

Chinese minister asks for help in state enterprises

BEIJING, Sept 9: The central government has made turning around the performance of China's ailing state firms a priority for the rest of the year, an official report said Friday, according to AP.

Wang Zhongyuan, Minister of the State Economic and Trade Commission, urged officials to do their utmost to help state owned enterprises tackle such problems as shortage of raw materials, sluggish sales and lack of working capital, the China Daily reported.

China's State Council, or cabinet, has said the goal is to reduce by five percentage points, to 41.3 per cent, the proportion of state firms in the red, and to cut their total deficit by at least 20 per cent this year.

Wang, speaking at a recent

national conference, said the government plans to inject more funds into state firms, upgrade their technology, establish an effective social security system to take care of laid-off workers, and close down firms too deeply in debt.

Wang said the measures are necessary to curb inflation, which has topped 20 per cent annually, and maintain the nation's booming economic growth.

He said the government will give priority to such beleaguered industries as metallurgy and textile.

Wang also urged all state companies to reduce their production costs and help stabilize market prices.

They must implement the State Council's decision against introduction of new

price raising plans in the next half of this year, Wang said.

State-owned firms should also stop the production of unmarketable goods and to take sales promotion measures to reduce inventory, he said.

State firms, used to a centralized economy in which they are responsible only for meeting production quotas, have had a hard time adjusting to market forces introduced by economic reforms. They have continued to produce unpopular, outdated goods that no one wants, creating huge stockpiles of unsold products in warehouses all across the country.

By doing so, the firms use up valuable resources, such as steel and cotton, but do not have the funds to pay for them.



Madonna gives Aerosmith's Steven Tyler a kiss at MTV's Video Music Award's in New York on Thursday. Aerosmith was awarded Best Video of the Year. — AFP photo

Foreign investment pouring into Russian companies

MOSCOW, Sept 9: Foreign investment in privatised Russian companies has surged, a top official said Wednesday, and rich Russians are bringing their money back home to invest, reports AP.

A real boom in private investment in Russia has already begun, Deputy Prime Minister Anatoly Chubais said.

Chubais, who is in charge of privatisation, said foreign investment in shares of privatised companies is running at an estimated \$500 million a month. Most of it comes from institutional investors.

The jump is dramatic. In all of 1993, foreign portfolio investment in Russia amounted to only \$300 million.

Today, the most risky venture capital has come to Russia, Chubais said.

He said rich Russians are also taking part in the boom, bringing dollars smuggled abroad back home to invest. Chubais said there are no reliable estimates yet of how much

capital is coming back. Russia's aluminum, electric power, telecommunications and oil industries are particular favourites among foreign investors, he said.

Stock prices in these sectors are rising as much as 30 per cent a day, he said, with foreign shareholders earning tenfold returns within a month of investing.

Only a year ago, Russia had virtually no stock market. Most companies were still in state hands or in the process of privatisation.

The State Property Committee, which Chubais heads, began aggressively pushing privatisation last fall. By mid-1994, some 431 million shares had been issued.

The good news about investment comes as Russia is showing signs of relative stability after two years of economic and political chaos. Living standards are rising and production has stopped falling, a new government study said.

Real incomes have risen 12 per cent since January, the study by the Centre for Economic Performance said. Inflation fell to below 5 per cent in August, compared to 29 per cent at the end of last summer.

"Once Russian and foreign investors believe in stability, they'll start coming for the big money-making opportunities here," Andrea Richter, of the London School of Economics, said in an interview.

Now the government must "build the foundation for a civilized market for securities", Chubais said. Steady economic policy, basic regulation and legal protections will draw more conservative investors, he predicted.

Most trading is now done outside established exchanges, directly between brokers. Chubais said the most immediate task is ensuring that newly formed joint-stock companies keep track of who owns their shares fairly.

'China needs to raise sugar output by 50 pc'

BEIJING, Sept 9: China has become the world's third largest producer of sugar, but it must increase production by at least 50 per cent by 2000 to meet demand, the government-run Xinhua news agency said today, reports AFP.

The 1993 production record of 7.91 million tonnes has made China self-sufficient in sugar, but per person consumption levels here remain below the world average, Xinhua said.

Total annual sugar consumption in China is currently 6.5 million tonnes, or 5.8 kilograms (12.7 pounds), per person although the world average is three times higher.

Each Chinese will consume an annual average of 10 kilograms of sugar by 2000, or a total of 12 million tonnes, experts say.

Experts cited by Xinhua advise the government to reorganise the small sugar companies and to speed up mechanisation of sugar production.

Japan's top negotiator knows how to make sale

TOKYO, Sept 9: Japan's top negotiator who installed trade talks with the United States, clearly knows how to make a sale, reports Reuter.

Figures released today show Trade Minister Ryutaro Hashimoto raised more campaign money in 1993 than any other political figure.

Hashimoto, leading the Japanese side at trade talks in Washington, raised 850 million yen (8.5 million US dollars) in political contributions.

By contrast, Home Affairs Ministry figures showed Prime Minister Tomichi Murayama raised a paltry 2,640 yen (26.40 US dollars) — interest earned on a political campaign account.

Murayama's predecessor as prime minister, Tsutomu Hata, a former bus company employee and self-styled 'white collar premier,' took in 490 million yen (4.9 million US dollars).

The huge discrepancies in fund-raising stem from each politician's background. In 1993 Hashimoto and

Hata were members of the long-ruling Liberal Democratic Party (LDP), while Murayama was a member of the Socialist Party which never looked like winning power and being able to dispense political favours.

Hashimoto and Hata were both high-fliers and were talked about as possible future prime ministers.

Hata left the LDP in mid-1993 to form his own party, which allied with the opposition to unseat the LDP in August 1993.

Hata went on to become prime minister for only two months this spring, in an alliance with Murayama. But Hata was brought down when the socialists suddenly sided with the LDP, bringing Murayama to power two months ago.

Murayama's minute personal fund-raising efforts are deceptive, as even he admits.

LDP politicians mainly raise money as individuals while Murayama's socialists raise their money as a party and dispense the money to individual politicians.

India considering full convertibility of rupee on capital account

NEW DELHI, Sept 9: India is considering the introduction of full convertibility of rupee on capital account, Finance Secretary Montek Singh Ahluwalia said here yesterday, reports Xinhua.

After the country introduced full convertibility of rupee on current account last month, industrialists and businessmen are urging the central government to do the same in the capital account aspect too.

The secretary said the government intended to do so as next step towards further liberalisation of currency regime.

He was speaking at a panel discussion held immediately after Prime Minister Narasimha Rao concluded his speech and question answer session in Singapore which was telecast live by the Indian television. Rao is paying a visit to Singapore.

Referring to the Prime Minister's assertion at his lecture on further liberalisation of the Indian currency, Ahluwalia suggested that the government might take intermediate steps before attaining full convertibility.

Full convertibility is on the cards and we are moving towards it, he said.

Other panelists said further liberalisation of the currency regime is not avoidable as the on-going economic reforms are picking up speed in the country.

US dollar strengthens in global trading

NEW YORK, Sept 9: The American dollar strengthened in global foreign exchange trading Thursday after German officials and senior Clinton administration aides said the US currency was undervalued, reports AP.

Traders said the dollar also received a boost from speculation that high-level US-Japan trade talks were making some progress. But they said there was no basic underlying economic reason for a greater dollar demand.

"It was one of these days of concerted jawboning," said David de Rosa, a director at Swiss Bank Corp in New York. "A lot of people said they wanted the dollar to go higher."

Gold prices continued to edge higher. On the New York Commodity Exchange, gold bullion for current delivery settled at 390.50 dollars a troy ounce, up 30 cents from late Wednesday. Republic National Bank in New York quoted a late bid price for gold of 390.30 dollars an ounce, 80 cents higher.

Currency traders said the dollar received an early boost from remarks by Hans-Juergen Krupp, a member of the German Bundesbank's council, who said the strength in the US economy doesn't justify the dollar's weak level. A day earlier Krupp also helped strengthen the dollar by asserting that interest rates in Germany should come down.

Bowman Cutter, Deputy Assistant to the President for Economic Affairs, said the administration "made clear that

we'd like to see a stronger dollar."

Commerce Secretary Ronald Brown said the was "cautiously optimistic" about trade talks with Japan.

The United States has imposed a September 30 deadline for progress on reducing Japan's 60 billion dollar trade

surplus with the United States and opening up that country's market wider to US imports.

"I think we're going to go right down to the wire," Johnson said, of the high-level talks.

Many currency traders believe that if negotiations fail, the Clinton administration

would encourage a lower dollar. That would make Japanese goods more expensive in the United States, hurting Japan's exporters.

In Tokyo, where global trading begins, the dollar closed at 99.24 yen, up 0.9 yen from Wednesday.

Tokyo will help chemical co pay compensation to poison victims

TOKYO, Sept 9: Japan decided Friday to allow a chemical company renege government loans to help it pay compensation to victims of mercury poisoning, reports AP.

Chisso Corp. dumped mercury compounds into Minamata bay in Kumamoto Prefecture (state), 910 kilometers (567 miles), southwest of Tokyo during the 1950s and 1960s. Hundreds died and thousands more were crippled.

Since then, 2,946 people have been recognized as victims of the resulting "Minamata disease," eligible for compensation from Chisso, which the prefectural government indirectly helps pay for with loans to the industrial chemical manufacturer.

Kumamoto has already extended 71.13 billion yen (711 million dollars) to Chisso since 1978 in prefectural bonds to help cover the 100.6 billion yen (100 billion dollars) it has paid out in compensation.

But Chisso continues to rack up huge debts. As of July 17, Chisso owed the prefecture about 120 billion yen (1.2 billion dollars), Chisso officials said.

Under the refinancing plan, Chisso's interest burden will be eased by allowing it to convert 62.6 billion yen (626 million) in scattered loans from the prefecture into a single loan with a lower interest rate.



London-born 'supermodel' Naomi Campbell pouts at press photographers with a copy of her novel, 'Swann' in London on Tuesday. Naomi Campbell is making an effort to break from her 'supermodel' image with a single, a book and a role in a film due out in March, '95. — AFP photo

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on September 8. (Figures in Taka)

Currency	Selling		Buying	
	TT & OD	EC	TT	OD
US Dollar	40.3875	40.4175	40.0900	40.0375
Pound Sterling	62.6904	62.7369	60.9705	60.8906
DM	26.2950	26.3145	25.5762	25.5427
F Franc	7.6748	7.6805	7.4646	7.4548
C Dollar	29.8357	29.8579	29.0083	28.9703
S Franc	31.4409	31.4642	30.5748	30.5347
Jap Yen	0.4125	0.4128	0.3973	0.3967
Indian Rupee	1.2940	1.3037	1.2722	1.2531
Pak Rupee	1.3210	1.3309	1.2988	1.2793
Iranian Ryal	0.0232	0.0234	0.0228	0.0225

A) T. T. (DOC) US Dollar Spot Buying Tk. 40.0637
B) US Dollar Rates
30 Days DA 90 Days DA 120 Days DA 180 Days DA
39.7398 39.4558 39.1718 38.8879 38.5199
C) US Dollar sight export bill 3 months forward purchase: Tk. 40.0375
D) US Dollar 3 months forward sale: Tk. 40.6175

Currency	Selling		Buying	
	T.T. & O.D.	EC	O.D.	Transfer
S Riyal	10.7691			10.6300
UAE Dirham	10.9973			10.8546
Kuwaiti Dinar	135.7107			133.6989
Singapore Dollar	26.9376			26.5864
D Guilders	23.2848			22.9792
S Kroner	5.2773			5.2068
Malaysian Ringgit	15.8196			15.6104

Shipping Intelligence

Chittagong Port									
Berth position and performance of vessels as on 8-9-1994									
Berth No	Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival	Leaving			
J/3	Tirgu Seculesco	P.Iron	Trin	Uste	9/8	10/9			
J/4	Al. Salma	GI	Peng	Asil	4/9	14/9			
J/5	Aras	s.Cargo/CL	Dubai	BSC	3/9	10/9			
J/6	Fulvia	Mop(P)	ilyc	Litmond	16/8	11/9			
J/7	Dong Fang Yang	Sugar(P)	Kosh	Oswl	7/8	8/9			
J/8	Yang Lin	GI	Sing	Prog	4/9	12/9			
J/9	Iveyverett	GI	Sing	Ebpl	6/9	12/9			
J/13	Mikhail Stenko	Cont	Sing	Bdshp	6/9				
MPB/1	Imke wehr	Cont	Sing	Apil(B)	4/9	8/9			
MPB/2	Fong Yun	Cont	Sing	Bdshp	5/9	9/9			
DOJ	Banglar Shobha	Cont	Sing	BSC	5/9	9/9			
DOJ	Banglar Shourabh	C.Oil		BSC	R/A	8/9			
DDJ	Al Zahara	Repair	Mong	Scil	1/9	12/9			
DDJ/1	Continent-1	Repair	Okha	Ca	12/8	9/9			
DDJ/2	Banglar Asha	Repair	BSC	R/A	12/9				
RM/9	Banglar Robi	Repair	Sing	BSC	31/8	25/9			
CURJ	Dignity-1	Urea	Mong	Uste	1/9	13/9			

Vessels due at outer anchorage						
Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading	Port
Iran Meysam	8/9	Sing	Psai	Cement		
Komsomolets Rossi	8/9	Okha	Seacom	C.Clinker		
Meng Kiat	9/9	Mong	Aml			Sing
AL Kantara	8/9	Mong	MMI			
Fong Shin	9/9	Sing	Bdshp	Cont		Sing
Lhotse	9/9	Sing	RSL	Cont		Sing
Feng Guang	11/9	Mong	Mspil			
Tiger Sun	10/9		Prog	GI		
Kota Bintang	10/9	Sing	CTS	Cont		Sing
Asian Venture	12/9		BBay	GI		
Zang Su Bong	11/9		Rainbow	Cement		
Andrian Goncharov	11/9		CT			Sing
AL Tajwar	11/9	Shek	Litmond	Mor		
Tug Tong Huat	11/9		Novo			
Banglar Maya	11/9	Mong	BSC	GL		Latt
Kapitan Andguladze	12/9	Yalta	Seacom	M Seeds		
Banglar Sampa	11/9	Kara	BSC	Rice(P)		GI
Salvador-I	9/9	Sing	HSL	Cement		
Ultima	12/9	COIL	Baridhi	Cont		COIL
Prattia	12/9		AML			Sing
Adriatic Prestige	13/9	Vanc	Ancient	Wheat(G)		B.Asha
Banglar Gourab	14/9	Hong	BSC	GI		
Hang Cheong	14/9	Ulsan	Oswl	Sugar		
Optima	14/9		RSL	Cont		Sing
AL Anfuishi	15/9	Mong	MM			
I.Yamburenko	15/9		CT	Cont		Sing
Developing Road	15/9		Kama			
Fath Allah	15/9	MAD	MSL	GI		
Wang Ting	16/9	Rizh	Delmure	Cement		
Dioudes	17/9	Vanc	Ancient	Wheat(G)		

Vessels at Kutubdia				
Name of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Romina-G	C.Oil	Jebe	Eastwest	3/9
Banglar Jyoti	C.Oil		BSC	R/A

Vessels at Kutubdia/Outside Port Limit				
Romina-G	C.Oil	Jebe	Eastwest	3/9
Banglar Jyoti	C.Oil		BSC	R/A

Vessels Ready				
Shaplaeverett	GI	Sing	Ebpl	8/9

Vessels not ready				
Eratini	Cement	Sing	SES	3/9
Varadero	Sugar(G)	Sato	Seacom	8/9

Vessels Awaiting Instruction				
Samudra Raj	Cement	Yang	SSL	R/A
Iran Elham			BSC	R/A(29/8)

Vessels not Entering				
Dolores	Scraping		Unimarine	R/A(9/8)
Banana Harvester	Scraping	Deba	Rssa	15/8
Banana Reefer	Scraping	Deba	Rssa	2/9
Kronid Korenove	Scraping		CT	7/9

DDJ-1 Continent-1		
J/5 ARAS	DOJ B.Jyoti	
DOJ B.Shourab	MPB-1 F. Shin	
	J/13 Meng Klat	NIL
	MPB-2 Lhotse	
	MPB-2 K. Bintang	