

Li warns of dangers facing economic reforms

BEIJING, Aug 27: Chinese premier Li Peng has issued a stern warning about the dangers facing China's economic reforms, with rampant inflation and low state-sector incomes generation, fears of social unrest, reports AFP.

In an unusually frank speech carried on the front pages of all major Chinese newspapers Saturday, Li admitted that negative fallout from the ongoing reform programme was already posing a serious threat to social stability.

"The social order in some areas is not good and some contradiction among the people arising in the new situation merit earnest study and settlement," Li told a plenary session of the Chinese Cabinet.

Citing the battle against inflation as the government's top

priority in the coming four months, the premier stressed that price control was "crucial" to maintaining national stability and development.

"Prices have risen too fast and the inflationary pressure is still too big," Li said, warning that capital construction had been "overextended" and investment in fixed assets — despite a government freeze — remained dangerously high.

Inflation is currently running at 20 per cent nationwide and as high as 25 per cent in major cities, fuelling public discontent over the price of basic foodstuffs and materials.

Since July last year, city dwellers have seen food prices rise 31.9 per cent, according to a recent report by the State Statistics Bureau.

The Situation has been ex-

acerbated by the problems dogging China's loss-making state sector which have been workers' incomes fail to keep pace with inflation.

"A number state-owned enterprises are in difficulty and the real income of workers has dropped in enterprises with poor economic results," Li said.

"Reforms in this sector should be deepened," he added.

However, while recognising the need for drastic changes, the government has so far been unwilling to overhaul state-run enterprise nearly 50 per cent of which are in the red — due to the threat of unemployment and social unrest that would be an inevitable part of any streamlining programme.

Japan to increase aid to developing countries

TOKYO, Aug 27: Japan will increase its official aid to developing countries and international organisations by about 7.7 per cent next financial year despite an austere state budget, officials said yesterday.

Growth in the overall state budget for the 1995-96 financial year will be kept to 4.8 per cent, totalling about 76.57 trillion yen (773 billion), finance and foreign ministry officials said.

Both ministries submitted their budget requests on Friday. The government will decide its final budget draft in December before seeking parliamentary approval.

Japan's aid programme, one of the largest in the world, includes grants, yen-denominated loans, technical assistance and contributions to international organisations.

It is projected to increase to about 1.14 trillion yen (11.5 billion) next year from 1.06 trillion yen (10.7 billion) in the current fiscal year, officials said.

In recent years, the steep rise of the yen has meant Japan's aid in dollar terms has grown faster than the nominal figure.

Armed forces warn Economic power of ethnic Chinese in Indonesia may lead to unrest

JAKARTA, Aug 27: Indonesia's armed forces has warned that the economic power of the country's ethnic Chinese is creating a growing income gap which could lead to unrest and disrupt national stability, a newspaper said today, reports Reuters.

Lieutenant-General Haritono, quoted by The Jakarta Post daily, said the domination of the economy by Indonesia's ethnic Chinese was a potential threat to national unity as it was a source of racial resentment which if left unresolved could lead to social turmoil.

"The success of the ethnic Chinese businessmen in the economic sector, especially in the big cities, has caused a large material gap," he said.

"The exclusiveness of Indonesian of Chinese descent who band together in enclosed groups, combined with the unaccommodating attitude of other Indonesians, create these tendencies (racial resentment)," he said.

Hartono, armed forces chief of staff for socio-political affairs, made the comments in a paper presented to a seminar on Friday on Indonesia-China trade and investment relations.

Hartono also said the ethnic Chinese had enjoyed special business privileges since Dutch colonial rule, allowing them to gain quick control of the economy.

Ethnic Chinese comprise only three per cent of Indonesia's 188 million people but they dominate the private sector.

Widespread resentment to their economic power spilled over in April at Medan in north Sumatra when labour protests turned into racially-charged riots that left one ethnic Chinese businessman dead and hundreds of shops and factories damaged.

Planning Minister Ginjar Kartasasmita said earlier this month that Indonesia's potentially explosive income gap was widening and likely to worsen if steps were not taken to support small and medium-sized businesses.

Dollar rises in New York

NEW YORK, Aug 27: The dollar climbed in active trading yesterday on news of lower-than-expected second quarter gross domestic product figures and a roll back in bond rates, reports AFP.

The announcement of 3.8 per cent growth in GDP during the second quarter curbed fears of inflation and strengthened prices on the bond market. Analysts had expected the rate to hit 4.2 per cent.

Interest rates on the Bellwether 30-year treasury bonds fell back to 7.49 per cent from 7.53 per cent.

Gold gained 20 cents over late Thursday to hit 383.50 dollars per ounce.

The dollar cost 1.5540 German marks from 1.5423 late Thursday and 99.80 Japanese yen from 99.62. In London at mid-session, it was worth 1.5480 German marks and 99.55 yen.

The dollar climbed against other major European currencies, hitting 5.3240 French francs from 5.2890 late Thursday, 1.3125 Swiss francs from 1.3025 and 0.6450 pound sterling from 0.6425.

Taiwan to recruit 15000 more foreign workers

TAEPEI, Aug 27: Taiwan announced yesterday it would allow in 15,000 more foreign workers to ease labour shortage on the island, four months after a freeze on foreign workers, reports AFP.

Chao Shou-Po, Chairman of the Council of Labour Affairs (COA), said the quota of 10,000 foreign workers was granted to 30 manufacturing sectors, including smelting and tire production.

Exporters located at the island's three export processing zones and high tech firms at the government funded Hsinchu science-based industrial park were also allowed to recruit another 5,000 foreign nationals, Chao said.

Employers can start apply to the cabinet level COA for foreign workers beginning September 22 to December 21, he added.

The CLA on April 23 froze the number of foreign workers on the grounds that the labour shortage has eased, but industrial leaders have repeatedly complained that they could not find enough labour.

The government has authorized 205,000 nationals from Indonesia, Malaysia, the Philippines and Thailand to work here since it permitted 73 manufacturing and construction sectors to hire foreign workers in 1989.

So far, some 150,000 foreign workers have come to the export-oriented island, labour-

Rouble continues to rise against US dollar

MOSCOW, Aug 27: The rouble continued its rise against the US dollar to reach 2.153 roubles against 2.156 the previous day, after renewed intervention by the Russian central bank, reports AFP.

According to the Interfax news agency, citing sources on the Moscow interbank currency exchange, the central bank bought about 28 million dollars on Friday to support the Russian currency.

Volume traded at 44.6 million dollars, was again sharply down on the record levels recorded earlier in the week. On Tuesday a record 313 million dollars was traded.

The central bank has intervened several times in recent days to prevent the fall of the rouble. Analysts estimate the action to prevent the currency's collapse has cost up to 500 million dollars since the start of the week.

Exchange Rates

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

Currency	Selling TT & OD	HC	TT Clean	Buying OD	Sight Ex. Bills	Transfer
US Dollar	40.3775	40.4085	40.0900	40.0365	39.8675	
Pound Sterling	62.1473	62.1950	60.4374	60.3567	60.1019	
DM	25.9093	25.9292	25.1994	25.1658	25.0596	
F Franc	7.5654	7.5712	7.3587	7.3489	7.3178	
C Dollar	29.7565	29.7793	28.9490	28.9104	28.7883	
S Franc	30.6741	30.6977	29.8302	29.7904	29.6647	
Jap Yen	0.4082	0.4085	0.3929	0.3924	0.3907	
Indian Rupee (AMU)	1.2939	1.2036	1.2722	1.2531		
Pak Rupee (AMU)	1.3236	1.3335	1.3014	1.2819		
Iranian Rial (AMU)	0.0232	0.0234	0.0227	0.0224		

A) T. T. (DOC) US Dollar Spot Buying Tk.	40.0632
B) Usance Rates:	
30 Days DA	39.4558
60 Days DA	39.1718
90 Days DA	38.8879
120 Days DA	38.3199
180 Days DA	37.7395
C) US Dollar sight export bill 3 months forward purchase: Tk.	40.0365
D) US Dollar 3 months forward sale:	Tk. 40.6085

Currency	Selling T.T. & O.D.	Buying O. D. Transfer
S Riyal	10.7665	10.6296
UAE Dirham	10.9942	10.8539
Kuwaiti Dinar	135.9970	134.0535
Singapore Dollar	16.9129	16.8553
D Guilders	23.4821	23.1720
S Kroner	5.3229	5.2529
Malaysian Ringgit	15.8343	15.6282

Note: AMU—Asian Monetary Unit

Shipping Intelligence

Chittagong Port									
Berth position and performance of vessels as on 27.8.94									
Berth No.	Name of Vessels	Cargo	L Port	Local Agent	Date of Arrival	Leaving			
J/9	Min Jiang	GI	Sing	Prog	25/8	1/9			
J/3	Tirgu Seculesc	P Iron	Trin	USTC	9/8	5/9			
J/4	Lydia-II	Sugar (G)	Saba	Seacom	12/8	28/8			
J/6	Pulvis	Mop (P)	lyc	Litmond	18/8	3/9			
J/7	Dong Fang Yang	Sugar (P)	Kosh	OWSL	7/8	3/9			
J/8	Ocean Envoy	Rice (P)	Kana	Kama	15/8	31/8			
J/9	Meng Kiat	Cont	Sing	AML	26/8	28/8			
J/10	Elang-Id	GI (CR Colls)	Ciga	Seacom	22/8	28/8			
J/11	Pelopidas	Wheat (P)	N Ord	Litmond	16/8	3/9			
J/12	Andrian Goncharov	Cont	Sing	CT	25/8	29/8			
J/13	Kota Bintang	Cont	Sing	CTS	24/8	29/8			
MPB/1	Pong Shin	Cont	Sing	BDSHIP	23/8	28/8			
MPB/2	Lhotse	Cont	Sing	RSL	25/8	28/8			
MPB/3	Iran Elham	Cement	Yang	ISC	5/8	29/8			
CCJ	Petr Starostin	Repair	Sing	CT	16/8	21/8			
RM/3	Throstream	CDSO	Darb	TSL	16/8	27/8			
RM/5	Thapin	HSD	Sing	MSPL	25/8	27/8			
RM/6	Team Trinta	HSD/MS	Sing	MSPL	10/7	28/8			
DOJ	Banglar Shourab	Repair	ISC	R/A	31/8				
DD/2	Continent-1	Repair	Ohka	CLA	12/8	30/8			
RM/9	Banglar Asha	Repair	ISC	R/A	31/8				
CUFJ	Sufar	Urea	Bank	ASLL	3/8	28/8			

Vessels Due at Outer Anchorage					
Name of Vessels	Date of Last Port Arrival	Local Agent	Cargo	Loading Port	
Banglar Moni	29/8	Mong	ISC	Cont	Sing
Vishva Parag (E/L) 22/8	29/8	—	SSL	Cont UK Cont	
Ultima	29/8	Mong	Bardhi	Cont	Col
Kapitan Andguladze	5/9	—	Seacom	M Seeds	—
Trans Auto (Roro) 20/8	29/8	Sing	BEA	Vehicles	—
Optima	30/8	Sing	RSL	Cont	Sing
Hanglar Robi	30/8	—	ISC	Cont	Sing
I Yamurenko	30/8	—	CT	Cont	Sing
Rex	30/8	Naa	OWSL	Cont	—
Zang Su Bong	31/8	—	Rainbow	Cement	—
Al Salma	2/9	Pena	ASLL	GI	—
Aras	3/9	—	ISC Steel Cargo	—	—
Fong Yun	4/9	Sing	BDSHIP	Cont	Sing

Vessels at Kutubdia				
Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Silver Lake	GI	Hong	Prog	26/8
Uberly	R Seed	P Side	Rainbow	24/8
Banglar Kallpi	—	—	ISC	R/A (23/8)
Amc Mone	Cement	Sing	Aeka	19/8

Vessels Awaiting Instruction				
Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Samudra Raj	—	—	SSL	R/A

Vessels Not Entering				
Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Dolores	Scraping	—	Unimarine	R/A (9/8)
Banana Harvester	Scraping	Daba	RRSA	15/8
Professor Baranov	Scraping	P Side	OTBL	15/8
Georgios L	Cement	Luan	SBS	8/8
Robert-e-Lee	GI (Lash)	Bomb	Kama	26/8

Movement of Vessels for 28.8.94		
Outgoing	Incoming	Shifting
J/4 Lydia-II		
J/9 Meng Kiat		
J/10 Elang-II		
MPB/1 Pong Shin (Cont)		
MPB/1/2 Lhotse (Cont)		
RM/6 Team Trinta		

The above were the Saturday'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 August 27, 1994

Index falls by 4 points

Star Report

The Dhaka Stock Exchange All Share Price Index fell significantly on Saturday, the opening day of the week.

The index dropped to 721.06559 from 725.04913, indicating a decline of 3.984 points.

The turnover in volume on the DSE showed a fall off 33.328 per cent while the turnover in value rose by 15.024.

A total of 49,659 shares changed hands at Taka 95,44,186.00 as against Thursday's 74,483 shares worth Taka 82,97,577.20.

The number of issues traded totalled 65, in which 22 gained, 19 incurred losses while the prices of 24 issues remained unchanged.

Beximco Knitting led the gainers in terms of volume with 10420 shares traded. Eastern Cables (1170), Atlas BD (1560), Beximco Fisheries (5740), Bata Shoe (1200) and GQ Ball Pen (1965) also gained significantly.

In terms of value, Chittagong Cement led the gainers with a rise of Taka 43.87 per share.

Zeal Bangla Sugar dominated the losers' list in terms of volume. Its 4550 share were traded.

Among the losers, Ambee Pharma (2450), Beximco Synthetic (1620), Phoenix Leather (1500) and Beximco Ltd (3200) were also

DSE All Share Price Index		
Index	20	22
	730	725
	720	720
	710	715
	700	710
	690	705
	680	700
	670	695
	660	690
	650	685
	640	680

DSE Shares and Debentures		
Company	FV/ML (Taka)	Closing Rate (Taka)
BANKS (13)		
Al-Baraka Bank	1000/1	790.00
A.B. Bank	100/5	185.00
City Bank	100/5	329.57
Eastern Bank	100/20	110.00
IDLC Ltd	100/20	475.00
ITC	100/20	366.30
Islami Bank	100/5	140.00
National Bank	100/5	150.00
Phubali Bank	100/5	86.35
Rupali Bank	100/10	68.20
U.C.B.L.	100/5	80.00
Uttara Bank	100/5	80.00
PHARMACEUTICALS & CHEMICALS (21)		
Ambee Pharma	100/50	14.81
Bangla Process	100/50	40.00
BCIL	100/10	440.00
Beximco Infusion	100/00	465.00
Beximco Pharma	100/5/1531	50.00
B. Synthetics	100/20	204.66
Libra Pharma	100/20	182.00
Glaxo	10/50	160.00
ACI	10/50	120.00
Kohinoor Chemical	100/5	106.00
N Polymer	100/10	145.00
Petro Synthetic	10/50	7.50
Renata Ltd	100/5	700.00
Pharmacia	100/5	220.00
Pharmico	100/5	81.00
Progressive Plastic	100/5	20.00
Rackitt & Colman	100/50	95.00
Rahman Chemicals	100/10	71.00
Therapeutics	100/5	75.00
The Ibsnisa	100/10	110.40
Wata Chemical	100/20	266.00
PAPER & PRINTING (6)		
Eagle Box	10/5	17.00
Monosop Paper	100/5	25.00
Paper Converting	100/5	90.00
Paper Processing	100/10	16.00
Paper Reinters	100/50	50.00
Sonali Paper	10/50	30.0