South Asian states becoming more important to US

WASHINGTON, Oct 7: Following is an editorial, broadcast by the Voice of America October 5, reflecting the views of the US government, says USIS.

As Assistant Secretary of State Robin Raphel said recently, the countries of South Asia are becoming increasingly important to the United States. The US believes that relations with any one nation in South Asia can flourish without diminishing ties to any other nation of the region.

US policy in the region links several goals. They include: promoting democracy; fostering human rights; encouraging free-market economies and trade; halting the spread of weapons of mass destruction; preventing regional conflict; and curbing narcotics trafficking.

As Raphel pointed out, some South Asian countries are well-placed to help foster democracy among their neighbours. India's parliamentary democracy has responded well to the country's multiplicity of nationalities, religions and languages. After periods of military governments, democracy has returned to Pakistan and Bangladesh. Despite continuing civil strife, Sri Lanka recently completed parliamentary elections, and Nepal is a newly established constitutional monarchy.

Among the most serious problems facing the South Asia region is the complex Kashmir issue, which has long strained relations between India and Pakistan. As US officials have often said, the solution to this problem lies in political dialogue, reconciliation and greater respect for human rights by all parties.

Assistant Secretary of State Raphel stressed the need to deal with the dangers posed by extremism. Extremists in South Asia, as elsewhere, seek to play on [illegible] issues of religion, nationalism and ethnic or caste differences. Such extremists must be contained, and their messages of hate and violence defeated. To counter extremism, the United States is prepared to join progressive Islamic states and secular nations in the common cause of democracy and tolerance.

Plague costs India $6m per day

ABU DHABI, Oct 7: A decision by wealthy Gulf Arab states to suspend air and sea links with India to guard against plague has cost the subcontinent more than six million dollars a day, officials and traders said yesterday, reports AFP.

The Six Gulf Cooperation Council (GCC) states are the biggest single market for Indian exports and dealing had been projected to grow as New Delhi presses ahead with a drive to boost its sales to the region.

No immediate official figures were available on India's exports to the GCC but Gulf and Indian traders estimated them at around 2.2 billion dollars in 1993 compared with nearly 800 million dollars worth of Gulf exports.

"The halt of air and shipping links has hit India hard as Gulf states are its main markets," an official from the Indian Embassy in Riyadh said, citing figures from Indian Embassies in the GCC.

"Based on available figures, India is losing nearly 6.5 million dollars a day and this means the loss has exceeded 58 million dollars since the ban was imposed."

He said the calculation was based on the fact that the average monthly exports this year were slightly higher than last year.

The suspension of flights and shipping on September 28 came on the heels of India's biggest Middle-East exhibition and investment conference held in Dubai last month. It was part of an overall drive to promote exports to the lucrative market and attract investment to support its economic reforms.

But there was some light at the end of the tunnel Thursday, with Air India announcing that one flight is scheduled for Bahrain on Friday, carrying 50 Indian and foreign passengers and carrying back only Indians.

Flights to Doha and Muscat will start on Sunday, but only for GCC nationals.

"GCC countries will ease their preventive measures in the light of information they receive abut the plague epidemic in India and recommendations by the World Health Organisation," UAE Health Minister Ahmed Said Al-Badi said late Wednesday.

India's biggest loss has been with Dubai, the Gulf's main commercial centre which handles more than one fifth of the region's non-oil trade.

More than 80 per cent of India's trade with the United Arab Emirates (UAE) is conducted through Dubai, the second largest oil producer in the UAE.

According to the India Trade Centre (ITC) in Dubai, its exports to the UAE stood at 3.52 billion dirhams (959 million dollars) in 1993 and around 1.96 billion dirhams (534 million dollars) in the first half of 1994.

"This means India is losing around 10.8 million dirhams (2.94 million dollars) a day in exports to the emirates", and ITC report said, "earlier indications showed the exports in 1994 would exceed those in 1993 but such a trend could be reversed if the ban lasts for a long time."

The report showed clothes and textile exports were affected most by the suspension as they accounted for more than 35 per cent of total Indian exports to the UAE, standing at 1.3 billion dirhams (354 million dollars) in 1993. Food exports stood at around 586 million dirhams (160 million dollars) and precious stones at 117.4 million dollars.

"Prices of most food products have gone up as a large part of them was coming from India, a bag of onions which was sold for five dirhams (1.36 dollars) before the ban fetched 13 dirhams (3.54 dollars) just afterwards and is sold now at around 18 dirhams (4.9 dollars)", an Indian dealer said.

More than one million Indians live in the GCC states — Saudi Arabia, Bahrain, UAE, Oman, Qatar, and Kuwait. Their biggest regional concentration is the UAE.

Given the high per capita income in the oil rich region, Indians in the GCC constitute a major source of hard currency for their country, providing more than two billion dollars a year, according to bankers here.

Dubai, where most of the Indian businessmen are based, is also a key supplier of gold to India and the halt of links has sharply pushed up gold prices in India, one of the biggest consumers of the yellow metal with an annual demand of around 500 tonnes per year.

A large part of Dubai's gold imports of more than 200 tonnes per year is exported to India and the supplies were projected to steadily grow in the coming years following new Delhi's decision to ease curbs on gold imports.

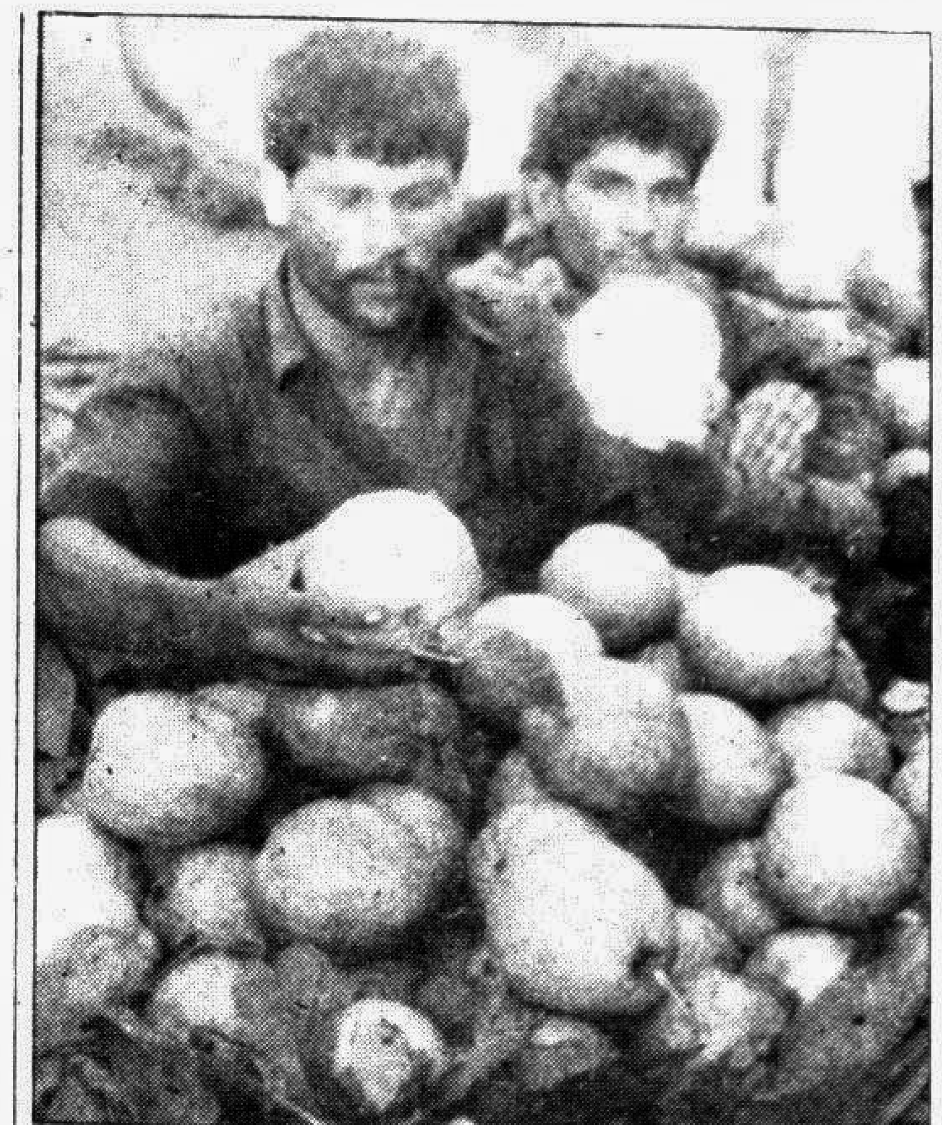
Tokyo okays 10-yr public works programme

TOKYO, Oct 7: The Japanese Government today approved a 10 year public works programme worth 630 trillion yen (6.3 trillion dollars) and starting April 1995 to improve the infrastructure for Japan's aging society, officials said, reports AFP.

The programme,adopted at a cabinet meeting, would replace the current 10 year programme totaling 430 trillion yen and scheduled to end March 2001.

The new plan calls for increasing funds for improving living conditions, welfare and cultural amenities from 60 per cent of the total programme funds to between 60 and 65 per cent. The programme also includes money for construction, transportation, telecommunications, computer and other projects.

Tokyo has been reviewing the existing 10-year public works programme with a view to stimulating domestic demand, in line with a pledge made by Prime Minister Tomiichi Murayma at the July summit of the Group of Seven industrialised nations — Canada, France, Germany, Italy, Japan, Britain and the United States — in Naples.



Guava — a kind of tropical fruit with light yellow skin and pink or white edible flesh containing vitamin C, despite plentiful supply in the city markets, as elsewhere in the country, now being sold at an exorbitant price of Taka 60 to 70 per kilogram. — Star photo

Visiting delegation of the Organisation for Economic Development of Alberta state of Canada led by its Managing Director Bob Hunter called on Energy and Mineral Resources Minister Dr Khandaker Mosharraf Hussain at his office in the city on Thursday. — PID photo

Indian Ocean states want to form trading bloc

NEW DELHI, Oct 7: Canada will demand an agreement to protect its investments in India during Trade Minister Roy Maclaren's trip here beginning Friday, a Canadian diplomat said yesterday, reports AFP.

The Canadian Minister will seek a "Foreign investment protection agreement" during his discussions with Indian officials, Canada's Deputy High Commissioner Gordon Longmuir told a news conference here.

Longmuir said the six-day trip by Maclaren, who will be accompanied by nearly 70 businessmen, would go ahead despite the scare of a plague epidemic in India that has killed more than 50 people.

"The trade mission is quite keen to explore investment opportunities in India, particularly in telecommunication and power," Longmuir said, adding that Canada had until now neglected the Indian market.

The 40 Canadian companies represented in the delegation will interact with Indian industrialists to explore investment opportunities following New Delhi's radical economic liberalisation initiated three years ago, he said.

Maclaren will meet Prime Minister P V Narasimha Rao and Finance Minister Manmohan Singh.

"The time is ripe for the delegation's visit", Longmuir added.

Maclaren will also go to Bombay, India's financial capital, before leaving for Bangladesh.

Canada is a major trading partner of India. Bilateral trade totalled 480 million dollars in fiscal 1993-94, with Canada enjoying a surplus of some seven million dollars.

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on October 6

[Figures in Taka]

Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Sight	Buying OD Transfer
US Dollar	40.3830	40.4150	40.0950	40.0355	39.8725
Pound Sterling	64.3230	64.3740	62.8833	62.7900	62.5343
DM	26.4163	26.4373	25.7036	25.6654	25.5609
F Franc	7.7284	7.7346	7.5185	7.5074	7.4768
C Dollar	30.3022	30.3263	29.4794	29.4357	29.3158
S Franc	31.9071	31.9324	31.0279	30.9819	30.8558
Jap Yen	0.4118	0.4121	0.3964	0.3958	0.3942
Indian Rupee	1.2940	1.3037	1.2722	1.2531	
Pak Rupee	1.3210	1.3309	1.2988	1.2793	
Iranian Riyal	0.0233	0.0235	0.0228	0.0225	

A) T. T.(DOC) US Dollar Spot Buying Tk 40.0652

B) Usance Rates.

30 Days DA	60 Days	90 Days	120 Days	180 Days
39.7447	39.4607	39.1767	38.8927	38.3247

C) US Dollar sight export bill 3 months forward purchase Tk 40.0355

D) US Dollar 3 months forward sale Tk 40.6150

Indicative Rates

Currency	Selling T.T. & O D	Buying O. D. Transfer
S Riyal	10.7651	10.6276
UAE Dirham	10.9951	10.8553
Kuwaiti Dinar	135.8325	133.7779
D Guilders	23.3064	23.0051
S Krona	5.4763	5.4041
Malaysian Ringgit	15.7139	15.5388
Singapore Dollar	27.3135	26.9500

Dollar mixed, gold rises in London

LONDON, Oct 7: The US dollar was mixed against other major currencies in early European trading Friday. Gold prices rose, reports AP.

In Tokyo, the dollar closed at 100.02 yen, up 0.47 yen from Thursday's close. Later in London, the dollar was quoted at 99.95 yen, compared with 99.62 at the close on Thursday.

Other dollar rates compared with late Thursday:

— 1.5410 German marks, down from 1.5446.

— 1.2745 Swiss francs, down from 1.2805.

—5.2695 French francs, down from 5.2772.

—1.7288 Dutch guilders, up from 1.7285.

—1,567.50 Italian lire, up from 1,566.

—1.3478 Canadian dollar, up from 1.3467.

The British pound was quoted at 1.5910 dollars, up from 1.5875 dollars late Thursday.

London's major bullion dealers fixed a recommended gold price of 392.85 dollars per ounce at midmorning, up from the closing price of 391.50 dollars bid per ounce Thursday.

In Zurich, the bid price was 392.75 dollars, up from 391.40 dollars late Thursday.

In Hong Kong, gold rose 1.08 dollars to close at a bid 392.12 dollars.

Asian stock markets close mixed

HONG KONG, Oct 7: Asian stock markets closed mixed Friday, with share prices rising moderately in Tokyo, reports AP.

Tokyo's 225-issue Nikkei Stock Average rose 89.52 points, or 0.46 per cent, closing the week at 19,744.75. On Thursday, the average dipped 96.32 points, or 0.49 per cent.

The Tokyo Stock Price Index of all issues listed on the first section rose 1.78 points, or 0.11 per cent, to 1,578.05. The TOPIX had fallen 5.78 points, or 0.37 per cent, the day before.

Share prices posted moderate gains on small-lot buying by institutional investors, but the market generally remained quiet prior to a three-day holiday weekend in Japan.

Meanwhile, speculation over higher US interest rates and rumors that Iraqi troops were amassing at the Kuwait border combined to strengthen the US dollar against the yen.

In Hong Kong, shares ended narrowly mixed in a quiet session ahead of US economic data that investors expect to provide the next clues about interest rate policy.

The Hang Seng Index, the market's key indicator of blue chips, added 8.63 points, or about 0.1 per cent to 9,284.88. The index had dropped 22.11 points Thursday.

Elsewhere in Asia:

WELLINGTON: New Zealand shares finished down in moderate trading, with brokers expecting the market to settle around its present level. The NZSE-40 capital index fell 10.11 points to 1,988.05.

TAIPEI: Share prices finished lower in active trading as the market's strength eroded again on widening payment defaults in connection with Hualon Group, though the market posted a technical rebound during the volatile session. The weighted price index dropped 32.96 points to 6,620.36.

SYDNEY: Australian share prices closed softer in cautious trading, with the market cautious ahead of the key US employment data to be issued later in the day. The All Ordinaries index of share prices fell 8.8 points to 1,967.5.

SEOUL: Share prices ended lower as wariness over the market's recent rise pressured the major index. The Korean Composite Stock Price Index dipped 4.09 points to 1,065.84.

SINGAPORE: Share prices ended softer, with the rumor about Saddam Hussein's troop movements adding momentum to selling pressure just after the midday break. The 30-share Straits Times Industrials Index eased 3.22 points to 2,330.09.

MANILA: Share prices continued their gradual ascent for the seventh consecutive session on mild purchases of the debuting PSE index's newcomer stocks. The new PSE index of 43-selected issues climbed 19.36 points to 2,997.16 points.

KUALA LUMPUR: Share prices tumbled in afternoon dealings, spooked by the unconfirmed rumors of Iraqi troops amassing at the Kuwaiti border. The closing Composite Index was not available.

BANGKOK: Thai share prices fell after players became worried over the reports of Iraqi troop movements, a hike in US interest rates and an increase in domestic inflation. The Stock Exchange of Thailand index fell 21.72 points to 1,59.78.

JAKARTA: Share prices rose slightly in moderate trading. The stock exchange's composite index rose 3.589 points, closing at 515.047.

Hong Kong economy remains dynamic, says GATT report

GENEVA, Oct 7: Hong Kong, the eighth largest economic power in the world with a per capita gross domestic product of 20,600 US dollars, remains a dynamic economy, the GATT trade organisation said in a report Thursday, reports AFP.

"A business slowdown in 1989 ... proved short lived," the four-yearly report of the General Agreement on Tariffs and Trade said.

"Market forces apply across the full range of economic activities," GATT said.

Small states' debt problem worries World Bank

MADRID, Oct 7: Many small countries these days have relatively small debts, but they're becoming as worrisome to the World Bank as the larger loans that brought on the foreign debt crisis of the 1980s, reports AP.

Such countries owned nearly 180 billion dollar in 1992, the latest year for which figures are available. Nearly all of it has been lent by more prosperous governments — private banks would not take the risk. Over the years, the lenders have canceled about dlrs 6.5 billion of their debt.

The plan to help the small debtors is outlined in a new pamphlet called "Reducing the Debt Burden of Poor Countries" which the World Bank says it will issue soon.

Under plan proposed by Great Britain known as the "Trinidad terms," creditor countries have been asked to cut those debts by dlrs 2 out of every 3 dollar. The proposal has made slow going.

Opposition has come from the United States, Japan and Germany, though they have canceled some debt.

France renewed its endorsement at the annual meeting that ends on Thursday of the bank and its sister organisation, the International Monetary Fund.

"France ... would like to see progress.... the aim being to treat all the outstanding debt of these countries as soon as possible," French Economy Minister Edmond Alphandery told representatives of 179 countries.

The World Bank's proposal provides:

— Debtor countries should show they have a record of commitment to changes in policy. Officials say some have done so, such as Benin, Ghana and Uganda.

— Those that have not been able to handle their debts should only get grants or loans on very easy terms, and they should promise to borrow only on such terms.

— Their debts should be reduced enough so that their payments do not have to be continually delayed and restructured.

Indonesia, itself a major debtor but able to keep up payments, went further than France.

Saleh Affif, Indonesia's Coordinating Minister for Economy, endorsed a proposal by Kenneth Clarke, the present British chancellor of the exchequer. He wants to sell some of the IMF's gold and use the money to reduce the poorest countries' debts. Affif went further and proposed that the World Bank use its profits and some of the loan repayments it receives for the same purpose.

Dhaka Stock Prices

Chittagong port

Berth position and performance of vessels as on 6.10.94

Berth No.	Name of vessels	Cargo	L port call	Local agent	Date of arrival	Leaving
J/1	Mar Courrier	R Seeds	Ghent	Royal	2/10	10/1
J/2	Amaneeida	P Iron	Selen	MBL	25/9	15/10
J/5	Khartoum	GI	Mong	Asco(P)	3/10	6/10
J/8	Banglar Moni	Cont	Mong	BSC	5/10	6/10
J/11	Continent-1	Urea		CLA	R/A	6/10
J/12	Al Tajwar	Urea	Mong	Seacom	26/9	4/10
J/13	Ultima	Cont	Col	Baridhi	2/10	6/10
MPB/1.	Pratita	Cont	Sing	AML	2/10	7/10
	Andrian Goncharov	Cont	Sing	CT	2/10	6/10
MPB/2	Imke Wehr	Cont	Sing	APLBD	2/10	6/10
CCJ	Komsomolets Rossii	C Clink	Okha	Seacom	8/9	7/10
GSJ	Nadelhorn	Wheat(G)	Sing	Ancient	30/9	5/10
TSP	Saint Nektarios	R Phos	Aqaba	SSST	26/9	6/10
RM/4	Templar	CDSO	Col	TSL	3/10	8/10
RM/5	Mekhanik Yurev	HSD	Sing	MSPL	2/10	6/10
DOJ	Banglar Shourabh	C Oil		BSC	R/A	6/10
CUFJ	Cyclopus	Urea	Sing	SBS	1/10	7/10

Vessels due at outer anchorage

Name of vessels	date of arrival	Last port call	Local agent	Cargo	Loading port
Bao Wang	7/10	Sing	HSL	Cement	
Reunion	6/10	Mala	IPL	GI(Copra)	
Pattu	8/10	Pena	OWSL	GI(Copra)	
Stonewall Jackson	7/10	Para	Kama	GI(Lash)	CAI
Zang Su Bong	13/10	Yang	Rainbow	Cement	
APJ Anand	7/10	Nikol	Litmond	Fert	
Kritika Naree	7/10	P Kone	PSAL	C Clinker	
Sea Tradition	8/10		AML	Cement	
Petr Starostin	9/10	Sing	CT	Cont	Sing
Banglar Robi	8/10	Sing	BSC	Cont	Sing
Fong Yun	8/10	Sing	BDship	Cont	Sing
Mikhail Stenko	9/10	COL	BTSA	Cont	COL
Lhotse	4/10	Sing	BSL	Cont	Sing
Kota Bintang	8/10	Sing	CTS	Cont	Sing
Snagov	8/10		TSL	GI(Copra)	
Princess Ariadne	10/10	Sing	H&SL	Scraping	
An Long Jiang	11/10		Prog	R Seeds	
Banglar Shobha	12/10	Sing	BSC	Cont	Sing
Banglar Kakoli	12/10	Male	BSC	GI	
Mowlavi	12/10		SSL	GI	B.Abbas
Optima	12/10	Sing	BSL	Cont	Sing
Chandidas	13/10	COL	SSL	GI	UK Cont
Fong Shin	14/10	Sing	BDship	Cont	Sing
Blue Ocean	14/10	Viza	Cross	GI	
Trans Auto (Roro)22/9	20/10		BBA	Vehicles	

Vassels at Kutubdia

Name of vessels	Cargo	Last port call	local agent	Date of arrival
Al Ain	C Oil	RAS	ECSL	29/9
Banglar Jyoti	C Oil		BSC	R/A

Vessels at outer anchorage

			Ready on
Banglar Asha	Wheat(G)	BSC	R/A(20/9)

Vessels not ready

Hang Cheong	Sugar(G)	Sing	OWSL	21/9
Blueprint	Cement	Sing	HSL	4/10
Wang Ting	Cement	Rizh	Delmore	2/10
Maritime Friendship	Wheat(P)	Sing	OWSL	2/10
Nicola-D	Cement	Chama	PSAL	3/10

Vessels awaiting instruction

Ocean Earth	Seacom	R/A(2/10)
Banglar Sampad	BSC	R/A(5/10)

Movement of vessels for 7-10&8-10-94

Outgoing		Incoming		Shifting
J/11	Continent 1	DOJ	Banglar Shourabh	
MPB/1	Pratita	GSJ	Banglar Asha	
CCJ	K Rossii			
GSJ	Nadelhorn			
DOJ	Banglar Jyoti			
CUFJ	Cyclopus			
8/10				
J/8	Banglar Moni	J/3	M Friendship	
RM/3	Templar	MPB/1	Banglar Robi	
		RM/4	Blueprint	
		NB	A Nectarios	

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

India's forex reserves set to reach record high

NEW DELHI, Oct 7: India's foreign exchange reserves are set to reach a record 20 billion dollars during the current financial year, the Business Standard daily reported today, reports AFP.

Finance Ministry officials told the newspaper that reserves had increased by a billion dollars in September to a high of 18.67 billion dollars, making the target of 20 billion feasible in fiscal 1994-95.

They said the step rise was mainly due to an injection of overseas investment, which is set to exceed one billion dollars in the current financial year, which began in April.

The Business Standards said portfolio management and global offering of Indian scrips had contributed 1.6 billion dollars and 1.5 billion dollars to the reserves this fiscal year.

Visitors discover the Lon, an electric concept car by French automaker Peugeot on the opening of the Paris Motor Show on Thursday. — AFP photo

Oil workers return to jobs ending 9-day strike in Brazil

SAO PAULO, Brazil, Oct 7 Oil workers returned to their jobs Thursday, ending a nine-day nationwide strike that brought this country's oil refining and off-shore drilling operations to a near standstill, reports AP.

Petrobras, the state-owned oil monopoly, and the oil workers union said all of the country's off shore platforms and its 11 refineries were operating but that it would take several days before production levels returned to normal.

"Petrobras' losses during the strike came to close to dlrs 100 million, according to the Gazeta Mercantil newspaper, Brazil's leading financial daily.

The newspaper also said that during the strike Petrobras stopped producing 5.4 million barrels of crude oil.

Petrobras would not comment on these figures saying it was still compiling data on the effect of the strike.

The newspaper said Petrobras suspended the export of 670,000 barrels of gasoline during the strike, but Alberto Guimaraes, a Petrobras foreign trade representative, said exports were not affected.

"We originally expected the strike to last longer than it did and were fully covered for all committed exports" Guimaraes said by phone.

Petrobras imported some petroleum products, particularly domestic cooking gas to guarantee supplies during the strike.

"Imports will continue to arrive because we have already signed contracts, and some additional supply will be required while domestic production returns to normal," Guimaraes said.

During the strike, Petrobras imported 800,000 barrels of liquified gas.