

\$ 275m project to protect Beirut's seafont

BEIRUT, Dec 23: Soldiers, the company created to rebuild the war-shattered centre of Beirut, has selected eight European and Asian firms to offer tenders for a 275-million-dollar project to protect the city's seafont, reports AFP.

Bumper harvest contributing to low paddy prices in Thailand

NAKHON SAWAN, Thailand, Dec 23: Most farmers in Thailand's agricultural heartland face going into debt this year because of low paddy prices but say they are undaunted by the vagaries of the

weather and international markets, reports Reuter.

With the harvest of Thailand's main paddy crop in full swing, farmers are already preparing to plant a second crop where there is sufficient water. In dry areas, farmers are planting hardy crops like taro and green beans.

Paddy is rice which has not been husked or processed. A bumper harvest of 18.065 million tonnes of paddy, up 9.6 per cent from the 1993/1994 season, is contributing to the lower prices, which ranged from 300 baht to 400 baht (11.95 US dollar to 15.93 dollars) a tonne the previous season.

Higher prices last year were spurred by drought, which hit the second crop hard, and buying from Japan which lifted a ban on imports because of a domestic shortage.

"Now it's a buyer's market," said Wassana Assaranurak, Deputy Managing Director at the country's largest paddy auction in Nakhon Sawan in

central Thailand. Operating round-the-clock as traders and farmers truck their harvest, turnover at the auction averages 10 million to 20 million baht (400,000 to 800,000 dollars) a day during the mid-November to late January harvest.

This year farmers have had to contend with spoilage from flooding just as last year they were hit by the drought. "Dwarfed by the traders' 18-wheelers with their 15-tonne load, one grizzled farmer hauling seven tonnes said four of his 5.6 hectares (13.8 acres) were destroyed by floods.

He blamed lower prices this year on government instability. "Just as the price was going up, there's trouble in the government and prices fall," said Pi-Ord.

Earlier in December, one member of the coalition government defected to the opposition, sparking fears the government might have to rule as a minority or call new elections. But the defector was re-

placed rapidly by a leading opposition party.

Many businesses had slowed down to await the outcome of the temporary crisis.

Pi-Ord now owes 30,000 baht (1,200 dollars) that he borrowed to, buy seeds and fertilisers.

The government supports farm prices by offering low interest rates of three per cent on loans through the Bank of Agriculture and Agricultural Cooperative against current rates of more than 12 per cent.

The bank will soon launch housing loans to farmers at lower rates than commercial banks as another rural support scheme.

Undaunted, Pi-Ord said he will next plant green beans. "Life is precarious," he said. "It's my karma."

Because of last year's drought, the authorities refused to release water from dams and rivers for the second crop.

EU okays world trade accord

BRUSSELS, Belgium, Dec 23: The European Union signed off Thursday on the global trade accord, leaving only five of the EU member states to complete the ratification process by the crucial January deadline, says AP.

With the United States on board, approval by the 12-nation union will give a boost to efforts to ratify the Uruguay Round agreement which would reduce barriers to trade worldwide.

EU foreign ministers already gave full political backing to finalizing the deal early in the week, but because France wanted its senate to rule on it first, it was delayed.

EU health ministers adopted the trade deal without discussion Thursday. Seven of the 12 EU nations — Britain, France, Denmark, Germany, Ireland, Italy and Luxembourg — have approved it. The others — Belgium, Greece, the Netherlands, Portugal and Spain — are scheduled to do so in the coming days and face no significant parliamentary opposition.

The decision to endorse the trade accord marks a major step toward completing the group's lengthy ratification process by Jan. 1, the deadline set by the General Agreement on Tariffs and Trade, the Geneva-based world trade body.

The accord, scheduled to go into effect on January 1, would reduce tariffs and other barriers to trade in agriculture, manufactured goods and a host of other areas.

The deal, signed last April after eight years of tough negotiations, also would set up the World Trade Organization, which will have tougher powers to mediate trade disputes than its predecessor, GATT.

Coca-Cola top firm in Asia

HONG KONG, Dec 23: US soft-drink giant Coca-Cola company was selected the top international firm in Asia, the firm said today, reports AFP.

The firm was voted the number one international company for the second consecutive year in a survey carried out by the Hong Kong-based weekly magazine, Far Eastern Economic Review (FEER), it added.

The survey covered 110 companies based in Asia as well as 90 international firms from outside Asia that do business in the region.

"A staggering 76 per cent of respondents gave Coke a leadership score of six or seven on a seven-point scale," said the magazine in its latest edition.

"Coke's best performance came in Hong Kong, where 86 per cent of respondents gave it a six or seven on leadership," followed by South Korea, 84 per cent, and Japan 80 per cent.

Extra cash for British directors

LONDON, Dec 23: Fifty directors of utilities like British Telecom have already made at least one million pounds more than they would have before privatisation pushed up profits and led to staff cuts, said today's Guardian, reports AFP.

In one area, all 12 chairmen who took the English regional electricity companies into privatisation made one million pounds (1.5 million dollars) more than they would have had they remained public servants — and six made at least two million (three million dollars) more, according to an analysis for the Labour Party.

The extra cash is understood to be from salaries, share options and pension rights. Pointing out that share options enjoyed by 63 directors of the regional electricity supply companies are now worth around 29.3 million pounds (44 million dollars) — the equivalent of 465,681 pounds (698,521 dollars) each, Labour Chancellor Gordon Brown declared "this is the British gas scandal 63 times over."



Penguins look attentively at visitors during a presentation of new animals at Zoo in Barcelona December 22.

Dollar surges against peso amid Mexico crisis, slips elsewhere

NEW YORK, Dec 23: The US dollar surged against the peso Thursday amid new twists in the unfolding economic crisis in Mexico, but slipped against most other key currencies due mostly to technical factors in thin, post-holiday dealings, reports AP.

Reversing a policy aimed at supporting the peso's value against the dollar, the Mexican government scrapped a trading range for the peso and allowed the currency to trade freely.

The peso plunged nearly 20 per cent at one point, as nervous investors dumped Mexican assets. The currency recovered some of its losses, closing at 4.60 pesos to the dollar, off nearly 16 per cent compared with late Wednesday.

The government changed its mind about a supportive trading range for the peso after it failed to keep the currency from falling in response to political unrest in the southern state of Chiapas.

The reversal fuelled fears of inflation and higher prices for American goods in Mexico, and caused Mexicans to exchange pesos for dollars.

"The peso found a bottom, and it was a violent bottom," said Andrew Hodge, vice president of corporate treasury services at the New York office of Bank Brussels Lambert.

Mexico asked the US government to activate a 6 billion dollar currency swap agreement between the two countries in an attempt to calm the markets, but traders said it was not clear whether the Mexican government used that resource to support the peso.

The Mexican crisis reverberated in other Latin American nations and in Canada. Stock prices plunged in Brazil and Argentina, causing a surge in demand for dollars.

Meanwhile, the Canadian dollar fell against the US dol-

lar on concerns that the Canada currency would be sold off after the Bank of Canada activated a currency swap line at the request of Mexico's central bank.

The dollar rose to 1.3992 Canadian dollars from 1.3941 late Wednesday.

The dollar slipped against most European currencies. Traders said Germany's decision to leave interest rates unchanged Thursday lifted the mark. But they attributed the dollar's weakness to technical selling when the dollar rose to a certain resistance level against the mark.

"That was the most activity we saw all day," said Paul Farrell, senior currency trader at Chase Manhattan Bank.

In late New York trading, the dollar was quoted at 1.5716 marks, down from 1.5791. In London, the dollar fetched 1.5788 German marks, up from 1.5704.

The dollar also was changing hands in New York at 100.23 Japanese yen, down from 100.48 late Wednesday. In London, the dollar closed at 100.43 Japanese yen, up from 100.20.

Other late dollar rates in New York, compared with late Thursday 1.3307 Swiss francs, down from 1.3325; 5.4390 French francs, down from 5.4450; and 1.639 Italian lire, down from 1.646.

The British pound was quoted at 1.5458 dollars up from 1.5453 dollars. In London, the pound fell to 1.5465 from 1.5597 dollars.

Bundesbank makes no change in interest rates

BERLIN, Dec 23: Germany's central bank kept its main interest rates unchanged Thursday, reports AP.

The Bundesbank's policy-making Central Bank Council announced after its regular bi-weekly meeting in Frankfurt that there was no change in the two main official rates, the discount rate and Lombard rate.

The rates were last changed May 11 when the Bundesbank cut the rates by a half-percentage point, putting the discount rate at 4.5 per cent and the Lombard at six per cent. The discount rate is the cheapest form of bank refinancing.



K. Raghunath, High Commissioner of India to Bangladesh, called on Salman F Rahman, President of the Federation of Bangladesh Chambers of Commerce and Industry, at the chamber office on Thursday. They discussed matters of bilateral trade and investment promotion with particular reference to balancing of trade through investment. SM Al-Husainy, Secretary General, FBCCI, was also present during discussion.

Lira rises significantly despite Berlusconi's fall

ROME, Dec 23: The Rome bourse stabilised and the lira rose significantly yesterday as financial markets reacted positively to the resignation of Italian Prime Minister Silvio Berlusconi, reports AFP.

Businessmen said it was time to turn the page on the political and financial turmoil of the past few days. Board of Industry Boss, Luigi Abete said it was more important to concentrate on "consolidating the recovery to make sure it reaches all sectors of the economy."

"Sadly the fall of the Berlusconi government confirms forecasts that the transition to a reformed political and institutional set-up will be long and hard," the president of Confindustria said.

Abete had repeatedly criticised Berlusconi in recent months for failing to impose tougher controls on government spending.

Abete called for "institutional stability" and for the next administration to "demonstrate its determination to pursue efforts to cure

the country's financial ills so as to bring down interest rates."

These conditions were essential to "revive investment and create jobs," he said.

Alessandro Riello, President of the Young Businessmen's Federation said he supported a reform of the electoral system to get "a strong majority of whatever colour, led by a strong personality."

He said it was vital to modify the present costly pensions system and said an additional budget for 1995 would have to be voted next year because the one approved on Tuesday was inadequate.

Gianni Agnelli of the Fiat Group said he had suggested a successor to Berlusconi in talks with President Oscar Luigi Scalfaro who has the final choice between naming a new prime minister or calling early elections.

Most financiers favour appointing a transitional administration until the political climate improves rather than calling new elections immediately.

Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective as on December 22 and 23.

Table with columns: Currency, Selling, Buying, and sub-columns for selling/buying methods. Includes rates for US Dollar, GBP, DM, Franc, C Dollar, S Franc, Jap Yen, IRS, Pak Rupee, Iranian Ryal, etc.

Shipping Intelligence

Table titled 'Chittagong port' with columns: Berth No, Name of vessels, Cargo, L.port call, Local agent, Date of leaving, Date of arrival.

Table titled 'Vessels due at outer anchorage' with columns: Name of vessels, Date of arrival, Last port call, Local agent, Cargo, Loading port.

Table titled 'Tanker due' with columns: Name, Date, Last port call, Local agent, Cargo, Loading port.

Table titled 'Vessels at Kutubdia' with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival.

Table titled 'Vessels at outer anchorage' with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival.

Table titled 'Vessels ready' with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival.

Table titled 'Movement of vessels for 23/12/94' with columns: Outgoing, Incoming, Shifting.

Table titled 'Outgoing' with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival.

Table titled 'Incoming' with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival.

Table titled 'Shifting' with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival.

The above were the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by ERC Group, Dhaka.

Advertisement for Bangladesh Bank Engineering Department Tender Notice No. 50/1994-95 DT. Includes details of the work, estimated cost, earnest money, and contact information for GDM Mohiud Islam.

Advertisement for Government of the People's Republic of Bangladesh Office of the Executive Engineer, Khulna PWD Division-1. Notice Inviting Tenders T. No. 24 of 1994-95. Includes details of the tender and contact information for SM Mossaddequzzaman.