

Weekly review of stock market

DSE index gains new momentum

By Sharier Khan

Amid hartals and political agitations, the Dhaka Stock Exchange witnessed a healthy three-day week of trading of shares and debentures which shot up three folds in volume.

After two consecutive weeks of year's lowest volume of trading, the DSE gained a new momentum resulting in a 12-point rise in the All Share Price Index of the DSE. The index rose to 790.43 points at the closing of the week Thursday from the previous week's 778.22 points.

The market capitalisation rose by Tk 75 crore from the last week and it stood at Tk 49.03 billion at the closing of the week from Tk 48.28 billion of the previous week.

Market operators noted that foreign investors sold

out a large number of shares this week. Small investors were also engaged in a buying spree unlike the previous weeks, fearing the country's political situation might further worsen. They want to engage their money with a safe investment, a market operator said.

A total of 6 lakh 61,364 shares and debentures worth Tk 8 crore 28 lakh 66,525 were traded during the week against 4 lakh 31,150 shares and debentures worth Tk 7 crore 62 lakh 98,244 of the previous six-day week.

The average daily volume of trading sharply rose to 2.20 lakh this week from 0.71 lakh of the previous week. The week's average is higher than the usual business at the DSE floor.

The daily average value of

trading rose by nearly Tk 1.5 crore to Tk 2.76 crore this week from Tk 1.27 crore of the previous week.

A total of 286 issues having 157 gainers and 89 losers were traded this week as against 573 issues having 272 gainers and 211 losers of the previous week, indicating that most traded issues marked rise in their prices.

However, a sampling of 17 frequently traded issues reveal that prices of seven issues declined by a small proportion, seven issues rose and three issues remained unchanged in one week.

The issues of 6th ICB MF, Meghna Shrimp, Beximco Fisheries, BTC, Beximco Pharma and Eastern Housing marked loss by Tk one in most cases and Square Pharma marked loss by Tk

27. The issues of BD Lamps, Singer, Beximco Textiles, Purabi Insurance, Bata and Beximco Ltd marked gains ranging from Tk 1 to 100.

The prices of Maq Paper, Shine Pukur and Apex Weaving shares marked no change at the closing of the week from last week.

Beximco Pharmaceuticals became the week's volume leader as it sold 2 lakh 83,950 shares — almost half of the week's volume of trading.

Delta Millers surprised market observers as it sold nearly 60,000 shares Tuesday alone.

Other volume leaders of the week include: Confidence Cement—47180 shares, BOC—21695 shares and Quashem Silk—21600 shares.

Japanese FM vows enhanced assistance to Bangladesh

TOKYO, Sept 8: Prime Minister's special envoy M Morshed Khan had a friendly and constructive discussion with Japanese deputy Prime Minister and Foreign Minister Yohei Kono, reports BSS.

The Japanese foreign minister, during the discussion, recalled the successful visit of Prime Minister Begum Khaleda Zia to Japan he said the visit had generated impetus and gave new depth and dimension in Japan-Bangladesh relations.

The foreign minister of Japan lauded the on-going democratisation process in Bangladesh and pledged enhanced assistance to Bangladesh for consolidation of democracy.

The Japanese foreign minister and the special envoy reviewed global, regional and bilateral issues during the talks.

They agreed that there was a need for further strengthening and widening areas of cooperation between the two countries. This would include identification of certain mega projects between Bangladesh and Japan and institutionalization of official level talks at appropriate levels.

Khan, reiterated Bangladesh's support for greater Japanese role in international affairs, including permanent membership in the UN Security Council.

IBA workshop in Ctg begins today

An intensive workshop on "Management of Human Resources and Organizational Development" organized by Management Consultancy Programme (MCP) of the Institute of Business Administration, Dhaka University is to commence on Saturday at Hotel Agrabad in the Port City, says a press release.

The workshop is to be attended by 25 mid-senior level managers and directors representing a cross section of organizations including export oriented ready-made garments industry, multinationals, NGOs, shipping, insurance, and public sector corporations. The workshop is first of its kind on the subject organized in Chittagong by the Institute. Dr Anwar Hossain, Professor, IBA and Coordinator of the workshop and G M Chowdhury, Associate Professor and Chairman, MCP, IBA are to inaugurate the workshop in the morning.

Other ministry officials have been accused of accepting improper gifts.

Oli seeks CIDA aid for railway approach link of Jamuna Bridge

The Minister for Communications, Oli Ahmad, now in Canada had separate meetings with the officials of CIDA and export development corporation, in Ottawa on Wednesday, reports BSS.

He expressed the appreciation and thanks of Bangladesh to CIDA for its support for the development of Bangladesh railways.

He requested for CIDA support for the railway approach link of under construction Jamuna Bridge.

The acting-president of CIDA assured that CIDA would positively consider the feasibility study, now being conducted by the Asian Development Bank, and give its response soon.

He explained to the Canadian export development

corporation officials the excellent business and investment opportunities now available in Bangladesh, a

message from Ottawa said.

The Minister for Communications visited the new premises of the Bangladesh High Commission to Canada and expressed satisfaction over the improved working environment of the high commission chancery.

He also had a meeting with probashi Bangladeshis in Ottawa, at the high commission.

He encouraged the overseas Bangladeshis to work for further improvement of trade relations between Canada and Bangladesh and for attracting more Canadian investment in Bangladesh.

He advised the Bangladeshis to uphold the prestige and image of Bangladesh in Canada by hard work and sincerity.

Ctg port activities resume

CHITTAGONG, Sept 8: The delivery of export and import consignments in Chittagong port resumed Thursday following an understanding reached between port authority and transport workers, port sources said, reports BSS.

The activities in Chittagong port remained suspended for over 15 hours as truck drivers boycotted services in protest against the new system for issuing the entry pass introduced by the security personnel.

70 pc survey respondents pessimistic about prospects of job in HK

SINGAPORE, Sept 8: Confidence has fallen sharply among consumers in Hong Kong, where a majority of survey respondents were worried about job and economic prospects, mastercard international said here Thursday, reports AFP.

The Asia-Pacific headquarters of the global credit card giant said pessimism was also growing among Japanese and Taiwanese, and inflation was a big concern shared across a region where optimism was still the norm.

The survey, carried out in June, polled about 500 middle-and up — income people each in 10 countries — Australia, Hong Kong, India, Indonesia, Japan, South Korea, Malaysia, New Zealand, Singapore and Taiwan.

In Hong Kong, 70 per cent of respondents were pessimistic about future employment prospects, three times the 23 per cent registered in the last biannual master index survey of consumer confidence, conducted in December 1994.

They survey has five key parameters — employment, the economy, income, the stock market and quality of life.

Almost 60 per cent were worried in June about the

future of the Hong Kong economy, twice as many as six months before, mastercard statement said.

The British colony reverts to Chinese rule on July 1, 1997.

The master index survey confirms what many analysts have been saying in the last few months: consumer confidence in Hong Kong is waning, said Brian Thorm, Senior Vice President for Asia-Pacific marketing of mastercard international.

Although this pessimism is not shared across the region, one economic variable, rising inflation, is a common concern, he added.

Malaysians were upbeat, with 75 per cent of respondents optimistic about the future of the economy in June, from 64 per cent in December. On employment, 65 per cent were optimistic, from 48 per cent.

Optimism also prevailed among Indonesians and Indians. Australians were fairly neutral on most categories of the survey.

REHAB members meet HBFC MD

A meeting of the Real Estate and Housing Association of Bangladesh (REHAB) was held with the Managing Director of the House Building Finance Corporation (HBFC) at a city hotel Thursday, says a press release.

The meeting had detailed discussion about Apartment loan in multi-storied buildings developed by the Real Estate developers to the individual apartment purchasers.

The scheme been introduced by the House Building Finance Corporation. It will give substantial financial support to apartment purchasers to meet their housing needs. REHAB lauded the scheme.

Jute teams to visit India soon

NEW DELHI, Sept 8: Two separate eight-member Bangladesh jute teams will arrive in India on a week-long familiarisation tour on September 17, reports BSS.

The purpose of the visit of the teams to different places of India is to gather knowledge about the improved methods of cultivation of jute and allied fibres, research improved retting practices and policies to increase production of high yielding varieties of jute.

During the visit, the team members will exchange views with jute experts and farmers as regards grading, marketing system at the growers level, cooperatives and also export of raw jute from India.

The teams on return to Bangladesh are expected to utilise their knowledge for policy formulation and imparting training to jute growers, farmers associations and concerned field officials.

Director of the Department of Jute AKM Ferdous Chowdhury will lead one team while another team will be led by Deputy Chief of Jute Ministry Brajendra Kumar Das. The members of the teams include jute experts and some farmer.

BIBM workshop on 'working capital management' ends

A workshop on "Working Capital Management" conducted by the Bangladesh Institute of Bank Management (BIBM), ended Thursday, says a press release.

The four-day workshop mainly dealt with the concept and role of working capital financing and management, assessment of working capital, various areas of working capital financing and management of cash credit.

A total of 40 officers from different banks and financial institutions participated in the workshop.

AHM Nurul Islam Choudhury, Director General of BIBM, gave away certificates among the participants.

Speaking on the occasion, Choudhury underscored the importance of working capital management for rapid industrialisation of the country.

BIBM also conducted a 12-day training course on "Research Methodology". The course was specially designed to acquaint the participants with different types and methods of research and to impart training about the use of different techniques and tools of economic and business analysis in the banking sector.

The Director General of BIBM presided over the concluding session of the course and gave away certificates among the participants.

In his speech, Choudhury emphasised the importance of strengthening research and overall analytical capabilities in the banks and financial institutions.

Japan's finance minister to dock pay to atone for tax evasion scandal

TOKYO, Sept 8: Japan's finance minister and three other high-ranking administrators said Friday they would dock their own pay to atone for a major tax-evasion scandal involving a former subordinate, reports AP.

Finance Minister Masayoshi Takemura and the others decided to take pay cuts for September and October for failing to properly oversee Yoshiro Nakajima, former chief of the ministry's Institute of Fiscal and Monetary Policy, who resigned from the ministry this summer.

The ministry said Thursday that Nakajima failed to pay taxes on more than 50 million yen (500,000 dollars) in cash "gifts" from friends. The scandal was a blow to Japan's most powerful government body, which receives much of the credit for engineering Japan's economic success.

Money scandals involving politicians are common in Japan, but the career bureaucrats in the Finance Ministry

enjoy a reputation as being among Japan's best-educated, most incorruptible administrators. They are also at the centre of delicate efforts to rescue the nation's banks from mountains of bad debt.

Nakajima, 53, resigned July 28 as head of the ministry's think tank, Hiroshi Watanabe, the chief of the ministry's secretariat division, said Nakajima received the cash from businessmen and acquaintances over 10 years.

Nakajima also received 100 million yen in low-interest loans for six to seven years from an unnamed acquaintance, Watanabe said.

The ministry, which has been investigating Nakajima's finances, denied that the money represented bribes, but it said he failed to receive the gifts on his taxes as required by law.

Takemura, Vice Finance Minister Kyosuke Shinozawa, and Yoji Wakui, director of the finance minister's secretariat, decided to take pay

cuts of 20 per cent for September and October. Takeshi Komura, director general of the Budget Bureau, will take a pay cut of ten per cent.

Nakajima formerly served as deputy chief of the Budget Bureau, which has broad influence in deciding Japan's national budget.

Japanese government ministers receive official monthly salaries of 1.63 million yen (16,300 dollars) while vice-ministers get 1.33 million yen (13,300 dollars).

Top finance ministry officials are trying to limit the fallout from the scandal, explaining that Nakajima was unfamiliar with Japan's tax laws and promising to stiffen ethical standards.

"We are very sorry that a member of our staff has acted to hurt the trust of the people," Shinozawa said Thursday at a press conference.

No other ministry officials have been accused of accepting improper gifts.



A delegation of Bangladesh Association for International Recruiting Agency (BAIRA) led by its President Mosharrif Hossain called on Labour and Manpower Minister Mir Shawkat Ali at his office on Thursday. — PID photo

ADB help for gas sector assured

Energy and Mineral Resources Minister Dr Khandker Mosharrif Hossain yesterday said the Jatiya Sangsad that the government had already discussed with the Asian Development Bank (ADB) to provide funds for extending gas network to northern region of the country, reports BSS.

Replying to a question by Mohammad Sirajul Islam the minister said the bank had assured four lakh US dollars as part of the fourth natural gas development project to supply gas to the northern parts.

Dr Hossain further said that the bank had informally indicated to provide 100 mil-

lion US dollar for main pipeline project on the basis of the result of the technical survey.

With the construction of the multi-purpose bridge over the river Jamuna the supply of gas to northern parts would be possible, he added.

Tehran keen to help Dhaka in petroleum sector

The visiting Iranian Deputy Foreign Minister Ala-uddin Brujerdi called on Finance Minister M Saifur Rahman at his office here on Thursday, reports BSS.

They discussed various issues of further strengthening the cooperation between the two brotherly countries in different fields.

The Finance Minister said, the two countries have been doing good business over the year and there are lot of scopes for further improving economic cooperation.

He sought Iranian help for establishing trade relation between Bangladesh and the Central Asian Muslim countries through Iranian land and railway route.

Overdue agri-loans rise by Tk 275 cr a yr

Overdue loans in the agriculture sector are increasing despite the government's emphasis on recovery, reports UNB.

According to the latest Bangladesh Bank figures, the volume of overdue farm credit rose by nearly Tk 275 crore in a year at the end of July this year, showing that recovery efforts have failed to

deliver. Overdue agri credit rose to Tk 4,535.34 crore at the end of July this year from Tk 4,260.47 crore in July, 1994.

The amount of outstanding loans also shot up by about Tk 838 crore during the period to Tk 7,054.21 crore from Tk 6,216.60 crore.

Monthly recovery in July 1995 dropped to Tk 47.89 crore from Tk 50.17 crore in

July 1994.

Credit disbursement to the farm sector in 1994-95 was significantly higher than that of the previous year, but recovery lagged far behind.

Infusion of fresh credit in 1994-95 totalled Tk 1,480 crore, an increase of Tk 380 crore over the previous year, but the recovery did not increase proportionately.

High level trade team leaves for S Africa to explore markets

A high-level trade delegation has gone to South Africa in a bid to seize trade opportunities there for Bangladeshi manufactured goods, encouraged by the performance of India and Pakistan, reports UNB.

The delegation comprised of government and private sector representatives will explore the export possibilities of products like pharmaceuticals, cosmetic goods, readymade garments and jute goods.

Post and Telecommunications Minister M Tariqul Islam is leading the nine-member delegation, which left here yesterday.

Commerce Minister M Shamsul Islam was to lead the delegation but he skipped the trip due to "more pressing business" at home, officials said.

The delegation also has an aim to lure South African capital into Bangladesh,

particularly in the minerals sector.

Besides, they will also try to ensure smooth supply of iron, billets, coal and gold from the mineral rich country.

After establishing official trade relations in 1992, Bangladesh's export to South Africa has been increasing very fast every year and poised to be one of the major markets after USA and Europe.

In 1992-93 fiscal, the beginning year of trade between Dhaka and Pretoria, Bangladesh exported goods worth 1.1 million US dollars. The export figure jumped to 6.02 million US dollars in the following year.

Reflecting the potential of export growth, Bangladeshi products fetched 6.10 million US dollars only in July-May period of 1994-95 fiscal from the African market.

On the other hand, Bang-

ladesh imported goods, mainly chemical products, worth 170,000 dollars during July-April period of 1994-95 fiscal from South Africa.

As jute and jute goods figured as the major exportable earning 4.65 million dollars in July-May period of 1994-95, the trade delegation will attach special emphasis on increasing its exports.

Pharmaceuticals, leather and leather goods, frozen fish, readymade garments and knitwear, and ceramic are the other major items of exports showing prospect of growth in recent months to South Africa.

Officials said special efforts will be made to facilitate import of gold from South Africa as a number of companies, including some from America, have already shown interest to set up jewellery industry in Bangladesh.

Jewellery has now appeared as a potential non-

traditional export item for Bangladesh because of the country's advantage having a large workforce of craftsmen needed for the industry.

Development of trade relations with South Africa gets special emphasis in Dhaka because the country is regarded as the gateway of the African continent.

"We must develop trade links with South Africa to capture the other markets of the continent," said Shoib Ahmed, Chairman of the state-run Trading Corporation of Bangladesh (TCB).

A leading member of the trade delegation, Ahmed said Bangladesh has been encouraged by the performance of India and Pakistan who have already succeeded in exploiting the market.

"We are quite late in the race, but we have to try," he said, expressing his optimism of increasing the export of Bangladeshi products

in the whole continent. He informed that once Africa, particularly Nigeria and Uganda, was a very good market of jute, jute goods and pharmaceuticals from Bangladesh. "What we want to do now is to regain the market."

The TCB chairman, who was a joint secretary at the Commerce Ministry before joining the state trading body, said the corporation will try to reach understanding with concerned persons in South Africa to clear the way for more exports from Bangladesh.

"Private sector of Bangladesh is still very shy to the market. We hope that they would enhance their activities after the initiatives of the TCB," he said.

Ahmed also observed that Africa could be a major market for Bangladesh's garment industry which often face difficulty in disposing big stock-

lots. The trade delegation will also explore the possibilities of exporting professional manpower, including physicians and engineers, to South Africa which have a large number of Indian professionals working now.

Bangladesh recently established diplomatic relation with South Africa after President Nelson Mandela scrapped the apartheid policy which, for decades, had isolated the country from rest of the world.

A commercial counsellor has been appointed at the Bangladesh mission in Pretoria to promote trade and business with the economically strong African country.

The delegation, which also included Export Promotion Bureau Vice-Chairman Anisul Haq Chowdhury, is expected to return on September 16.

Dollar higher on BOJ rate cut in Tokyo

TOKYO, Sept 8: The dollar was higher against the yen and the mark here Friday buoyed by heavy Bank of Japan (BOJ) dollar-buying intervention following its discount rate cut to a record low of 0.5 per cent, dealers said, reports AFP.

The BOJ spent an estimated 1.5 billion dollar since buying the dollar within about three hours, taking the currency up to as high as the 100,000 yen, said Yoshiyuki Goto, Senior Strategist at the Royal Bank of Canada.

Towards the end of trading, the dollar traded at 99.97 yen, up from 99.00 yen in New York late Thursday and 98.69 yen here Thursday afternoon.

Against the mark, the dollar changed hands at 1.4832, up from the previous day's 1.4761.