

DSE index rises by 11 points over the week

By Sharier Khan

The all share price index at the Dhaka Stock Exchange (DSE) has increased by 11 points and market capitalisation rose by Tk 68 crore in the week, depicting a healthy sign for two consecutive weeks following months of bearish trend.

"If new investors have entered the market in the recent weeks, it is likely that the market will not fall further," a DSE official said yesterday.

"If the increased number of trading takes place among the old investors or traders, the market might fall again," he added.

The index rose by 1.55 per cent to 737.71 from the previous week's 726.26 while the market capitalisation rose to Tk 43.72 billion from 43.04 crore of the previous week.

Prices of most of the shares and debentures remained at a stable position with a slight tendency to gain. The number of issues sold below the Face Value (FV) remained at 38 — the same number for the last few weeks. A total of 180 issues are traded at the DSE.

Foreign investors were found selling shares of reputed companies everyday worth Tk 1 to 1.5 crore to local investors, according to the DSE official who termed it a "good trend showing the strength of local investors."

The source added, shares of Beximco Pharma, BOC, Eastern Housing, which were being sold in large volumes in the recent weeks, have significantly gone to new investors — expanding the market.

The daily average number

of trading rose, although the average value of trading declined significantly. Also the average number of traded issues and issues which marked gain have both increased.

The trend of issues incurring losses has decreased to 29.20 shares everyday in average from 30.50 of the previous week. Three weeks ago an average of 46 issues in-

Shamsul to open Automobiles Peugeot June 22



Peugeot

The Management of Riders Limited is going to introduce French Automobiles Peugeot in Bangladesh soon, says a

press release.

The inaugural ceremony will be held at the main hall room of Sonargaon Hotel on June 22 (Thursday).

The Minister for Commerce and Information M Shamsul Islam will inaugurate the function as the chief guest.

The French Ambassador in Bangladesh Jean-Michel Lacombe will also be present at the function.

President of Riders Limited Amanullah Chowdhury, Vice-President and Executive Director A K Fazle Rabbi are expected to address the inaugural function.

There will be a magic show by world famous magician Jewel Aich on the occasion.

curred losses everyday.

A total of 8 lakh 62 thousand 763.5 shares and debentures worth Tk 11 crore 72 lakh 88,932 were traded this five-day week against 9 lakh 26 thousand 917 shares and debentures worth Tk 14 crore 55 lakh 2558.10 of the previous six-day week.

The daily average number of trading this week increased to 1.72 lakh from the previous week's 1.54 lakh marking a gain by 18000 issues.

The daily average value of trading decreased by nearly Tk 80 lakh. This week's average stands at Tk 2.34 crore from the previous week's 2.42 crores.

The number of total issues traded this week was 417 having 214 gainers and 146 losers as against a total of 493 having 250 gainers and 183 losers in the previous week.

In comparison with the record sale of Eastern Housing shares of the last week (3.31 lakh sold), Beximco Pharma (which will hold its AGM tomorrow) sold 3 lakh 62 thousand 900 shares this week.

Among other volume leaders of the week, BOC Bangladesh sold 86132 shares, Ashraf Textiles 37799, Apex Weaving 36576, Eastern Housing 33640 and Rupon Oil nearly 30000.

Of the total 180 issues at the DSE, seven are not traded (NT). Out of these NT issues, four belong to jute type issues. Of the total 38 issues sold below the FV, six belong to textile sector, seven miscellaneous, five food and allied, and four to engineering etc.

ESCAP official meets Moyeen

Deputy Executive Secretary of Economic and Social Commission for Asia and the Pacific (ESCAP) S. Iko Takahashi called on the State Minister for Planning Dr. A. Moyeen Khan, MP on Wednesday at his office, reports BSS.

Director, Environment and Natural Resources Division, ESCAP Guanchang Shi was present on the occasion.

During the meeting the revolutionary steps undertaken by the government for formulation of a participatory perspective plan got utmost importance.

Ongoing programmes for development of socio-economic infrastructure of the country in particular and the major programmes for advancement of science and technology were also discussed.

The state minister highlighted the significance of the next participatory perspective plan and said, since most of the people live in rural areas and about 65 per cent people live on agriculture directly or indirectly, the government emphasized the need for formulation of a national development plan document on the basis of the direct participation at the grassroots level.

The plan will cover the period from 1995 to 2010. This socio-economic as well as political plan document would be an integrated covering of both macro and micro sectoral aspects.

Dr Khan said the micro level data would be drawn from 64 districts covering all sectoral development programmes and would reflect the views, needs and priorities of the common people.

Suharto's son raises stake in Singapore firm

SINGAPORE, June 16: A son of Indonesian President Suharto has raised to more than 10 per cent his stake in Singapore's publicly listed power and infrastructure company Van Der Horst (VDH), reports AFP.

Bambang Trihatmodjo, who controls Indonesian conglomerate Bimantara Group, said in a statement to the stock exchange of Singapore late Thursday that he had bought 4.2 million shares at an average price of 6.29 dollars (4.49 US) each.



Syed Rana Mostofee, Editor of the fortnightly Arthokotha, left for America on a month-long visit to the USA and Europe as an invitee to attend economic seminars.

Speakers suggest alternative step before throwing child labourers out of job

Speakers at a discussion yesterday termed child labour issue in Bangladesh garment industry an 'international conspiracy' and suggested that an alternative arrangement should be made before throwing child labourers out of the garment factories, reports BSS.

Arrangement should be made to extend financial support to duly qualified child labourers to take up self-employment programmes, they said.

Organised by Bangladesh Garments Samik Federation, the function, was chaired by federation president Mohammad Khurshid Alam.

M Ashraf Ali, former labour adviser to the govern-

ment, presented a key-note paper at the seminar. Barrister Lutful Rahman Shahjahan, Executive Director of Law Centre, A K M Aminul Islam of Bangladesh Human Rights Coordination Parishad, Begum Shamsunnahar, a member of BGMEA, Abdur Razzak, Awami League presidium member, Lutful Rahman, owner of a garments factory, Major General (retired) Khalilur Rahman of Gano Forum and M Zaman Chowdhury, General Secretary of the Federation took part in the discussion.

Abdur Razzak said no civilised society could support child labour but we have to see the objective condition of that society. He said the

problem could be solved in a welfare state. He also stressed the need for welfare programmes of the child labourers before retrenching them from the job.

Major General (retired) Khalilur Rahman said that the agents of Asian-American Free Labour Institute (AFLI) were active in our country and they had been supplying news and pictures of the garment factories to their masters.

He termed the child labour issue as a conspiracy to destroy Bangladesh market in the United States and Europe by certain interested quarters who were afraid of Bangladesh's success in the garments industry.

General Rahman, however,

urged the garments factory owners to sign the MOU for their own interest. He said the MOU would be for the betterment of the country as well as the garments industry.

Lutful Rahman said if proper protection was not given the retrenched child labourers, particularly the girls would be deployed in anti-social activities due to poverty.

Barrister Shahjahan said there were child labourers in the developed world like USA and Europe. He said the developed world was busy with child labourers in the garment factories but they did not talk about other child labourers working in other industries.

Ashraf Ali in his paper recommended that a national programme steering committee consisting of all relevant partners be constituted both for upholding the international norms and for overseeing the work of employers' and workers' organisations on child labour issue as well as for monitoring the inflow and use of resources from multi-lateral and bilateral aid-giving sources.

ADB targets \$ 900m to fund private sector over 3 years

MANILA, June 16: The Asian Development Bank (ADB) said Thursday it targeted 900 million dollars in funding to private enterprises over the next three years in addition to 1.5 billion dollars already approved, says AFP.

The ADB reaffirmed its support to the private sector, setting new directions for its co-financing strategies and placing priority projects in the infrastructure and finance sectors.

"The bank's new strategy for developing the private sector also includes improving the policy environment for the private sector, and provides for direct investment in selected private sector firms" in developing member countries an ADB statement said.

It said the co-financing strategy will mobilize additional private capital and promote official co-financing with low-income countries.



Square Pharma manager off to Tokyo

Anjan Kumar Paul, Manager, Personnel and Administration Department, Square Pharmaceuticals Ltd., left Dhaka for Tokyo to attend the "Study Programme for Prospective Leaders of Employers' Organizations (South Asian Countries)" to be held from June 13-30, '95.

Paul is invited by Japan Employers' Association (Nikkeiren), says a press release.

Shanghai urges exporters to raise exports

SHANGHAI, June 16: Shanghai has urged exporters to raise exports to 11 billion dollars this year from 9.07 billion dollars last year, news reports said today, reports AFP.

"Exports should reach 10.6 billion dollars this year, if possible, we should achieve exports of 11 billion dollars," the reports quoted Shanghai Mayor Xu Kuangdi as saying at a foreign trade working conference Thursday.

US power co in India backs off deal following Enron controversy

NEW DELHI, June 16: A large US power company said on Friday it has stopped negotiations on two power projects in India worth 500 million dollars because of uncertainty generated by an investigation into another American company's power project, reports AP.

CMS Generation of Dearborn, Michigan, is the first company to hesitate investing in India since the probe began last month into a 2.9 billion dollars power project in western India by an American consortium led by Enron Development Corp.

Last week, the US Department of Energy warned that India's failure to honour its agreement with Enron could jeopardize future US investments in India's power sector.

Foreign investment is one of the main goals of the free-market economic reforms that Prime Minister P V Narasimha Rao introduced four years ago, and the United States is India's top investor.

It is estimated that India will need an extra 140,000 megawatt of power in the next 15 years — a demand second only to China's.

"We are watching very carefully to see the outcome of the Enron project," Anil K Mishra, the company's chief of India operations, said in a telephone interview Friday.

CMS Generation, a fully-owned unit of CMS Energy Corp of the United States, halted negotiations on the two projects, which were designed to generate 1,130 megawatts of power in West Bengal.

Last week, the communist-controlled state reversed its Marxist policies and opened itself to foreign investors.

And the CMS Generation decision came as the state's chief minister, Jyoti Basu, prepared to visit America on Tuesday to seek more investments to improve his industrially backward state.

But the company is continuing its negotiations for setting up power projects in the Indian states of Tamil Nadu and Andhra Pradesh, Mishra said. "Our decision is to go in a very cautious manner," Mishra said.

In March, a right-wing alliance was elected in Maharashtra state, where the financial capital of Bombay is

located. Its commitment to India's economic reforms was questioned, and it immediately began reviewing allegations that Enron Development Corp had not faced competitive bidding to win its contract and that its calculations of the cost of power were faulty.

The state utility would be paying a much higher rate for power to Enron's power project in the town of Dabhol on India's western coast over looking the Arabian Sea, some legislators said.

A report by a committee of Maharashtra Cabinet ministers is expected later this month, and if the government demands changes in the contract that are not favourable to Enron, the American company could pull out of the deal.

The Enron and CMS disputes could embarrass Manohar Joshi, the chief minister of Maharashtra, who plans to arrive in the United States on Thursday to seek more foreign investment.

"You settle with one level of government and then the next government wants to re-open it," Mishra of CMS said.

nounced Friday that it has set up a joint venture with China's Shenzhen Huaqiang Holding Ltd. to make batteries in China.

The new venture, Shenzhen Sanyo Huaqiang Energy Co., will begin operations in July, with an output of two million units during the first year. Production will surge to 24 million units during the second year of operations.

Sanyo said the market for rechargeable batteries is growing quickly and China, with its huge potential market, is an attractive production location for those batteries.

Rechargeable batteries are a key to the market for multimedia equipment, a Sanyo official said.

The latest venture is Sanyo's fifth rechargeable battery manufacturing operation outside of Japan, the company

Asia business briefs

said. The previous four units are located in the United States, Hong Kong, Germany and Indonesia.

Shenzhen Sanyo Huaqiang Energy Co. is Sanyo's 17th manufacturing subsidiary in China.

The venture is capitalized at three million dollars. Of the total, Sanyo Energy (Hong Kong) Ltd. holds a 50 per cent stake, Sanyo Electric (China) holds 25 per cent, and Shenzhen Huaqiang Holding Ltd. holds 25 per cent.

The new company is located in the Bantian Industrial District, Shenzhen city, Guangdong, China.

In January, Sanyo President Yasuaki Takano predicted the company's production in China will rise 40 per cent in the current fiscal year ending next March 31 from the 60.0 billion yen (710 million dollars) in the last fiscal year.

SINGAPORE — Swiss Bank Corporation will soon begin

agenda this could be a good time for the oil producers to engage in some serious self-reflection about what role, if any, OPEC will play in coming years.

Oil traders who can bet millions on mere rumours are finding a hard time thinking of any reason to make trades ahead of the Organization of Petroleum Exporting Countries session that begins Monday in Vienna.

Nobody thinks OPEC will come up with anything to move the markets, although a brief flurry of selling Wednesday on news of an attempted revolt in Iraq served as a reminder that oil markets can always turn volatile.

"What OPEC meeting?" most people say, said Lindsey Horn, executive director of energy derivatives for the investment bank Lehman Brothers in London.

"There's really not much for them to talk about," agreed Victor Yu, a vice president at the commodity trading group Refco Inc. in New York.

Some experts who follow the cartel say things are going fairly well for OPEC, and with no thorny issues on the

tention at the meeting — Iran's call for pricing oil in Japanese yen instead of US dollars and questions about whether tiny producer Gabon will be in or out of the group — are non-starters.

As long as the Saudis and all of the world's oil markets conduct their business in dollars, proposals to sell oil in another currency won't work, no matter how hard OPEC has been hit by the dollar's plunge this year.

And it makes little difference whether Gabon can return to the fold after complaining about a membership structure that forced it to pay the same dues as Saudi Arabia.

"It doesn't have any real importance, but it does have psychological importance," said Leo Drollas, chief economist at the Center for Global Energy Studies in London.

As more non-OPEC oil from the North Sea, Colombia, Brazil, Argentina, Yemen, Vietnam and elsewhere finds its way into the market, OPEC faces tough times ahead hanging on to its market share.

integrating its Singapore business with British investment bank SG Warburg as part of a global merger plan, a newspaper reported Friday.

Worldwide, SBC hopes to tie up the loose ends and complete the merger by the end of this month, the deputy group chief executive, Johannes de Gier, was quoted as saying by the Straits Times.

The 800 million pound (1.28 billion dollars) merger, which will give Switzerland's third largest bank control of UK's biggest investment firm, has been approved by shareholders.

Singapore authorities gave their approval recently and the companies are waiting for the nod from regulatory bodies in other countries.

SBC focuses on trading, but its weakness is in distribution, de Gier said. Warburg is strong in equity research and cash distribution and "if anything there is a great complementarity," de Gier said.

SEOUL — South Korea's Daelim Engineering Co. announced Friday that its consortium with two foreign partners has won a 600 million dollars project to build gas processing plants in Malaysia.

Under the contract to be signed June 27 with Malaysia's state-run oil company, Petronas Gas Berhad, Daelim will build two gas processing plants with a daily capacity of handling 500 million square cubic feet of natural gas each.

Daelim will hold 85 per cent of the consortium. Snamprogetti of Italy will provide basic design work and Marubeni of Japan will supply some plant equipment, the South Korean firm said.

Construction will begin this month in Tregganu, north-east of Kuala Lumpur, and be completed by the end of 1998 on a turnkey basis, Daelim said.

Japan to unveil economic stimulus plan soon

TOKYO, June 16: The Japanese government will decide on an economic stimulus package after Prime Minister Tomiichi Murayama returns from the G-7 summit, Economic Planning Agency Director General Masahiko Komura said Friday, reports AFP.

Komura told a news conference that the government will consider the concerns of the three ruling parties with respect to the economy and then "decide how to deal with that." The Group of Seven (G-7) leading industrialised nations are currently meeting in Halifax Nova Scotia, Canada and the meetings are scheduled to end on June 17.

Komura declined to discuss details of the stimulus plan, saying only that "a good deal of leadership will be needed."

NEW DELHI, June 16: The chief of Bombay's stock exchange has been criticized by officials for failing to detect irregularities that led to a default and forced the exchange to shut down for three days, news reports said Friday.

A two-member committee appointed by the governing board of the Bombay Stock Exchange said Executive Director Arvind Kolhatkar failed to detect actions which eventually led to M. S. Shoes East committing a fraud in March by telling its brokers to buy the company's shares so that the prices would go up.

According to a report, yet to be made public, Kolhatkar was responsible for failure to gather market intelligence that could have prevented a payment default and a suspension of trading at India's biggest exchange, the news reports said.

In a rejoinder to the inquiry committee, Kolhatkar said the findings were biased and he had performed his duties.

SHANGHAI — The Shanghai AT and T Optic-Fibre Company on Friday received a 51-million-yuan (six million dollar) loan from the Industrial and Commercial Bank of China, the Xinhua news agency reported.

The Sino-US joint venture — the largest manufacturer of optical fibre in China — plans to use the loan to increase output to 300,000 kilometres (186,000 miles) of fibre in 1996, Xinhua said.

AT and T Optic-Fiber Co., financed by AT and T of the United States, the Posts and Telecommunications Ministry of China and two local investors, plans to manufacture 500,000 kilometres (300,000 miles) of optical fibre in 1997, according to the report.

China currently imports 50 million dollar of optical fibre annually, Xinhua said.

TOKYO — Sanyo Electric Co., a major Japanese maker of consumer electronics and household appliances an-