

DSE floor witnesses fall in trading boom over the week

**Stock market still healthy**

By Sharier Khan

The trading boom on the floor of the Dhaka Stock Exchange slid down this week, but the market is still enjoying a healthy condition, market operators said.

The all share price index steadily fell by six points to 831.44 points at the closing of the week Thursday from the previous week's 837.54.

The market capitalisation, despite entry of two issues of shares and debentures of Bangladesh Zipper, declined by Tk 24 crore this week to Tk 51.81 billion from the previous week's Tk 52.05 billion.

Although all indicators declined, the market was actually enjoying a healthy condition as the previous week's trading marked year's record and took all indicators up to a record high, market operators said.

Triggered by prospects of getting dividends following

book closures and annual general meetings (AGMs) of a number of DSE-enlisted companies, small investors continue to trade shares by a larger volume than the previous months of the year, the market operators added.

Furthermore, continuous hartals have triggered foreign investors to sell out larger quantities of shares and encouraged local investors to buy those, considering the investment in share market relatively safer than other sectors, observed a small investor, Nazrul Islam, at the DSE.

The daily average volume of trading declined by 1.69 lakh shares to 2.37 lakh from the previous week's 4.06 lakh.

The daily average value of trading fell by Tk 1.55 crore to Tk 3.44 crore from Tk 4.99 crore of the previous

week. A total of 11 lakh 87,242 shares and debentures worth Tk 17 crore 22 lakh 58,072.75 were traded during this five-day week against 24 lakh 37,818.75 shares and debentures worth Tk 29 crore 98 lakh 38,685.75 of the previous week.

A total of 472 issues having 208 gainers and 204 losers were traded this week as against 562 issues having 313 gainers and 222 losers of the previous week.

During the week, Karnaphul Insurance held its AGM, while Rupali Insurance, Sonargaon Textiles, IFIC Bank, DVO, Apex Tannery, ICB and Phoenix would hold their AGMs in the coming weeks.

Beximco Pharma continues to lead the highest volume of trading for the last four months. This week it sold 4 lakh 78,590 shares —

which is more than one-third of the total trading at the DSE. Its price has increased by Tk 4 to Tk 79 per share Thursday from previous Thursday's Tk 75. However, in November 1993, it used to be traded at a price of around Tk 500.

A sampling of 17 frequently traded issues show that seven of them marked rise in their prices while only six went down and four remained static.

The volume leaders of the week include ACI which sold more than 1.56 lakh shares, Eastern Housing and Rupon Oil-over 60,000 shares each, BOC-23922, Apex Weaving over 21,831, Meghna Cement 17,510, Maq Paper, 7th ICBMF, Karim Pipe, Quasem Drycells, Sonargaon Textiles and newly enlisted Bangladesh Zippers over 15,000 shares each.

LDC's confce in New York

**Dhaka advocates for greater resource flow to overcome crisis**

NEW YORK, Oct 6: Development crisis faced by the Least Developed Countries (LDCs) due to non-implementation of the "Programme of Action" is being highlighted by Bangladesh and other LDCs at the current conference on LDCs at the developed nations adopted somewhat hardened attitude to some of the key issues figuring at the meeting, reports BSS.

Bangladesh, as the coordinator of the 48 LDCs pointed out that poverty, over population, natural disaster, man made environmental degradation and other factors continue to hamper development efforts of the LDCs. This situation, coupled with other negative factors, forces the LDCs to experience slow economic and social growth, the conference is told. Bangladesh, on behalf of the LDCs has urged the confer-

ence of supportive external environment and greater resource flow to overcome the situation.

The scarce resource flow runs contrary to the "Programme of Action" adopted in the Paris meeting on the LDCs in the 1990. Current high-level inter-governmental meeting at the United Nations here is taking stock of the progress of the implementation of the "Programme of Action" five years after the adoption of the programme.

It is learnt that while the developed nations have broadly agreed to explore new areas and relief measures for the LDCs in the arena of international trade, they are showing little interest in LDC's pleas for relief in the external debt issue. The developed nations are learnt to be maintaining that nothing new on the issue is pos-

sible in concrete terms beyond what has been decided on the matter in the last "Copenhagen" summit and other international forums on

**India's trade deficit widens**

NEW DELHI, Oct 6: India's trade deficit widened 138 per cent from a year earlier to 1.9 billion dollar in the five months to August, officials said yesterday, reports AFP.

Officials in the directorate of commercial intelligence and statistics said imports for the first five months of fiscal 1995-96 rose 36.5 per cent to 14.2 billion dollars while exports rose 28 per cent to 12.3 billion dollars.

Exports for the month of August hit 2.5 billion dollars, the highest monthly figure so far in the calendar year.

the subject. But the LDCs continue to make strong cases for concessions on the debt issue, asking for more meaningful steps to alleviate their economic plight.

The conference, which began here on September 26, is witnessing intense debate on the crucial issues facing the LDCs. The countries categorised as least developed are calling for special measures by the global community since two United Nations conferences in 1980 and 1990 have adopted specific measures for them for their economic recovery. The conference is crucial for the LDCs since the mid-term review meeting will not only monitor the progress of the implementation of the "programme of action" but suggest what measures can further be taken to improve the miserable economic and social plight of the LDCs.

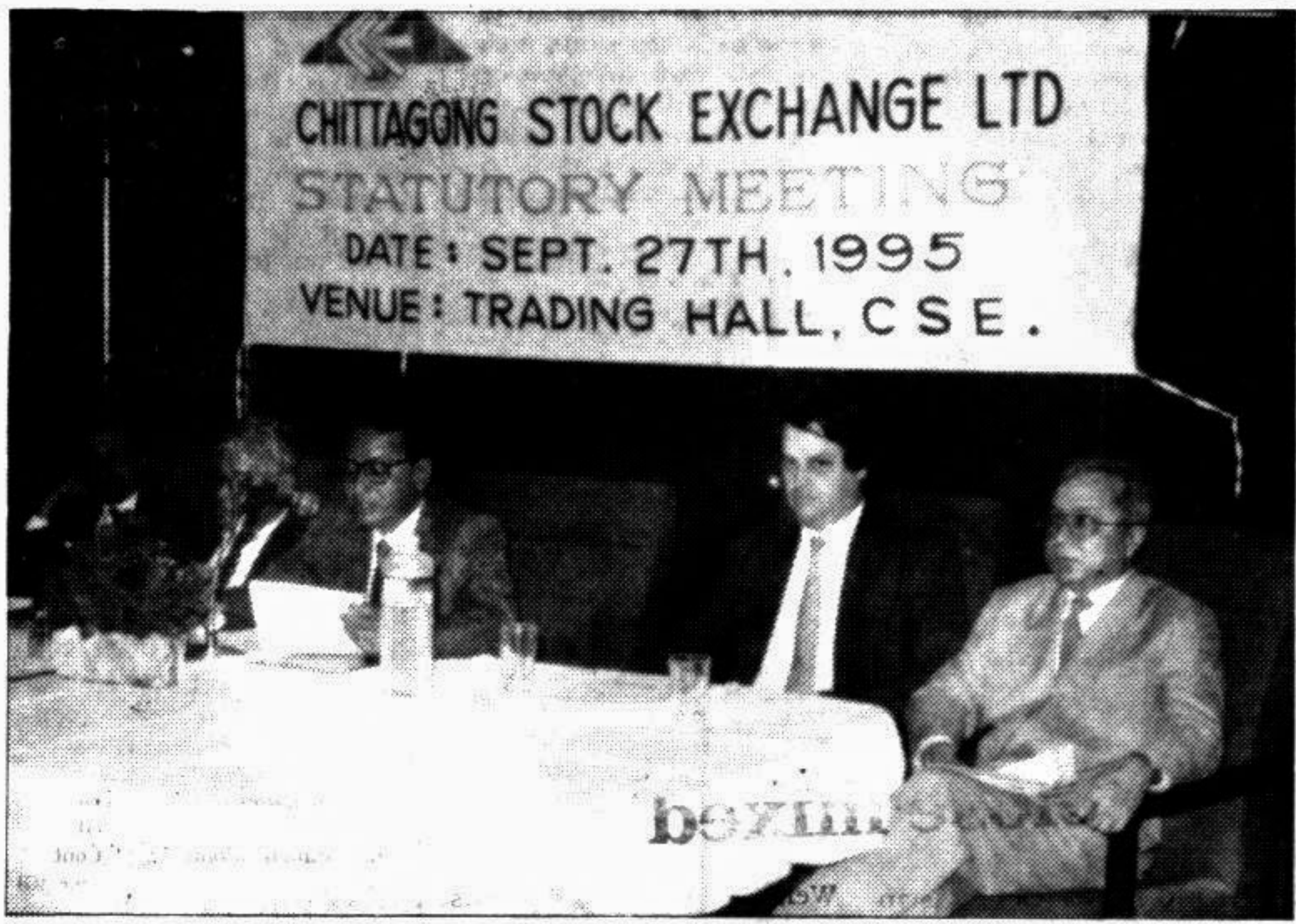
**Indian auto industry may get over \$ 3187m investment**

NEW DELHI, Oct 6: With more and more international automobile giants entering India, the country's auto-component industry is expected to attract investment of more than 100,000 million rupees (3187.76 million US dollars) over the next five years, according to industry estimates here today, reports Xinhua.

Most of the investments will be used in expanding the present production capacities which fall far short of the global average.

The demand for cars is expected to go up from the current 300,000 per annum to nearly one million cars per annum by the turn of the century.

The auto component sector is projected to grow by 10 to 20 per cent in the next few years.



President of the Chittagong Stock Exchange Amir Khosru Mahmud Chowdhury MP chaired the statutory meeting of the CSE on September 27. Accounts of the primary transactions were reviewed and unanimously approved at the meeting. Prime Minister Begum Khaleda Zia will formally inaugurate the CSE on October 16.

**Iran builds first offshore oil rig**

TEHRAN, Oct 6: Iran has built its first offshore oil drilling platform and begun installing it in the northern Caspian Sea, the official Islamic Republic News Agency IRNA said yesterday, reports AFP.

The platform weighs around 6,500 tons, has an area of 1,900 square meters (20,500 square feet) and rests on 130 meter-high (430 feet) pillars, the agency said.

It was manufactured by the Iranian construction firm Neka in Mazandaran province off the Caspian with the help of a Finnish consulting firm, IRNA said.

Iran has discovered several oil and gas reserves in its territorial waters in the Caspian Sea and plans to exploit them.

With an output of 3.6 million barrels of crude per day, Iran is the second largest oil producer within the Organisation of Petroleum Exporting Countries.

**JMB pile-driving work starts on Oct 15**

The pile driving work on the eastern side of the Jamuna Multipurpose Bridge will start on October 15 it was decided at a meeting held in the city Thursday, reports BSS.

The fourth "milestone" meeting of the Jamuna Multipurpose Bridge Authority (JMB) at the office of the authority was informed that experimental pile driving began on Wednesday.

Mohammad Ali, Secretary, Jamuna Bridge Division, the Ministry of Communications, presided over the meeting.

The construction of the guide bund on the western side of the bridge will also start on October 15. The actual work on the bridge began in October last year and 25 per cent work has already been done and the bridge is expected to be completed by December 1997 as per schedule.

The milestone meeting which is scheduled to last till October 8 is being attended by representatives of three development partners — IDA, ADB and OECF (Japan), a panel of experts, consultants on construction and officials of the bridge authority.

Selection of the exact site of the guide bund on the western side and finalisation of its design, pile driving of the main bridge and the procedure to be followed along with the schedule will be discussed in the meeting. Besides, it will also discuss finalisation of the details of the bridge's design, closure of the western channel, rehabilitation and the questions on conservation of the environment.

Meanwhile, a team comprising the representatives of development partners, the bridge authority and a panel of experts will visit the project site today.

**Economists predict Chinese inflation won't exceed 15 pc**

BEIJING, Oct 6: Chinese economist predict that the nation's annual inflation rate for 1995 won't exceed the government-set target of 15 per cent, the official Xinhua News Agency reported Thursday, says AP.

The predictions were contained in joint research reports conducted by the Chinese Academy of Social Sciences and the State Statistical Bureau.

The economists forecast the nation's retail price index at 14.7 per cent for the full calendar year. Unlike the broader consumer price index, the retail price index does not include services or utilities.

Xinhua did not say what the predictions for the consumer price index were. Last year, it rose 24.1 per cent from 1993. In August, it was 14.5 per cent from a year earlier.

The reports predicted China's gross domestic product for 1995 at 10.2 per cent, exceeding the government target of between 8 per cent and 9 per cent in 1995, said Xinhua.

Qiu Xiaohua, an economist with the statistics bureau, attributed the slower rate of inflation in 1995 in part to a decline in fixed-asset investment, plentiful agricultural production and better channels for commodity distribution.

While applauding this year's lower inflation rate, the economists warned that it still remained high and urged the government to continue efforts to curb rising prices, Xinhua said.

**Night-baking ban being reformed in Germany**

BONN, Oct 6: Germans should soon be able to eat fresh bread even on a Sunday, under the reform of an anachronistic law proposed by deputies of the country's centre-right coalition, announced here, reports AFP.

The reform would abolish the 80-year-old so-called night-baking ban, which prevents bakeries from opening for the sale of fresh bread on a Sunday.

Friedhelm Ost, Christian democrat chairman of the Bundestag's economics committee, told Bild Zeitung that the ban, enacted at a time of great cereal shortage, was "outdated and no longer serves any social function."

"It is good for all of us if we can buy fresh bread rolls on Sundays too. We are accordingly going to take the necessary legislative initiative in the Bundestag," he declared.

The move comes after a few German bakers have already begun to defy the law by baking and selling fresh bread on a Sunday. Generally, the last chance to buy fresh bread in Germany at the weekend is on a Saturday morning.

The proposed reform has the backing of the free democrat party's economics specialist Paul Friedhoff. "We can go to a restaurant or the doctor's on a Sunday, why not to the baker's," he told Bild.

**WB suggests govts -pvt sector ties to tackle environmental problems in South**

World Bank officials have called for new partnerships between governments and the private sector to provide needed funds to tackle serious environmental problems in developing countries, reports BSS.

According to USIS, the officials, speaking at the third annual World Bank conference on sustainable development in Washington reported October 4 that unsafe air and contaminated water are responsible for 80 per cent of the disease in developing countries and significantly reduced life spans.

"Never has there been a greater need to invest in environmental activities, and never have public funds been more scarce," said Ismail Serageldin, Vice President for environmentally sustainable development at the World Bank.

"More public money is not the answer," he added. "The World Bank is calling for a rethinking of how governments allocate resources, and is asking for new partnerships

with the private sector, local communities and non-government organisations to meet this challenge."

According to officials at the conference, there is an increasing recognition globally of the critical role of the private sector in developing countries, particularly in developing countries. They point out that total current spending on infrastructure in developing countries — amounting to about 200,000 million dollar a year — requires large-scale, long-term funding by private developers and is far beyond the means of governments and international lending agencies.

"Private enterprise must be encouraged to bring new technologies to developing countries," Serageldin said. "With the right kinds of incentives, price signals and regulations, private-public partnerships can be built that can have dramatic, positive impacts on the environment."

In the past, the private sector has tended to perceive environment requirements as

costs that reduce profits. But during the 1990s, environmental management has become a huge and growing business.

The World Bank estimates that the global market for environmental technologies, estimated at 300,000 million dollar in 1992, will grow to some 425,000 million dollar by 1997. The United States, Germany and Japan account for about two-thirds of total world output of environmental technologies.

The World Bank group, including the international finance corporation and the multilateral investment guarantee agency, are supporting private-sector investments of about 25,000 million dollar a year in developing countries through special loans and credit lines. This represents about 10 per cent of all investments by private enterprise in developing countries.

One example of this new partnership is aguas argentinas, a private sector consortium that is operating and expanding water and waste water services in Buenos

Aires. In the two years since the consortium took over these services, the city's water production capacity increased from 3.5 million cubic meters per day to 4.4 million, resulting in the first summer in 15 years without a water shortage.

In another project, the World Bank is financing a 295 million dollar private sector investment to rebuild a system for the treatment and disposal of waste waters in Bombay, India. Once completed, some 80 to 90 per cent of the buildings and 45 per cent of the population of Bombay will be connected to a sewage collection system, bringing significant improvements in health and quality of life. Currently, less than 2 per cent of the city's waste waters undergo any treatment before disposal to adjoining coastal and creek areas.

World Bank officials also suggested that a major way of assisting the global environment without new capital would be by cutting

"unnecessary" subsidies. They pointed out that by requiring that people pay for the actual economic value of products or services they use, natural resources can be protected, and revenues saved from subsidies can be reallocated for other development activities.

The World Bank estimates that costs not recovered from users in just three sectors — power, water and railways — are estimated at 125,000 million dollar annually, nearly 10 per cent of total government revenues in developing countries.

The bank said governments can also develop new taxation policies that encourage private sector investments, and impose punitive taxes on polluters.

The three-day conference, entitled "effective financing of environmentally sustainable development," is being attended by local government officials, private sector leaders, environmentalists, scientists and scholars from both industrialised and developing countries.

**Proper financing to boost pvt sector stressed**

CHITTAGONG, Oct 6: Speakers at a seminar here Thursday called for development of infrastructure including technical manpower and proper financing system for the promotion of private sector, reports BSS.

They said without proper flourishing of the private sector Bangladesh would not be able to cope with the competitive global economy.

The seminar on development of private sector in Bangladesh was arranged by Chittagong Chamber of Commerce and Industry (CCCI) in its conference room. CCCI President Sarwar Jamal Nizam inaugurate the seminar while Dhaka University Treasurer Dr M Shamsul Huq presented keynote paper on the subject. Senior Vice President of the Chamber Zafarul Islam Chowdhury, Vice President Nurul Kayum

Khan, Chamber Director Amir Humayun Mahmood Chowdhury and eminent economist Prof Muzaffar Ahmad took part in the seminar.

They said Bangladesh would have to encourage the growth of small and medium industries side by side big one because of her financial strain, and lack of high technology and trained manpower. The banks should also identify the economically viable sectors and then go for advancing loans to investors, they added.

They pointed out that at present there was Tk 13,000 crore unrealised bank loan in the country which had put strain on the financial institutions to advance loans to productive sectors.

They particularly stressed the need for developing infrastructure in rural areas

**Mexico agrees to \$ 700 m debt repayment to US**

WASHINGTON, Oct 6: Mexico agreed on Thursday to repay the United States 700 million dollar in loans provided to bail out its economy, the first payment on the dir 12.5 billion it borrowed, reports AP.

The announcement was made at the White House by Deputy Treasury Secretary Lawrence Summers.

"The Mexican financial programme is working and we are seeing that American tax-payers are being protected just as we promised," Summers said.

The 700 million dollars is the first repayment of the 12.5 billion dollars in emergency loans supplied by the United States earlier this year to help Mexico get through a severe financial crisis.

The White House hoped the announcement would

buffer the Clinton administration against attempts by republican lawmakers to scuttle the bailout.

Summers said Mexican president Ernesto Zedillo told Clinton by telephone Thursday that the first payment was on its way to the United States.

With critics in mind, Summers argued Thursday that the bailout prevented a crash of the Mexican economy that also would have hurt US exports.

Thursday's announcement does not end Mexico's financial troubles. The country remains mired in a deep recession. But both the administration and the Mexican government hope the repayment would provide confidence to international investors that Mexico's economic recovery programme is working.

**Salman off to Washington**

Salman F Rahman, President, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) left Dhaka yesterday for Washington to participate in the country seminar to be held here on October 8 and 9. The seminar will precede the annual general meeting of the World Bank, and International Monetary Fund (IMF).

The World Bank has decided to hold a series of country seminars for private sector investors from South Asia. Bangladesh has been selected for the seminar.

During the seminar each country will present country paper which will be attended by high level financial investors and other selected peoples.

He is expected to return to Dhaka on October 11.

**Fisheries contribution to economy rising: Noman**

YOGYAKARTA (Indonesia), Oct 6: Minister for Fisheries and Livestock Abdullah Al Noman has said that the contribution of fisheries sector to Bangladesh's national economy is gradually increasing and the country needs international cooperation for the development of the marine fisheries resources, reports BSS.

He was addressing the 9th session of the Asia-Pacific fisheries commission of the Food and Agriculture Organisation (FAO) here on Monday.

The fisheries minister said that Bangladesh was relatively rich both in inland and marine fisheries resources though much of these resources were yet to be fully explored. He said that the present government had put greater emphasis on the development of marine

fisheries resources and made all out efforts for its optimal use and added that the government had promulgated marine fisheries ordinance and marine fisheries rules for management, conservation and development of marine fisheries.

Referring to the present status of marine fisheries resources of Bangladesh Noman said that Bangladesh had got 4.05 million hectares of open water, 0.15 million hectares of closed water bodies and 0.146 million hectares of shrimp farms in the coastal region and 480km coast line.

The minister pointed out that fisheries sector contributes 4.71 per cent to the country's gross domestic products (GDP) and 12 per cent to the total export earnings. He said that Bangladesh now produced about 1.18 million metric tons of fish