

China, US prepare for last chance talks to avoid trade war

BELJING, Feb 12: China and US negotiators prepared for last chance talks here this week to avoid a trade war over copyright piracy, with analysts expressing cautious optimism of a face-saving last-minute compromise, reports AFP.

The US team arrives Monday and will hold preliminary talks a day later — just 12 days before the implementation of painful tit-for-tat trade sanctions.

The first full-day of negotiations will be Wednesday.

Both sides have maintained a tough public stance since February 4, when Washington announced 100 per cent tariff hikes on 1.08 billion dollars of Chinese imports to take effect February 26 if no agreement is reached. China quickly retaliated with a list of countermeasures.

Washington is demanding that Beijing take effective steps to clamp down on rampant piracy of software, compact discs (CDS) and numerous brand-name goods. It estimates that Chinese counterfeiting costs US companies more than one billion dollars

each year.

Despite mutual calls for the other side to make the next move, and China's fiercely nationalist attitude towards US demands, diplomats and businessmen say the resumption of talks reflects a strong desire in both capitals to avoid a damaging trade war.

"I think both sides are even more concerned about the impact on bilateral ties than just pure number," said a western diplomat. The representative of a western software manufacturer said, "basically I'm optimistic they'll reach an agreement."

"Neither country wants to get into a fight over this — for all its rhetoric, the Chinese government wants to do more business in the lucrative US market and vice versa," he said.

However, one analyst familiar with the negotiations warned that rather than leading to an agreement, "the resumption of talks could be a prelude to failure. It's too early to say confidently that the dispute will be resolved."

With a power struggle looming after the death of ailing 90-year-old patriarch Deng Xiaoping, Chinese leaders are fearful of any move — such as giving into the United States — that may make them appear weak.

In addition, complying with the basic US demand for the closure of counterfeit CD factories in Southern China would mean alienating powerful military and government linked to the plants. It would also end lucrative production lines for some ailing state concerns.

Nevertheless, Hong Kong press reports indicate the Chinese leadership may now have accepted that total inflexibility may fail this time, with officials seeking to give the impression that new action is being taken.

Five southern Chinese CD companies are said to be under investigation while the state council has reportedly issued an emergency order for improved copyright protection.

The Chinese thought the US would cave in. They saw the US president was weak, but didn't fully understand the influence of Congress and the Senate on the government of the United States," a diplomat said.

While the foreign ministry continued to insist last week that the key to settling the dispute was for Washington to "adopt a constructive attitude and abandon its undemands," US trade representative Mickey Kantor said he had some indications that China was ready to be flexible.

US sets conditions on aid to Mexico

WASHINGTON, Feb 12: US Secretary of the Treasury Robert Rubin says that assurances of Mexican central bank independence will be one of the conditions attached to US aid to the Mexican economy, says USIS.

A proposed US loan-guarantee package also "will require transparency and reporting on the part of Mexico," Rubin said in February 9 testimony before the House of Representatives Committee on Banking and Financial Services. "It will include strict conditions on the use of funds on the basis of an agreed financial plan."

Rubin said that Mexico must meet these requirements as a precondition for utilizing the 20,000 million dollars in US assistance provided as part of a broader \$50,000 million dollars multilateral aid package to help the country through its short-term liquidity problems.

He said that the economic conditions required by the United States parallel those of the International Monetary Fund (IMF), which has offered Mexico up to 17,800 million dollars in credits.

"IMF programmes are sometimes criticised for being stringent, but in our view, the stringent conditions are appropriate in this situation to protect the integrity of our support programme for Mexico," Rubin said.

United States has "the unilateral right to withdraw" from its financial support for Mexico.

"We will see the data we need to evaluate Mexico's progress, and continued US support will be dependent on Mexico's meeting the requisite targets and conditions," he said.

Rubin added that just as under a prior loan-guaranteed proposal, withdrawn because of congressional opposition, the United States will have an assured means of repayment in the form of revenues from the export of Mexican oil.

He said that the economic conditions required by the United States parallel those of the International Monetary Fund (IMF), which has offered Mexico up to 17,800 million dollars in credits.

"IMF programmes are sometimes criticised for being stringent, but in our view, the stringent conditions are appropriate in this situation to protect the integrity of our support programme for Mexico," Rubin said.

Dhaka Stock Prices

At the close of trading on February 12, 1995

Index falls by 6 points

Star Report

The Dhaka Stock Exchange All Share Price Index fell sharply on Sunday.

The index plummeted to 811.30593 from Saturday's 817.27744, indicating a decline of 5.97 points, or 0.7307 per cent.

Total market capital dropped to Taka 39.8 billion from Taka 39.47 billion.

The turnover in volume on the DSE rose by 37.18 per cent while the turnover in value showed a fall of 7.74 per cent.

A total of 81575 shares worth Taka 12503915.00 changed hands against Saturday's 59466 shares valued at Taka 13553035.50.

The number of issues traded rose to 80 from 76, in which 22 gained, 43 incurred losses and the share prices of 15 issues remained unchanged.

Bengal Carbide suffered a loss of Taka 250.00 per share, leading the losers in terms of value. On the other hand, First ICB M Fund led the gainers with a rise of Taka 10.00 per share.

ACI Ltd was the top volume leaders. Its 15000 shares were traded.

Other volume leaders of the day were: Ambjee Pharma (10500), Ruppon Oil (7000),

Eastern Housing (6340) and Orion infusion (5240).

Trading at a glance

DSE All Share Price Index 811.30593
Market capitalisation Tk 3917878407.44
Turnover in volume 81575
Turnover in value Tk 12503915.00
Total issue traded 80
Issue gained 22
Issues incurred losses 43
Issues unchanged 15

Company's name Change Number (per share) of shares traded TK

IFIC National Bank .00 75
Al-Buraka Bank .00 30
EDLC .00 120
United Leasing 1.93 (G) 40
1st ICB M Fund 10.00 (G) 10
3rd ICB M Fund .00 5
4th ICB M Fund .80 100
6th ICB M Fund 2.45 (G) 890
Aziz Pipes 250.00 (L) 556
Bengal Carbide 6.00 (L) 540
Eastern Cables 1.32 (L) 120
Shahid Bangladesh 0.6 (G) 770
Atlas Bangladesh Autocars .06 (G) 50
Quasem Drycells 1.16 (L) 2500
B.T.H. Aluminum 1.92 (L) 320
Aman Food 13.15 (L) 120
Apex Foods 1.81 (L) 590
Bengal Food 3.00 (L) 85
BITC 2.00 (L) 25
ETC Delta Vegetable 2.82 (L) 50
Zest Bangla Sugar 0.92 (L) 150
Ruppon Oil 1.16 (L) 7000
Beximco Fisheries 1.89 (L) 1800
Orion Infusion 1.92 (L) 120
Apex Spinning 6.19 (L) 1120
Beximco Knitting 6.9 (L) 1520
Dynamic Textile 1.12 (L) 420
Mithun Corporation 1.32 (L) 100
Mita Textiles 2.35 (L) 560
E.D. Oyle 4.19 (G) 740
Abmee Pharmaceutical .00 10500
Beximco Pharma 7.80 (L) 135
ACI Limited 6.86 (G) 15000
Progressive Plastic 64 (L) 30
Therapeutics 6.3 (L) 5
Kohinoor Chemical 1.15 (L) 495
Rahman Chemicals 3.00 (L) 110
DCI 6.75 (L) 40
Wata Chemical 2.58 (L) 100
Beximco Infusions 1.89 (L) 110
Beximco Synthetic 2.42 (L) 1600
Libra Pharma 7.65 (G) 480
Orion Infusion 1.82 (L) 5200
Easton Bell 1.00 (L) 400
Apex Tannery 4.46 (L) 115
Bata Shoe Company 11 (G) 1620
CG Ball Pen 70 (L) 670
Monica Ceramic 3.00 (L) 110
Uttara Glass 1.98 (L) 110
Chittagong Cement 2.35 (L) 340
Apex Footwear 1.55 (L) 6340
BGC 2.00 (G) 3000
Green Delta Insurance .00 20
Peoples Insurance 1.52 (L) 600
Janata Insurance 2.21 (L) 380
Phonix Insurance 1.95 (L) 780
Eastern Life Insurance 15.36 (L) 55
B. Fisherton (Debt) 77.78 (L) 42
BCIL (Debt) 100.00 (L) 2
Infusion (Debt) 10.00 (L) 10
Beximco Synthetic (Debt) 100.00 (L) 12
Eastern Housing (Debt) 200.00 (L) 29

Exchange Rates

Following are the Sonali Bank's dealing rates, to public for some selected foreign currencies effective as on February 12.
(Figures in Taka)

Currency	Selling		Buying	
	TT & OD	EC	TT	OD
US Dollar	1-TK 40.3775	40.4075	40.0925	39.9820 39.8515
GDP	1-TK 63.4662	63.5133	62.0379	61.8660 61.6650
DM	1-TK 26.8492	26.8692	26.1283	26.0563 25.7913
F Franc	1-TK 7.7575	7.7633	7.5459	7.5251 7.5006
C. Doll	1-TK 29.1045	29.1262	28.3167	28.2387 28.1465
S Franc	1-TK 31.8156	31.8393	30.9414	30.8561 30.7554
Jap Yen	1-TK 0.4146	0.4149	0.3991	0.3980 0.3967
IJK	1-TK 1.2935	1.3032	1.2718	1.2527 --
IRS	1-TK 1.3103	1.3201	1.2883	1.2690 --
Pak Rupee	1-TK 0.0233	0.0235	0.0228	0.0225 --
Iranian Rial 1-TK	1-TK 0.0233	0.0235	0.0228	0.0225 --
All T. T. (DOC) US Dollar Spot Buying Tk 40.0362				
B. Usance Rate:				
30 Days 60 Days 90 Days 120 Days 180 Days				
39.7422 39.4583 39.1743 38.8903 38.3223				
C) US Dollar sight bill 3 months forward purchase: Tk. 39.9820				
D) US Dollar sight bill 3 months forward sale: Tk. 40.6075				

Currency	Selling		Buying	
	T.T. & O.D.	O.D. Transfer	T.T. & O.D.	O.D. Transfer
S Riyal	Tk 10.7660		Tk 10.6258	
UAE Dirham	Tk 10.9932		Tk 10.8494	
Kuwaiti Dinar	Tk 134.9799		Tk 133.1885	
D Guilders	Tk 23.4696		Tk 23.1524	
S Krona	Tk 5.4045		Tk 5.3292	
Malaysian Ringgit	Tk 15.8137		Tk 15.6030	
Singapore Dollar	Tk 27.6429		Tk 27.2665	

Indicative Rates

Following are the Sonali Bank's dealing rates, to public for some selected foreign currencies effective as on February 12.

(Figures in Taka)

DSE All Share Price Index

DSE Shares and Debentures

Company	FV/ML	Closing Rate (Taka)
S.T.M. (ORD)	100/5	18.00
Stylecraft	100/5	36.00
Tanji Spinning	100/10	126.00
Beximco Knitting	100/20	234.50
Dynamic	100/20	114.88
Mita Textile	100/20	115.88
B. Diving	100/20	284.19

PHARMACEUTICALS & CHEMICALS (22)

Ambee Pharma	10/50	22.00

<tbl_r cells="3