and parking lots in Caracas and two tourist resorts in eastern Anzoategui state, belonged to companies that owed 9.1 billion bolivars (54 million dollars) to banks Latino and Bancor.

Latino was shut down by authorities in mid-January due to solvency problems and suspected fraud. Bancor was among eight financial institutions intervened in June to avoid collapse.

Iran's non-oil exports fetch \$1 b in 3 months

TEHRAN, Aug 12: Iran has earned about one billion US dollars from non-oil exports during the first three months of the current Iranian fiscal year (starting from March 21). The local daily Tehran Times reported yesterday, says Xinhua.

Head of Iran's Export Promotion Centre Ali Saeed-Loo was quoted as saying that non-oil exports during the three months have increased by 16 per cent compared with last Iranian year's same period.

The non-oil exports comprised 21 per cent of agricultural products, 52 per cent of minerals and metal products and 32 per cent of hand woven carpets, said Saeed-Loo, who is also the Deputy Commerce Minister.

The country obtained four billion dollars from non-oil exports in the previous Iranian year, Saeed-Loo said, adding that non-oil exports would bring the country some five billion dollars this Iranian year.

He expressed optimism about the future of the country's non-oil exports saying that the authorities are making efforts to encourage exports of non-oil goods and maximum facilities and incentives are being offered to exporters including slashing of the bureaucracy.

Saeed-Loo said an information centre has been established by the Export Promotion Centre for the supply of necessary data to exporters on international and domestic market.

During the past few years, President Rafsanjani's government has made desperate efforts to promote the country's production on order to earn more non-oil money and reduce the country's reliance on the oil.

Iran's non-oil exports have shown a sharp rise during the recent years. However, oil exports still remain as the main source of Iran's foreign exchange revenue.

New variety of 'red flag' car produced

SHANGHAI, Aug 12: A new variety of the "red flag" car once used exclusively by Chinese government leaders and state guests, came off the production line in Shanghai's Pudong new development area August 8, reports Xinhua.

The new variety, keeping the characteristics of the old one and employing the advantages of foreign cars such as the Audi, has five seats in two rows.

Pudong introduced the whole set of CA 488 technology from the Chrysler Corporation of the US for the engines of the new car, giving it extra power, lower gas consumption and higher acceleration capacity.

It is said that the cost of the new model is lower than that of the old one.

Stock market tumbles in NY

NEW YORK, Aug 12: The stock market took a tumble Thursday, as bond prices got hit first with fears of higher interest rates and then by a poor bond auction, reports AP.

Stock investors brushed off an early descent in bond prices that began after the government reported that US wholesale prices rose slightly more than expected in July. The report renewed fears that the Federal Reserve will have to increase short-term interest rates soon to head off inflation.

Major stock averages spent the morning posting modest gains, supported by continued strength in technology issues, and the Dow Jones industrial average added seven points.

The Dow Jones average of 30 industrial stocks fell 15.86 to 3,750.90.

Beijing punishes seven firms for fraud

BEIJING, Aug 12: Chinese authorities this year have investigated 460 cases of business fraud and seven firms have been punished, an official report said Friday, according to AP.

The seven firms were all found to act in violation of the Anti-Unfair Competition Law and received administrative penalties, the China Daily reported.

A melon seed producer was ordered to turn over its illegal profits and pay an unspecified fine for selling its low-quality seeds under a competitor's name while marketing high-quality seeds under its own name.

A local waterworks had to make a public apology after it

had forced residents and businesses to buy its water supply equipment by posing as an agent of the local government.

A machine tools plant that had stolen blueprints and files and pirated industrial secrets was ordered to stop the activity, as were two companies that had imitated the packaging of a popular brand of mango juice.

A trading company was fined 80,000 yuan (9,300 dollars) for false advertising, but the report did not give details.

In one case, tap water and industrial pigments were substituted for mango juice. Two other companies were selling the fake mango juice at lower prices. All were ordered to stop while an investigation continues.

The China Daily report said the cases were just a handful of the 460 fraud cases the State Administration for Industry and Commerce investigated in the first six months of 1994. It was not clear if the seven cases were the only ones that were punished.

Anecdotal reports suggest the real fraud figure is far higher. Chinese consumers routinely complain that they have been cheated.

First-ever charity auction to be held

Reuters report says: Communist China is to hold its first-ever charity auction to raise money to build Tibet's first children's hospital, a newspaper reported on Friday.

The Economic Information Daily said local and foreign firms would be welcome to take part in the bidding at the auction in Beijing later this year.

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on August 11 and 12.

Currency	Selling		Buying	
	TT & OD	EC	OD	OT
US Dollar	40.3725	40.3975	40.1000	40.0350
Pound Sterling	62.3447	62.3933	60.6815	60.5832
DM	25.7036	25.7195	25.0198	24.9793
F Franc	7.5080	7.5127	7.3070	7.2952
C Dollar	29.6188	29.6372	28.8154	28.7687
S Franc	30.5006	30.5195	29.6837	29.6356
Jap Yen	0.4045	0.4048	0.3895	0.3889
Indian Rupee (AMU)	1.2907	1.2971	1.2754	1.2595
Pak Rupee (AMU)	1.3204	1.3270	1.3046	1.2883
Iranian Rial (AMU)	0.0232	0.0233	0.0229	0.0226

At T. T. (DOC) US Dollar Spot Buying Tk. 40.0675
 B) Usance Rates:
 30 Days DA 39.4656 90 Days DA 38.8778 120 Days DA 38.8778 180 Days DA 38.8778
 C) US Dollar sight export bill 3 months forward purchase: Tk. 40.0350
 D) US Dollar 3 months forward sale: Tk. 40.5975

Currency	Selling		Buying	
	T.T. & O.D.	EC	O.D. Transfer	OT
S Ryal	10.7654	10.9923	10.6312	10.8550
UAE Dirham	135.4327	135.4327	133.4198	133.4198
Singapore Dollar	28.8113	28.8113	28.4705	28.4705
D Guilders	22.7579	22.7579	22.4634	22.4634
S Kroner	5.1926	5.1926	5.1257	5.1257
Malaysian Ringgit	15.6422	15.6422	15.4425	15.4425

Note: AMU—Asian Monetary Unit

Shipping Intelligence

Chittagong Port									
Berth position and performance of vessels as on 11.8.94									
Berth No	Name of Vessels	Cargo	L Port	Local Agent	Local Date of Arrival	Local Date of Departure	Local Date of Arrival	Local Date of Departure	Local Date of Arrival
J/1	Dong Fang Yang	Sugar (P)	Kosh	OWSL	7/08	20/8			
J/2	Pan Trader	Wheat (P)	Sing	OWSL	2/08	20/8			
J/3	Samudra Raj	Rice/GI	Kara	SSB	7/08	20/8			
J/4	Dubai Glory	GI	Sing	Prog	1/08	14/8			
J/5	Clippers Aquamarine	D Peas	Sing	MSA	16/07	09/8			
J/6	*Khanomayarski								
J/7	Al Reza	Len/C Peas	Sing	BSL	2/08	11/8			
J/8	Safar	Sugar (P)	Bank	ASLL	4/08	20/8			
J/9	Cartrona	Sugar (P)	Kaus	Seacom	R/A	15/8			
J/10	Ultima	Cont	Mong	Baridhi	8/08	12/8			
J/11	Alam Tenang	Sugar (P)	Bank	Seacom	17/07	16/8			
J/12	Lhotse	Cont	Sing	RSL	8/08	8/08			
J/13	Etebrugg	Cont	Sing	APL (B)	7/08	12/8			
MPB/1	* Fong Shin	Cont	Sing	BDSHP	2/08	11/8			
MPB/2	* Meng Kiat	Cont	Sing	AMEL	7/08	12/8			
RM/5	Team Trinta	HSD/MS	Sing	MSPL	10/07	19/8			
RM/6	Al Dhabbyyah	SKO/JF-1	Sing	MSPL	9/08	12/8			
DOJ	Blue North	Cement	Sing	PSAL	5/08	14/8			
DD	Banglar Maya	Repair	Cal	BSC	1/08	19/8			
DDJ/1	Pearl One	Repair	Yang	ENCL	15/06	15/8			
DDJ/2	Banglar Asha	Repair	Cal	BSC	R/A	20/8			
CURJ	Couper	Urea	Sing	Gel	6/08	7/8			

Cargo	Couper	Orca	Sing	Col	8/8	7/8
Vessels Due at Outer Anchorage						
Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port	
Enlivener	12/8	Mong	BBB	GL		Col
Continent-1	11/8	Oktha	CLA	GI		
New Genlord	13/8	Cal	BDSHP	Cont		Sing
Ocean Envoy	16/8		Kama	GI		
Lydia-II	12/8	SAFA	Seacom	Sugar (P)		
Golden Lake	12/8	Kao	Prog	GI		
Hua Quan	12/8	Sing	RRSA	R Phos		
Pagan	14/8	Yang	MTA	Logs		
Pelopidas	14/8		Lithond	Wheat (P)		
Nikolay Gogol	14/8		PSAL	Cement		
Banglar Mori	14/8	Mong	BSC	Cont		Sing
Banglar Robi	16/8	Sing	BSC	Cont		Sing
Optima	16/8		RSL	Cont		Sing
Petr Starostin	16/8	Sing	CT	Cont		Sing
I Yambourne	17/8		CT	Cont		Sing
Tanto Capitaine	17/8	Sing	AML	Cont		Sing
Banglar Shobha	17/8	Mong	BSC	Cont		Sing
Pong Yun	16/8		BDSHP	Cont		Sing
Mamalevrett	17/8		EBFL	GI		Japa Fe
Lashio	19/8	Myan	MTA	Logs		
Mikhail Stenko	19/8	Col	BTSA	Cont		Col