



HYUNDAI

CARS THAT MAKE SENSE

Commercial pricing policy a must for solution to fertiliser crisis

By Staff Correspondent

Commercial pricing policy is the most logical approach for a long-term solution for stabilization of fertilizer price.

This was observed yesterday in the keynote paper of the seminar on "Free discussions on fertilizer market of Bangladesh" with the journalists held at the Jatiya Press Club.

The seminar was organised by The Centre for Free Mind Free Market.

Inaugurating the seminar Minister for Food Abdul Manan Bhuiyan said, it is sad that we could not reach fertilizer to the farmers timely. He said, there is no alternative to private distribution of fertilizer, but he mentioned that the government has been compelled recently to distribute fertilizer through the DC's

(Deputy Commissioners). The Minister said, distribution of fertilizer through DC's is temporary. "In future, we have to find out alternative system for proper distribution of fertilizer," he added.

In this regard he blamed the recent hartals and barricades by the oppositions for not reaching fertilizers to the marginal farmers of the country. He asked the opposition leaders to give political programmes considering the suffering of the farmers and general people.

In his keynote paper AHM Obaidul Bari said, despite having adequate warehouse facilities spread all over the country, farm level short supply of fertilizer occurs almost every year during the high demand

months. The main reasons attributable for such short supply situation is inadequate stock level at the private sector warehouses in the market place.

He noted that the country's current domestic Urea production is over 2.3 million tons which is equal to 125 pc of annual domestic demand.

The BCIC factory level storage capacity totals almost 275,000 metric tons and the private sector has storage capacity of almost 750,000 tons.

Stressing the proper storage system, he said it is needed to ensure that stocks are held in the market place.

The paper also suggested BCIC to establish a distribution agency network like Bangladesh Tobacco Company (BTC),

Lever Brothers Bangladesh, Oil Marketing Companies and other such consumer items manufacturers. The network will have appointed selling agents all over the country with certain commercial terms and conditions.

For a successful fertilizer sector, the paper also suggested to establish an effective "fertilizer information" unit which will provide needed data and information to the farmers and concerned persons.

Ershag Mazumder, Chairman Centre for Free Mind Free Market and Tanvirul Haque, Managing Director of Rainbow Associate Ltd, one of the sponsors of the seminar also spoke on the occasion.

Stockholm Fair Bangladeshi textile products draw attention

Bangladeshi textile products were in great demand in Stockholm Fashion Fair in which two Bangladeshi exporting companies participated, according to a delayed message received here yesterday, reports UNB.

Bangladesh has been regularly participating in the Stockholm Fashion Fair held twice a year. This year, Rishal Garments Limited and F H Textiles participated from Bangladesh in the fair without financial assistance from the government. Bangladesh Embassy in Stockholm, however, provided them all necessary guidance and support, said an official source.

Bangladeshi exhibitors established fruitful contacts with Scandinavian and European textile importers and negotiated instant order worth six million US dollar, apart from some long-term business prospects in the fair held on February 17-19.

Visitors including buyers from various provinces of Sweden and also from Denmark, Finland, England, Italy and Greece were attracted with Bangladeshi quality products like flannel shirts, knitted sweaters and jackets, the message added.

Some 600 pavilions set up by Swedish as well as foreign companies were visited by over 20,000 visitors, mostly traders, buyers, agents, importers, chain store executives, designers and others involved in textile trade.

The prospect for Bangladeshi textile products has been increased than ever before particularly for expansion to higher categories since Sweden and Finland joined European Union.

Bangladeshi products remain free from quota while most of its competitors now face restrictions on a wide range of categories.

Chinese co wins toy case in California

SHANGHAI, Apr 22: A California court has ruled in favour of a Shanghai toy supplier which fought an order to pay damages to a US company for allegedly delivering faulty products, an official of the Chinese firm said yesterday, reports AFP.

The official of the Shanghai Toy Import and Export Co. said the judgement, made earlier this month, ended an eight-year long court case.

The state-run Xinhua news agency said the Shanghai company signed three contracts with Imperial Toy Corp. to manufacture plastic toy catapults, based on samples provided by the US company in the early 1980s.

After the toys were sold in the United States, there were several incidents of people being injured by the catapults and the US company was asked to pay damages amounting to 1.19 million dollars.

In May 1986, Imperial Toy Corp refused to pay and instead blamed the Shanghai Company and filed a suit seeking compensation.



A conference of traders and industrialists of Rajshahi Division organised by FBCCI was held at the local stadium yesterday. — Star photo

Beijing develops cat-scan tech

BEIJING, Apr 22: China said on Friday it had developed cat-scan technology for oilfield prospecting and archaeology that outperformed equipment developed by American and European companies, reports Reuters.

The one-metre resolution of China Petroleum University's computed-axial-tomography scanner produced much improved maps of Chinese oilfields and helped a Sino-Japanese team of archaeologists to better explore ancient buried tombs, the official Xinhua news agency said.

"Specialists said that its reliability is 20 times that of present methods, at a much lower cost, and may modernise China's archaeological methods," Xinhua said.

"It has gotten better results than those of the methods used by the United States and European Community," it said.

EBL board meet held in Ctg

The 70th board meeting of the Eastern Bank Limited was held at EBL's Agrabad Branch in Chittagong recently, says a press release.

The meeting was presided over by Nurul Husain Khan, Chairman, Board of Directors, and was attended by the Directors M. Ghaziul Haque, Mir Nasir Hossain, A M Shaikat Ali, Md Showkat Ali Chowdhury and A I M Ifikar Rahman, Managing Director.

According to the press release, the bank earned a net profit of Tk 2.94 crore during the first quarter of '95 while the figure was Tk 0.41 crore in March '94. The deposit, advance, import, export has increased by Tk 101.46 crore, Tk 115.67 crore, Tk 100.95 crore and Tk 29.17 crore respectively over the first quarter ending March 31, 1994, which is 128.90 per cent, 166.34 per cent, 740.65 per cent and 136.50 per cent higher.

The directors were happy for the result achieved and opined that it has been possible due to the continuous support of valued customers and sincere efforts of the employees of the bank.

The chairman advised the management to keep up EBL tradition of service to its clients in order to gain a distinguished position in the banking sector.

AES to set up 360 MW gas power plant in Bangladesh

AES Transpower Private (Singapore) Ltd has proposed to set up a 360 MW gas-fired combined cycle power plant in Bangladesh on a Build-Own-Operate (BOO) basis, says a press release.

The project is estimated to cost 340 million US dollars.

It is expected to begin commercial operation in 1998.

AES Transpower Private (Singapore) Ltd, a wholly owned subsidiary of the AES Corporation (USA) and Bangladesh will sign a Memorandum of Understanding (MOU) in the city today.

So far, AES interest in Bangladesh is the most significant development for the Bangladesh Private Power Development Programme.

AES is widely held as not only to be one of the largest independent power producer in the world, but also one of the fastest growing IPP.

AES has currently ten plants in operations totalling 2,474 MW, with an additional 1,018 MW under construction and 1,550 MW under development with signed electric contracts.

AES has financed over 3 bil-

lion US dollars in plant construction and acquisitions.

AES, which was founded only in 1981 has over 2 billion US dollars in total balance sheet assets. AES's net worth at the end of 1994 was 401 million US dollar.

AES will soon establish a fully functional Bangladesh liaison office in Dhaka to be headed by Ishtiaq Ahmed, an experienced project development specialist and formerly a Registered Representative with the New York Stock Exchange.

Stocks close higher in NY

NEW YORK, Apr 22: Stocks continued to push through record high levels in brisk activity Friday, boosted by enthusiasm about quarterly earnings reports and by trading tied to a double expiration of options and futures contracts, reports AP.

The Dow Jones average of 30 industrial stocks rose 39.43 to 4,270.09, well above Thursday's record closing high of 4,230.66.

Stocks moved higher despite a flat bond market and a dip in the dollar.

The one thing that was overhanging the market during at least the last couple of

months of the rally, was the situation with the dollar, said Joseph McAlinden, chief market strategist at Dillon Read and Co.

"And while the dollar was fractionally off today, it does appear to have stabilized after breaking 80 yen the other night."

McAlinden added that sluggish economic data released earlier this week, including a very weak report on the Philadelphia area economy on Thursday, has helped convince investors that the Federal Reserve may not raise interest rates again.

Biswas tells workers Try to develop efficiency

President Abdur Rahman Biswas said the workers of mills and factories should continuously try to develop their efficiency to increase production, reports BSS.

Talking to a 40-member delegation of the Islamic Labour Organisation, Bangladesh, who called on him at Bangabhaban yesterday the President called upon them to mobilise workers in favour of increasing production and ensuring peaceful working atmosphere in mills and factories.



Nurul Husain Khan, Chairman, Board of Directors of Eastern Bank Limited, presided over the 70th board meeting held recently in Chittagong. M Ghaziul Haque, Mir Nasir Hossain, AM Shaikat Ali, Md Showkat Ali Chowdhury, directors, AIM Ifikar Rahman, Managing Director, M Aminuzzaman, Deputy Managing Director, and Arham Masudul Huq, Secretary of the board, are also seen.



Western Union Financial Services Inc, world's largest money transfer network, announced its formal launching in Bangladesh at a press conference in the city yesterday. — Star photo

Commodity market: Prices of silver, tea, coffee up while copper, sugar down

LONDON, Apr 22: The price of silver shot up to a six-year high of six dollars an ounce this week on a wave of frenzied speculative buying by American investment funds spurred on by a sharp fall in New York reserves, reports AFP.

Gold and platinum prices rose several dollars in silver's wake, and on the weakness of the dollar against the mark and yen.

Oil was also up — by nearly a dollar a barrel after Iraq rejected a United Nations plan that would have eased a worldwide embargo and authorised it to sell limited quantities of oil to buy food and medicine.

Industrial metals markets were less steady, with copper falling and aluminium and nickel gaining.

Among farm products, cocoa, coffee and grains were up, but sugar fell to a year low after a record harvest Brazil.

GOLD: Up. The precious metals market appeared to benefit from the collapse of the dollar against the mark and yen. Gold prices hit their highest level since September 1994 at mid-week: nearly 397 dollars an ounce.

Asian countries that found their currencies outpacing the dollar.

Gold also gained from a rise in silver prices, which pushed up precious metals generally. Gold ended the week slightly lower at 390 dollars an ounce after the dollar's late-week rally.

SILVER: Record. Prices rose to their highest level since 1989, more than six dollars an ounce on Wednesday, after a spate of coordinated speculative buying by US investment funds.

The speculation was spurred by a sharp fall in silver reserves on the New York market, which fell to their lowest level since October 1989.

Some traders said that the fall in reserves was the result of increased buying by industry, and by jewelers particularly in India, number-one silver importer. Others attributed the fall to speculative buying.

"These reserves have simply been moved from one New York warehouse to another," said one analyst, who added that the short-term profits, would not last.

Silver finished the week slightly down at 5.60 dollars an ounce.

PLATINUM: Up. The price

of platinum, propelled by the rise in silver, rose some 10 dollars to 460 dollars an ounce, highest in four and a half years.

The continued strength of the yen against the dollar was making platinum attractive to buyers in Japan, world's number one importer of the metal.

COPPER: Down. Benchmark price dropped 50 dollars to finish at 2,840 dollars a ton after speculative selling in London and New York spurred by the announcement of a share rise in Russian first-quarter export, which tripled from 1994 to 1995 to more than 100,000 tons for the first three months of this year.

More over, a Salvadoran mine belonging to CODECO of Chile increased production by 1,000 tons in March to 7,400 tons.

Demand remained strong, with London Metals Exchange (LME) stores down 18,050 tons in two weeks leveling off at 208,775 tons.

LEAD: Up. Prices slightly higher to close at 615 dollars a ton on a stagnant market following the long Easter weekend.

The International Lead and Zinc Study Group (ILZSG) said lead use should remain steady in the west at 4.77 million tons for 1995, and that pro-

duction would increase by 3.1 per cent to 4.65 million tons this year.

LME stores dropped by 4,300 tons in two weeks to 286,425 tons.

ZINC: Up. Prices were up some 10 dollars to end at 1,078 dollars a ton on ILZSG predictions of a 4.8 per cent rise in the west in 1995 to 6.07 million tons. Production was expected to increase by nearly 8 per cent to 5.56 million tons.

LME stores dropped by 25,675 tons to 979,150 tons.

ALUMINIUM: Irregular. Prices fluctuated, first dropping after the fall of copper, then rising after the announcement of a drop in world production the benchmark price ended around 1,850 dollars a ton.

The international primary aluminium institutes said average that daily production in March dropped to 47,100 tons against 47,200 tons in February. Total production for the 31 days of March was 1,459 million tons against 1,323 million for the 28 days of February.

A recent study showed the February 1994, agreement for limiting world production was being respected and that Rus-

sian exports dropped in the first quarter of 1995 from the same period last year.

LME stores dropped by 89,425 tons in two weeks to 1,061,075 tons.

NICKEL: Skittish. Prices jumped around, first plummeting 200 dollars to 7,300 dollars a ton following copper's lead before recovering to finish at 7,500 dollars a ton after an announcement of technical problems at Canadian producer INCO, which had to cut output by 3,600 tons in the first quarter from the same period last year.

INCO meanwhile predicted a five-year increase of 20 per cent. Stores dropped 4,692 tons to 115,782 tons.

TIN: Up. Prices gained around 150 dollars a ton a stagnant market stores dropped, 1,350 tons to 20,060 tons.

COCOA: Up. Prices jumped 20 pounds to end at 970 pounds per ton on a wave of speculative buying in New York.

One trader said it was normal for prices to gain ground after being hit hard in previous weeks by speculative selling sparked by a larger-than-expected harvest in number-one producer Ivory Coast.

Another trader said the market "certainly looks more

attractive now," but cautioned that "harvest are strong and consumption remains weak."

COFFEE: Up. Prices gained nearly 100 dollars to end the week at more than 3,100 dollars per ton after fears that frost would hit crops in number-one producer-exporter Brazil.

On Tuesday, there were rumours of crop damage after Brazilian plantations were hit by a one-night cold snap. The rumours were never confirmed, but weather forecasters said the cold season in Brazil was close at hand and frost was possible.

Coffee plants are particularly sensitive to cold.

SUGAR: Fall. Prices fell below 308 dollars a ton mid-week, lowest since March 1994, as growing supplies dissipated investor interest.

Estimates of a two-million-ton deficit a few months ago were revised to less than half a million tons by several market study groups, a drop explained by record harvests in Brazil and better than expected harvests in Australia and Thailand, India, with a good harvest, was expected to buy sparingly and Russia's imports were also expected to remain spare.

RUBBER: Down. Prices fell with decreasing demand to be-

the end of the week to 310 dollars a ton on the strength of purchasing by Egypt and a strike that crippled Brazilian ports.

VEGETABLE OILS: Down. Soybean, sunflower and palm seed oil fell in Rotterdam after Chicago soybean prices were depressed sharply by a record Brazilian harvest. Only peanut oil prices held steady.

OIL: Up. The price of Brent crude climbed nearly one dollar to 18.5 dollars a barrel after Iraq had rejected a UN scheme that would have allowed it to sell limited amounts of its oil.

The UN Security Council on April 14 agreed the plan that would have eased the worldwide embargo on Iraq allowing it to sell enough crude to buy food and medicine. But Baghdad immediately dismissed the offer as "serving only American interests and depriving Iraqis of their legitimate right to export their oil."

Rising refinery demand and prospects of a cut in north sea production also pushed prices.

A drilling platform maintenance shut down programme was expected to cut production from 5.6 to 4.9 million barrels a day in June.

Wool: Steady. The North-

low 1,200 pounds per ton. Rubber shipments from southeast Asia appeared sufficient to meet demand.

GRAINS: Up. Wheat and barley rose by four and two pounds to 120 and 112 pounds per ton respectively on the London futures market, spurred by the weakness of the pound and a decrease in grains stocks available for export.

The Paris market likewise benefited from a weak franc which pushed up export demand and prospects of wheat sales to Morocco.

The Chicago futures exchange was down under the weight of speculative selling as fears of frost damage faded.

TEA: Up. The average price in London weekly auctions climbed three pence to 107 pence per kilo on stronger demand for Kenyan teas.

COTTON: Nervous. The cotton outlook index was up to 1.16 dollars a pound, an all-time high, but American futures traders were jumpy, figuring prices and topped out and were ripe for a sharp fall in the coming weeks.

Wool: Steady. The Northern England Bradford benchmark price was steady at 525 pence per kilo, still supported by heavy Chinese buying of Australian wool.