

Pakistan needs sweeping Banking reforms: Yaqub

PAKISTAN'S BANKING. Aug 17: State Bank of Pakistan Governor Muhammad Yaqub said sweeping banking reforms were needed to improve Pakistan's financial system, reports Reuters.

"We need to act promptly and decisively to introduce major structural reforms in the institutional framework," Yaqub said in a speech to the Pakistan Institute of Bankers in Karachi.

The US-educated central bank governor proposed a 10-point reform package including privatisation of more nationalised commercial banks and public sector financial institutions.

Pakistan has privatised two out of five nationalised banks

and plans to sell off more banks and financial institutions.

Yaqub said it was vital to enforce banking laws. "Mushroom growth of financial institutions could lead to unsustainable failure rates with undesirable effects on the system," he added.

He said banks opened by provincial governments should be scheduled. Banks should adhere to lending policies and procedures to reduce the scope for loans being granted under pressure from politicians and other powerful figures.

Pakistan passed a law in February 1994 making the central bank an autonomous body, but Yaqub said it should

have sole responsibility to supervise and regulate the banking system.

"All the regulatory functions need to be consolidated in the State Bank of Pakistan and all instructions to banks should be issued by through the State Bank of Pakistan," he said.

The Finance Ministry still plays a regulatory role.

Yaqub said Prime Minister Benazir Bhutto's government had pledged to borrow no more than 15 billion rupees from the banking system in fiscal 1994/95 (July/June).

The government had held its domestic borrowing for budgetary support to 14 billion rupees in fiscal 1993/94, down from 64 billion in 1992/93, he said.



State Minister for Civil Aviation and Tourism Abdul Mannan speaking as chief guest at the third publication anniversary of Fortnightly Bangladesh Monitor at a local hotel on Tuesday. —PID photo

Jordan, Israel initial first economic accord

JERUSALEM, Aug 17: Building on their July peace agreement, Israel agreed Tuesday to allow Jordan to import goods worth 30 million dollar into the occupied West Bank, reports AP.

The pact negotiated with Jordanian officials at the Dead Sea also will lead to the end of Jordan's official boycott of Israeli goods, said Israel's chief negotiator, Arlen Zeiss.

The West Bank imports will have to go through Palestinian merchants and will require permits from the new Palestinian self-rule government. The agreement covers areas still under Israeli control.

Jordanian products were banned from the Israeli-occupied territories after the 1967 Middle East war. Israeli products are banned in Jordan, but many make their way there through third parties.

The import agreement

grew out of the declaration signed by King Hussein and Israeli Prime Minister Yitzhak Rabin on July 25 ending 46 years of hostilities between their countries.

It doesn't set a time limit for the 30 million in imports, said Zeiss, director general of Israel's Customs Authority. But he expressed hope a formal peace treaty could be negotiated by the end of year making it an annual figure.

Fayez Tarawneh, Jordan's chief negotiator, told the Jordanian state-run Petra News Agency a higher import total could be negotiated in 1995.

Zeiss said Israeli industrialists will meet with their Jordanian counterparts later this month to close business deals.

"The significance of this agreement is that it determines an interim stage in advance of a permanent trade

agreement which will be signed as part of a peace treaty," Zeiss told The Associated Press.

Under an agreement signed in May, Israel has turned over control of the Gaza Strip and the West Bank city of Jericho to Palestinians. Self-rule is expected to expand later to the entire Israeli-occupied territories.

It was up to Jordan and Palestinian merchants to decide what goods will be imported to the West Bank, Tarawneh said. The goods will be subject to Israeli import standards and taxes.

It was not immediately clear how the new agreement would affect a trade accord signed by Jordan and the Palestine Liberation Organization on Jan 7, allowing 300 million in annual trade with the West Bank and Gaza Strip.

Malaysia lifts ban on swap deals by banks with foreigners

KUALA LUMPUR, Aug 17: Malaysia's central bank announced Tuesday an immediate lifting of a six-month old ban on swap deals by banks with non-residents in another move to woo back foreign funds to the local capital market, reports AP.

Commercial banks in Malaysia are now allowed to undertake non-trade related swaps, including overnight swaps and outright forward transactions on the bid-side with foreigners," a brief central bank Negara statement said.

It said the relevant circular would be issued to the appropriate parties.

The lifting of the February 22 ban on swaps is seen as a further easing of bank Negara's

restrictions on foreigners making short-term investments in Malaysia, analysts said.

Only last week, it lifted an eight-month ban on the sale of short-term paper to foreigners.

Another report says: Premier Mahathir Mohamad said yesterday he would raise Malaysia's trade and investment problems with Japan during talks with his Japanese counterpart Tomichi Murayama, scheduled to arrive here next week.

"There are quite a lot of issues (to be raised)," Mahathir said, adding that the soaring yen was hampering efforts to tackle Malaysia's trade imbalance with Japan.

Mahathir said the appreciation of the yen had increased

the price of goods and components imported from Japan and hiked the value of yen-denominated loans, currently valued at more than seven billion ringgit (2.8 billion dollars).

Last year Malaysia incurred its biggest-ever trade deficit with Japan, 16.5 billion ringgit (6.6 billion dollars). This figure is projected by Malaysian trade officials to increase to 20 billion ringgit (8 billion dollars) this year.

It will be his first visit to the region since taking over in June as Japan's first socialist Prime Minister in 47 years. His predecessor Kiichi Miyazawa visited Brunei, Indonesia, Malaysia and Thailand in January last year.



Finance Minister M Saifur Rahman addressing a press conference organised by Bangladesh Krishi Bank in the city on Tuesday. Seen from (L to R): Nasimuddin Ahmed, Finance Secretary, Atauddin Khan, Chairman and Dr ABM Shamsul Huda, Managing Director of Bangladesh Krishi Bank.

US, Japan sign first accord in 'framework talks'

WASHINGTON, Aug 17: US and Japanese officials signed on Tuesday the first major accord in their year-old "framework talks" aimed at improving commercial relations and eliminating the two countries' multibillion dollar trade imbalance, reports AP.

Last week, the US Consumer Product Safety Commission halted imports of the skirts and told buyers to return the ones they had purchased for a refund. The commission said some of the popular skirts are so flammable they burn "faster than a newspaper."

India's Textiles Ministry will meet with Indian garment exporters this week to formally respond to the US action.

About 250,000 Indian-made skirts were sold in the United States in the past three years for between 6 and 80 dollars each.

Although the ban only affects rayon skirts, not cotton ones, 250,000 of the 900,000 skirts that India has exported so far this year now face that barrier, Indian officials said.

Before the ban, the skirts

He said the agreement would end by April 1, 1995, the Japanese practice of allowing third parties to oppose a competitor's patent before it is granted.

It also will put in place by January 1996 an accelerated Japanese patent examination procedure that will enable applicants to obtain disposition of their patent applications within 36 months if requested.

The agreement also would end the Japanese practice of awarding licenses which could force patent holders to license the use of their technology to competitors, thus limiting their exclusive rights to their inventions.

The agreement also requires the US Patent Office to publish within 18 months information about patent applications that it has received, instead of withholding the information until the patent has been granted.

The Patent Office also agreed to expand procedures for re-examining existing patents to allow more opportunities for third parties to submit objections and written comments.

But the agreement may not mark the end of negotiations in intellectual property, since US officials concerned about copyright protection, forced disclosure of trade secrets in Japanese courts and the period under which trademarks can be protected.

Taiwan raises basic salary for workers

TAIPEI, Aug 17: Foreign nationals working in Taiwan will benefit from a decision by Taiwan to raise the basic monthly salary for 2.76 million workers here, labour officials said yesterday.

"We have approved a 4.94 per cent rise in basic salary for the workers... who should also enjoy the fruits of high economic development here," Chao Shou-Po, Chairman of the Council of Labour Affairs (CLA), said.

Foreign workers will also be included in the pay raise, Chao noted.

The CLA held a meeting Tuesday to discuss the adjustment of the basic pay for workers here.

After the adjustment, the basic monthly salary for each worker will be 14,010 Taiwan dollars (524 US), a rise of 660 dollars, CLA officials said.

They pointed out that, with inflation, it was necessary to adjust the basic salary.

Japanese corp to import 63,000 MT of water

TOKYO, Aug 17: A Japanese petroleum refiner will import 63,000 tonnes of water to help operate two of its drought-hit refineries, a company spokesman said on Tuesday, reports Reuters.

Japan Energy Corp has contracted with a South Korean shipping firm to import three shipments of 6,000 tonnes of water each, the spokesman said. Water will also be imported from Hong Kong, China, and Vietnam.

It is the first time Japan has been forced to import water. A short rainy season and blistering hot summer have triggered severe water shortages in many areas, particularly the central and western regions of the country.

India rejects US ban on rayon skirts

NEW DELHI, Aug 17: The government has rejected a US ban on Indian-made rayon skirts and accused Washington of setting up the barrier to slow down its booming garment exports, reports AP.

Although the officials didn't deny that the skirts are flammable, they told The Associated Press that the US ban was primarily imposed to slow down imports of the popular skirts.

That intention was obvious last month when the US customs Department objected to the use of elastic bands around waists of the garments, the officials said on condition of anonymity.

The department also tried to declare the clothes as non-traditional garments, according to the officials.

Since India began reforming its economy three years ago and opening it to the outside world, the United States has become its top trading partner. Prime Minister P V Narasimha Rao also faced a lot of criticism from the opposition when he had India sign the General Agreement on Trade and Tariffs this year.

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on August 17. (Figures in Taka)

Currency	Selling		Buying	
	TT & OD	HC	TT Clean	OD Slight Ex. Bills
US Dollar	40.3675	40.3925	40.0950	40.0300
Pound Sterling	62.3267	62.3653	60.6542	60.5559
DM	26.0652	26.0813	25.3604	25.3193
FFranc	7.6286	7.6333	7.4243	7.4123
C Dollar	29.5937	29.6120	28.7909	28.7442
S Franc	30.9976	31.0168	30.1672	30.1183
Jap Yen	0.4070	0.4073	0.3919	0.3913
Indian Rupee (AMU)	1.2939	1.3036	1.2722	1.2531
Pak Rupee (AMU)	1.3236	1.3335	1.3014	1.2819
Iranian Ryal (AMU)	0.0232	0.0234	0.0227	0.0224
A) T. T. (DOC) US Dollar Spot Buying Tk	40.0625			
B) Usance Rates:				
30 Days DA	39.7447	39.4607	39.1767	38.8927
60 Days DA				38.3247
90 Days DA				38.8927
120 Days DA				38.3247
180 Days DA				38.3247
C) US Dollar sight export bill 3 months forward purchase: Tk	40.0300			
D) US Dollar 3 months forward sale: Tk	40.5925			

Currency	Selling		Buying	
	T.T. & O.D.	HC	O.D. Transfer	
S Riyal	10.7641		10.6296	
UAE Dirham	10.9909		10.8539	
Kuwaiti Dinar	135.6435		135.6286	
Singapore Dollar	26.7991		26.4496	
D Guilders	22.9805		22.6829	
S Kroner	5.1408		5.0746	
Malaysian Ringgit	15.7655		15.5641	

Note : AMU—Asian Monetary Unit

Shipping Intelligence

Chittagong port

Berth position and performance of vessels as on 17-8-94									
Berth No.	Name of vessels	Cargo	L port call	Local agent	Leaving arrival				
J/1	Dong Fang Yang	Sugar (P)	Kosh	OWSL	7/8	24/8			
J/2	Pan Trader	Wheat (P)	Kosh	OWSL	2/8	22/8			
J/3	Samudra Raj	Rice/Gl	Kara	BSC	7/8	19/8			
J/4	Banglar Kallol	GL	Mong	BSC	16/8	19/8			
J/5	Clipper Aquamarine	DPeas	Jing	MSA	16/8	22/8			
J/6	Continent-1	GL	Oldha	CLA	12/8	19/8			
J/7	Al Reza	Len/C. Peas	Javo	BSC	2/8	18/8			
J/8	Safar	Sugar (P)	Banc	ASLL	4/8	19/8			
J/9	Banglar Maya	GL	Col	BSC	1/8	18/8			
J/10	Catrina	Sugar (P)	Kaus	Seacom	R/A	22/8			
J/11	Optima	Cont	Sing	RSL	15/8	19/8			
J/12	Tirgu Seculesc	P.Iron	Trin	USTC	9/8	25/8			
J/13	IYamburenkio	Cont	Sing	CT	17/8	20/8			
MPB/1	Banglar Robi	Cont	Sing	BSC	15/8	19/8			
MPB/2	Petr Starostin	Cont	Sing	CT	16/8	20/8			
CCJ	Alam Tenang	Sugar(P)	Bank	Seacom	17/7	18/8			
GSJ	Nikolay Gogol	Cement	Sing	PSAL	15/8	22/8			
TSP	Phua Quan	R.Phos	Sing	RRSA	12/8	21/8			
RM/6	Team Trinta	HSD/MS	Sing	MSPL	10/7	20/8			
DOJ	Banglar Shourabh	C.Oil		BSC	R/A	20/8			
DOJ/2	Banglar Asha	Repair		BSC	R/A	20/8			
RM/9	Golden Lake	GL	Kaus	Prog	11/8	18/8			
CUFJ	Pearl One	Urea	Yang	ENCL	15/6	19/8			

Vessels due at outer anchorage									
Name of vessels	Date of arrival	Last port	Local agent	Cargo	Loading port				
Fong Yun 7/8	18/8	Sing	BDSHP	Cont	Sing				
Kamaleverett	17/8	Sing	EBPL	GL	Japa FE				
Banglar Shobha 1/8	20/8	Mong	BSC	Cont	Sing				
Tanto capitanne 10/8	18/8	Sing	AML	Cont	Sing				
Mikhail Stenko 9/8	20/8	Col	BTSA	Cont	Col				
Inke Wehr 14/8	19/8	Sing	APL(B)	Cont	Sing				
Fong Shin 13/8	22/8	Sing	BDSHP	Cont	Sing				
Qing He Cheng	22/8	S.Hai	Karna	GL(Lash)					
Robert E Lee	22/8		Karna	GL(Lash)					
Kapitan Andguladze	22/8		Seacom	M. Seeds					
Pagan	23/8	Yang	MTA	Logs					
Lhotse 14/8	23/8	Sing	RSL	Cont	Sing				
Andrian Goncharov 13/8	24/8		CT	Cont	Sing				
Ultima 13/8	25/8	Mong	Baridhi	Cont	Sing				
Kota Bintang 16/8	24/8	Sing	CTS	Cont	Sing				
Meng Kiat 16/8	24/8	Sing	AML	Cont	Sing				
Uberty	25/8		Rainbow R. Seeds.						

Vessels due at Kutubdia									
Name of vessels	Cargo	Last port	Local agent	Date of arrival					
Chemt Pioneer	C.Oil	Rast	H&SL	16/8					

Vessels at outer anchorage									
Ready on									
Puwa	MOP(P)	ILYC	Litmond	16/8					
Ocean Earth	Cement	Sing	USTC	16/8					

Vessels awaiting instruction									
Banglar Jyoti			HSC	R/A(7/8)					
Yung-II			BML	R/A(13/8)					

Movement of vessels for 18-8-94

Outgoing	Incoming	Shifting
J/7 Al Reza	J/1 Kamaleverett	RM/9 Golden Lake to NB
J/9 Banglar Maya	DOJ Banglar Jyoti	J/11 Optima to MPB/2
CCJ Alam Tenang	J/11 Lydia-II	J/1 Dong Fang Yang to J/7
DOJ Banglar Shourabh	NB Gyda Spirit	GSJ N Gogol to J/4
GSJ Ocean Earth		J/4 B.Kallol to J/9

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

Dhaka Stock Prices

At the close of trading on August 17, 1994

Trading continues to fall

Star Report

The Dhaka Stock Exchange All Share Price Index and the turnover on the DSE continued to decline on Wednesday.

The index fell to 718.44627 from 720.87339, indicating a decrease of 0.3367 per cent.

The turnover in volume dropped by 34.155 per cent and the turnover in value showed a decline of 42.314 per cent.

A total of 29,797 shares worth Taka 43,92,869.50 changed hands as against Tuesday's 45,253 shares valued at Taka 76,15,187.50.

The losers also continued to dominate the floor. They outnumbered the gainers by 32 to 14 and 11 were traded at previous rates.

Bata Shoe led the losers in terms of volume with 4980 shares traded.

In terms of value, singer BD led the losers with a fall of Taka 39.57 per share.

Among the losers, 6th ICB M Fund (2120), Rupon Oil (2600), Ashraf Textile (2700), GQ Ball Pen (1