

## China's textile mills closed for cotton shortage

BEIJING, May 7: Most of China's large and medium-sized textile mills are closed or working half-time because of a worsening shortage of cotton, an official newspaper seen in Beijing today said, reports Reuters.

All the mills in Yantai, Shandong province, a major cotton producer, have closed, as have one third of those in Jinan, the provincial capital, the China Market Economic News reported.

Shortages are also serious in Henan province and the three northeast provinces, it said.

In 1994, China's cotton harvest was 4.25 million tonnes, up 13.6 per cent on 1993, official figures show.

But as of the end of March the state had purchased only 2.99 million tonnes of this, with farmers and local areas retaining the precious material to use in local factories or sell later at higher prices, the newspaper said.

As a result, prices for one tonne of high-grade cotton are at least 17,000 yuan (2,024 dollars), against an officially set ceiling of 14,000 yuan (1,667 dollars), with many instances of low grades being sold as high grades, it said.

It said 40 major mills in Henan recently made a protest to the provincial government, saying that they could no longer tolerate excess prices and sales of illegally graded material.

The shortage has made China a major importer. In the first quarter of 1995, imports of cotton were 220,000 tonnes, up from 10,000 in the same 1994 period, customs figures show.

## DPRK's foreign trade falls in 94

SEOUL, May 7: North Korea's trade with foreign countries fell last year as the isolated communist country confronted the world over its suspected nuclear weapons programme, a senior South Korean official said, reports Reuters.

Yoo Chong-ha, a senior Secretary to President Kim Young-Sam on Foreign and Security Affairs, said in a weekend report to Kim that the North's trade with the outside world totalled 1.8 billion US dollars last year, a presidential spokesman said.

In 1993 North Korea's foreign trade stood at 2.64 billion US dollars according to figures from South Korea's Central Bank.

Yoo said the North's trade volume, which has fallen since 1988, was smaller last year than in 1978 when it was just over two billion US dollars.

"The fall is due to a reduction in its trade with Russia and China," he added. China, North Korea's last remaining main ally, and Russia have increasingly pressed North Korea to settle trade in hard currency, cutting back barter trade.

In 1994, Washington and its allies threatened sanctions against North Korea over its refusal to allow outside inspection of its nuclear facilities.

The North said such sanctions would be tantamount to war.

The crisis was defused when the United States and North Korea reached a landmark deal last October.

## White House set to consider sanctions against Japan

SHUTTLE, British Columbia, May 7: The White House was set to consider sanctions against Japan after negotiations on cars and car parts broke down in conflict, reports Reuters.

Japanese and US negotiators meeting at this mountain Ski resort failed to reach an agreement on opening up the Japanese market more to foreign suppliers, despite a threat on Thursday from President Bill Clinton to impose sanctions.

The Japanese government adopted a rigid ideological stance that appeared bent on failure, US Trade Representative Mickey Kantor told a news conference.

"It is regrettable," Japanese Trade Minister Ryutaro Hashimoto told a separate news conference. "The US insistence on voluntary plans has remained as an insurmountable stumbling block to a negoti-

ated agreement."

The concept of "voluntary" Japanese of foreign parts to go into new cars was one component of the US drive to try to correct a 37 billion dollar American trade deficit in the automotive sector.

Kantor is to join top economic policy-makers at the White House on Saturday morning to review the process. He said a decision on new steps would be made in the near future but he did not describe them.

He said he could name nine to 10 options besides the possibility of imposing tariffs on Japanese imports.

Both sides said they would welcome a chance for this to go to the World Trade Organisation (WTO), the new Geneva-based body trying to govern a more liberal trading system.

Hashimoto said Japan would appeal to the WTO if sanctions were applied, arguing unilateral actions are banned, and

said he was confident the dispute could be resolved in such a neutral forum.

We would welcome a review by the two of Japanese practices," Kantor said, adding it would be good for the world to understand the situation.

The talks overshadowed a trade meeting that included Canada and the European Union, both have expressed concern with anything that might smack of managed trade, but both would also like the Japanese market to be deregulated and opened up.

It seemed unlikely the two sides would come together soon. Hashimoto expressed a willingness to continue negotiations, but only if Washington would drop the voluntary plan idea.

As for Kantor, he said of continuing negotiations: that's up to the Japanese government. They have my phone number.



Representatives of twenty top travel agents from Bangladesh left Dhaka on May 4 on a five-day educational tour of Amsterdam at the invitation of KLM Royal Dutch Airlines. Members of the team are seen at the ZIA International Airport before their departure with Cees Ursem, General Manager of KLM Bangladesh.

## India reviewing power project contract with US investors

NEW DELHI, May 7: In a test case, closely watched by international investors, local authorities have begun reviewing a contract for massive power project criticized as too secretive, too expensive, and possibly corrupt, reports AP.

The US government has made it clear that cancellation of the 2.8 billion dollars deal with Enron Corp, which one official called "the flagship of American investment," could rebound on future business.

Not only the investors are worried. The Indian government has called the Enron deal a litmus test for its plans to tap international companies for the cash it needs to build the roads, power grids and telecommunications that will enable India's economy to take off.

In Bombay on Wednesday, the review committee of the newly installed state government of Maharashtra held its first meeting to frame the questions it wants answered about the contract.

Why wasn't it put up for competitive bidding? Why were clauses kept secret? Why are capital costs so high? And why will the state electricity board pay so much for the

power?

Bulldozers and more than 4,000 labourers already have begun to clear a hilltop site on the wild coast overlooking the Arabian Sea in Maharashtra, India's most industrialized state.

Going up is a 695-megawatt gas-fired station for the Dabhol Power Co. formed by Enron and its junior partners, Bechtel Enterprises Ltd, and the General Electric Capital Corp.

But the state government says if wrongdoing is uncovered, it's not too late to cancel the deal — the largest foreign

investment ever made in India — even if it had to pay a \$100 million penalty.

Gopinath Munde, the new Maharashtra power minister, said after Wednesday's meeting that his committee has collected documents regarding the negotiations and will hear Enron officials and political leaders.

Implying an investigation into possible graft, Munde said it also will scrutinize travel expenses in the United States of officials from the state electricity board, which will buy the power.

The project took 2 1/2 years to negotiate with Houston-based Enron and to work out the financing and Indian government guarantees. Controversial from the start, it went through nine court cases and innumerable public debates.

Then it became a campaign issue in the state election last March. A coalition of right-wing parties, opposing the deal, ousted the long-entrenched Congress Party government in Maharashtra.

Mindful of India's heritage of socialism and self-reliance, the winning alliance of the Shiv Sena and the Bharatiya Janata Party announced it will give preference to Indian companies over outsiders whenever possible in awarding contracts.

US Treasury Secretary Robert Rubin was concerned enough about the cancellation threat to raise the issue in talks in New Delhi and Bombay last month.

Enron says the deal looks favorable because it was negotiated in 1992 at a time when India was trying to lure foreign investors to develop its infrastructure.

Various ingredients of poultry feed & paddy husk will be purchased for "Agro-based Training & Production Centre for Rural Women" at Zirani, Gazipur under the Directorate of Women's Affairs. For this, sealed tenders are invited from intending bonafide suppliers/traders/contractors. Tender schedule with detailed description, other information and terms & conditions will be available against cash payment of Tk 400/- (four hundred) only (non-refundable) from head office (Room No. 391) & local office up to 15-05-95. Tenders will be received in the tender box at head office & local office up to 12:00 Noon of 16-05-95. The received tenders will be opened on the same day at 1:30 pm by the tender committee at the head office. The authority reserves the right to accept/reject any/all tenders without assigning any reason.

Director (Acting)  
Directorate of Women's Affairs  
Dhaka.

Delhi plans to export 4.5m tons of foodgrain

NEW DELHI, May 7: The Indian government plans to export 4.5 million tons of foodgrain — 2.5 million tons of rice and 2 million tons of wheat — to earn 25 billion rupees (806 million US dollars) in foreign exchange this year, says Xinhua.

According to official trade sources here, the reasons for exports are both internal and external. Food Corporation of India godowns are overflowing with 17 million tons of wheat, so room has to be made for fresh foodgrain.

And Indian wheat has become price competitive as the US and the European Union have begun cutting export subsidies, they said.

The sources also said that Indian rice is in demand in overseas markets, including Bangladesh and West Asia due to crop failures in Indonesia, Thailand and Australia.

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## China to import 20m MT of wheat per year

BEIJING, May 7: China will import about 20 million tonnes of wheat a year in the first two decades of the next century, up from an actual 7.18 million in 1994, a foreign trade official was quoted as saying today, reports Reuters.

Qiu Xihun put China's wheat imports at 10 million tonnes a year in the near future, rising to 15 million in the last years of this decade thanks to higher living standards, the China Business Daily said.

In the first quarter of 1995, China imported 1.45 million tonnes of grain, up from 1.11 million in the same 1994 period, of which wheat accounted for 740,000 tonnes, down from 840,000, and rice 450,000 tonnes, up from 30,000, customs figures show.

Total grain imports in 1994 were 9.04 million tonnes, the figures show.

Still China was a net grain exporter in 1994, with exports of grain at 11.04 million tonnes, including 8.74 million

tonnes of corn and 1.52 million tonnes of rice.

China must primarily rely on itself to satisfy its huge domestic demand for grain, Qiu said.

Exports of corn will grow in the short and medium term but will gradually end.

## Beijing steps up Tibet's uplift

LHASA, May 7: China has stepped up construction of 61 large projects in Tibet this year in a bid to promote economic and social development in the region, says Xinhua.

The projects, arranged by the central authority and financed by both the state and other provinces are estimated to cost 2.38 billion yuan, according to local officials.

The projects cover agriculture, forestry, irrigation, transport, telecommunications, industry, education, health care, television services and urban construction.

## Exchange Rates

Following are the Sonali Bank's dealing rates to public for some selected foreign currencies effective on May 7.

Currency	Selling		Buying	
	T.T. & O.D.	B.C.	T.T.	O.D.
US Dollar	1=Tk 40.2550	40.2950	39.9475	39.7965
GBP	1=Tk 64.6491	64.7134	63.1582	62.9195
D.M.	1=Tk 29.6122	29.6416	28.8041	28.7831
F Franc	1=Tk 8.2898	8.2981	8.0603	8.0299
C Doll	1=Tk 30.0455	30.0753	29.2148	29.1043
CHF	1=Tk 35.8849	35.9205	34.8748	34.7430
Jap Yen	1=Tk 0.4690	0.4874	0.4686	0.4657
IRS	1=Tk 1.2871	1.2967	1.2654	1.2468
Pak Rupee	1=Tk 1.3072	1.3170	1.2852	1.2659
Iranian Rial	1=Tk 0.0231	0.0233	0.0227	0.0224

A) T. T. (DOC) US Dollar Spot Buying	Tk. 39.8720
B) Usance Rate	
30 Days	39.3156
60 Days	39.0326
90 Days	38.7496
120 Days	38.4666
180 Days	38.1837
C) US Dollar sight export bill 3 months forward purchase: To be deducted Tk. 0.20 from O.D. sight export Bill buying rate.	
D) US Dollar 3 months forward sale: Add cushion of Tk 0.20 with B.C. Selling.	

Currency	Selling		Buying	
	T.T. & O.D.	B.C.	T.T.	O.D.
S Riyal	Tk 10.7338		Tk 10.5851	
UAE Dirham	Tk 10.9612		Tk 10.8081	
Kuwaiti Dinar	Tk 137.2954		Tk 135.3153	
D Guilders	Tk 26.1193		Tk 25.7518	
S Krona	Tk 5.5315		Tk 5.4480	
Malaysian Ringgit	Tk 16.3771		Tk 16.1454	
Singapore Dollar	Tk 28.9813		Tk 28.5622	

## Shipping Intelligence

### Chittagong Port

Berth position and performance of vessels as on 7-5-1995.

Berth No	Name of vessels	Cargo	Local Agent	Date of arrival	Leaving
J/1	Al Tajwar	Rice (P)	Kand	21/4	9/5
J/2	PU ping	GI	Sing	30/4	14/5
J/3	Simfory	GI	OKA	28/4	9/5
J/4	Sergey Erenshstein	GI	Russ	23/4	9/5
J/5	Yammit	Wheat(P)	Bomb	23/4	9/5
J/6	Gios	Rice (P)	Kand	23/4	10/5
J/7	Grobuk	GI	Sing	23/4	7/5
J/8	Grobuk	GI	Sing	23/4	7/5
J/9	Seu chunap	Rice(G)	Bank	28/4	8/5
J/10	Koushoun	Wheat(P)	Sing	30/3	7/5
J/11	Bower	Wheat(P)	Sing	24/4	8/5
J/12	Irini	Cont	Sing	4/5	9/5
J/13	Sagas	Rice(G)	Cont	27/4	8/5
MPB/1	Nikolay Morozov	Cont	Col	29/4	8/5
MPB/2	Fong Shin	Cont	Sing	4/5	9/5
MPB/3	Sintra	Cont	Sing	4/5	9/5
CCJ	Kapitan Kadeckij	C.Clink	Sing	25/4	10/5
GSJ	Komsomolskaya Pravda	Rice(P)	Kati	3/5	10/5
RM/3	PS Gruza	CLSO	Mom	18/4	5/5
RM/4	Vic Yang	Cement	Sing	22/4	7/5
RM/5	Gorgona	HSD/J.P.1	Sing	6/5	8/5
RM/6	Gai Yang	Cement	L.Shan	28/4	7/5
DDJ	Andrian Prestige	CLSO	Adab	30/4	8/5
DDJ/2	A. Goncharov	Repair	Mong	CT	R/A
DDJ/3	Banglar Sompad	Repair	Mong	21/4	7/5
DDJ/4	Banglar Ashu	Repair	Mong	21/4	8/5

### Vessels due at outer anchorage

Name of vessels	Date of Last Port Arrival	Local Agent	Cargo	Loading Port
Phaethon	7/5	Seacom	Sugar	Via
Due Jin	8/5	BDShip	Wheat	Via
Liberty Belle	8/5	VIZA	Wheat	Via
Alde Bragard	8/5	Lux	Wheat	Via
Roro/484/5	8/5	IBSA	Wheat	Via
Najdi	8/5	MSA	GI (S.Coll)	Via
Tug Subahli	8/5	ARL	Scraping	Via
IT Seal Island	8/5	ARL	Scraping	Via
State of Haryana	8/5	ARL	Scraping	Via
Lanka Mahapada	10/5	Mad	Scraping	Via
Tiger Sun	9/5	Barid	Scraping	Via
San Houston	10/5	Kama	Scraping	Via
Victoria	10/5	BSC	Scraping	Via
Banglar Bani	10/5	BSC	Scraping	Via
Vishva Vikram	11/5	SSS	Scraping	Via
Saudi	11/5	SSS	Scraping	Via
Kian Ann	11/5	ANCL	Scraping	Via
OMI Columbia	13/5	Sing	Scraping	Via
Meng Yang	14/5	AML	Scraping	Via
Rita Bhatnagar	15/5	CTB	Scraping	Via
Meng Lee	14/5	AML	Scraping	Via
Banglar Kallol	15/5	BSC	Scraping	Via
Meng Klat	18/5	AML	Scraping	Via
Michael Stenko	19/5	Col	Scraping	Via
Brava (Roro/242/5)	19/5	Barid	Scraping	Via

### Tanker Due

Ocean Mrg	13/5	TSL	Tallow
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### Vessels at Kutubdia

Name of vessels	Cargo	Last port	Local Agent	Date of Arrival
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### Vessels at Outer Anchorage

Name of vessels	Cargo	Last port	Local Agent	Date of Arrival
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### Vessels Not Ready

Name of vessels	Cargo	Last port	Local Agent	Date of Arrival
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### Vessels Awaiting Instruction

Name of vessels	Cargo	Last port	Local Agent	Date of Arrival
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### Vessels Not Entering

Name of vessels	Cargo	Last port	Local Agent	Date of Arrival
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### Movement of Vessels for 8-5-95

Outgoing	Incoming	Shifting
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The above were the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HBC Group Dhaka.

## Dhaka Stock Prices

At the close of trading on May 7, 1995

### Apex Weaving enters market

### 11-point rise in index

Star Report

The Dhaka Stock Exchange All Share Price Index registered a sharp rise on Sunday while a new issue entered the market.

The price index leapt to 775.24574 from Saturday's 763.70884, indicating an increase of 11.53 points, or 1.51 per cent.

Total market capital also rose to Taka 45.37 billion from Taka 44.70 billion.

The turnover in volume on the DSE rose by 10.48 per cent while the turnover in value showed a decline of 2.83 per cent.

A total of 75738 shares worth Taka 23870450.00 changed hands as against 68549 shares valued at Taka 24566605.00.

Aziz Pipes was the leading gainer in terms of value with a rise of Taka 61.32 per share.

Bangladesh Lamps, BCIL (Deb) and Singer Bangladesh led the losers. Apex Synthetic was the top volume leader. Its 7820 shares were traded.

Other volume leaders of the day were: Ashraf Textile (6991), B.Dying (6660), Shine Pukur Holdings (5750) and National Bank (5480).

The number of issues traded was almost steady. It fell to 72 from 73, in which 32 gained, 28 suffered losses and the share prices of 12 issues remained unchanged.

A total of 5407 shares of Apex Weaving and Finishing Mills, the new issue on the floor, were traded at the rate of Taka 152.41.

The DSE All Share Price Index



Trading at a glance

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