



HYUNDAI

CARS THAT MAKE SENSE

DSE weekly review: No negative impact of opening of CSE Market capital rises by Tk 105 cr

By Sharier Khan

The Dhaka Stock Exchange (DSE) continues to enjoy an upward trend for the fourth consecutive week while share prices have also gone up significantly and market capitalisation increased by Tk 105 crores.

With the opening of Chittagong Stock Exchange (CSE) from this week, it was initially apprehended by small investors that there might be some negative impact on the DSE. But the DSE continues to enjoy record trading this week.

The all share price index of DSE shot up by 2 per cent or 16.88 points to 848.31 at the closing of the week Thursday from the previous week's 831.44 points.

The DSE market capitalisation continues to bulge. It rose by Tk 1.05 billion to Tk 52.86 billion this week from Tk 51.81 billion of the previous week.

The daily average volume of trading sharply rose by 87,000 shares to 3.24 lakh shares from the previous week's 1.69 lakh shares.

The daily average value of trading rose by Tk 1.19 crores to Tk 4.63 crore from Tk 3.44 crores of the previous week.

A total of 12 lakh 96,699.50 shares and debentures worth Tk 18 crore 55 lakh 31,446.25 were traded during this four-day week against 11 lakh 87,242 shares and debentures worth Tk 17 crore 22 lakh 58,072.75 of the previous five-day week.

Some 396 issues were traded this week having 211 gainers and 136 losers against 472 issues having 208 gainers and 204 losers of the previous week.

A sample of 20 frequently

traded issues show that all these issues marked rise in their prices by Tk one to Tk 200 per share in one week.

Among these, the price of newly enlisted Lexco jumped to Tk 1103 from Tk 900, newly enlisted Bangladesh Zippers jumped to Tk 159 from 149, 7th ICBMF to Tk 139 from Tk 137, Bangladesh Lamps to Tk 2797 from 2771, Singer Tk 5165 from Tk 4915 and Beximco Pharma Tk 80 from Tk 79.

Beximco Pharma shares sold more than half of the total trading of the DSE. In one week, it sold 7 lakh 54,500 shares.

Other volume leaders of the week, Beximco Textiles sold 57,178 shares, Bangladesh Zippers 40,651 shares, Eastern Housing 36,420 shares, Apex Weaving 31,973, Meghna Cement 25,233, Bombay Dyeing 23,000 BOC

17850 and 7th ICBMF 16,703 issues.

A much smaller CSE also launched its activities with a positive note. In just three days of its functioning, its all share price index jumped up by 18.38 points to 398.03 from 379.65.

Although trading at the CSE floor over 30 issues of 23 companies remained very poor as a total of 1675 shares worth Tk 6 lakh 9,349 were traded in the three days, its capitalisation rose by Tk 39 million in the same period to Tk 8.34 billion from Tk 7.95 billion.

Market operators of DSE noted that the CSE would gradually improve as it would gain experiences and when local investors of Chittagong would be more aware of the investment benefits of the secondary market.

India, Russia make progress in trade talks

NEW DELHI, Oct 13: India and Russia ended four days of trade talks yesterday with an agreement which officials from both sides said removed important irritants to a promising resurgence in two-day business.

"We have made major progress," Indian Foreign Minister Pranab Mukherjee told Reuters at the conclusion of the talks during which India also pledged medical aid for victims of the 1986 Chernobyl nuclear accident.

"We are generally very satisfied with the results," Russian Deputy Prime Minister Yuri Yarov said.

The two ministers led their delegations to the second meeting of the India-Russian joint commission, charged with ironing out problems relating to trade, science and technology.

Bilateral trade between the cold war allies, both of which have cast off socialist controls, has rebounded after falling into the doldrums with the breakup of the Soviet Union.

Total trade fell to 1.1 billion US dollars in 1993 from 5.5 billion US dollars in 1990 and 3.5 billion in 1991 as the value of the rouble plunged, disrupting terms of trade and India's debt repayment.

But commerce picked up to 1.4 billion US dollars in 1994, and officials expect it to top 2 billion US dollars this year and near 3.5 billion US dollars this year and near 3.5 billion US dollars in 1996.

The bulk of India's exports are linked to repayment of its debt, which in July stood at 6.1 billion. Most of the 1 billion US dollar worth of rupees which Delhi is repaying to Moscow each year is used by Russian importers to buy Indian goods.

Majority of BCIC units shows decline in output over 5 yrs

By Reaz Ahmad and Mizan Ali

The majority of the state-run industrial units under the Bangladesh Chemical Industries Corporation (BCIC) shows a huge reduction in their production over the last five years.

According to a recent statistics compiled for the Industries Ministry's Year Book 94-95, out of a total number of 21 heavy industrial units, the production of at least 13 industries has fallen.

This is the first effort to produce a Year Book depicting the picture of various corporations of the ministry.

The industries which went down with production comprise mainly paper, pulp, printing, packaging, rayon, hard board, drycell battery, glass sheet, sanitary wares, safety matches and PVC pipes.

On the other hand, the industrial units which showed an upward trend in production are: urea fertilizer, TSP and SSP fertilizer, cement and chemicals.

Significant decrease was marked in the production of Karnaphuli Rayon and Chemicals (818 MT produced in '94-95 compared to 2018 in '90-91), Ujala Match Factory (3271 million pcs against 23105 million pcs), Lira Industrial Enterprise producing PVC pipe (409 MT against 600 MT), Natural Gas Fertilizer Factory (83,538 MT against 100,172 MT).

The paper and paper related industries marked a remarkable decrease in their production in '94-95 compared to '90-91.

According to the statistics of the paper related industrial units whose production decreased are: Khulna Newsprint Mills (production in '94-95 is 43,062 MT compared to the base year production of 49,510 MT), Kar-

naphuli Paper Mills (29350 MT against 31,628 MT), North Bengal Paper Mills (10,383 MT against 11,462 MT), Sylhet Pulp and Paper Mills (17,561 MT against 18,018 MT), Khulna Hard Board Mills (14,990 Sq M against 15,390 Sq M).

The production of other industrial units which also decreased in the last fiscal year compared to the base year of 1990-91 are: Kohinoor Battery Manufacturing Company, Usmania Glass Sheet Company, Bangladesh Insulator and Sanitary Ware Factory and Eagle Box and Carton Manufacturing Company.

All of the six urea fertilizer factories under BCIC excepting Natural Gas Fertilizer Factory in Sylhet registered in-

crease in their production in 1994-95 compared to that of 1990-91.

However, the production of five urea factories - Chittagong Urea Fertilizer Factory, Jamuna Fertilizer Factory, Zia Fertilizer Factory, Urea Fertilizer Factory, Ghorashal and Palash Urea Fertilizer Factory - fell down in comparison to that of 1993-94 excepting the last one.

TSP Complex, the lone factory under BCIC that manufacture Triple Super Phosphate (TSP) and Single Super Phosphate (SSP), also marked a rise in production during the period.

The two other concerns with increased production are: Chittagong Chemical Complex and Chhatak Cement Company.

IMF praises economic reforms in Bangladesh

Finance Minister M Saifur Rahman, who is now visiting the United States, held a meeting with Managing Director of the International Monetary Fund (IMF) Michel Camdessus on Thursday in Washington, according to a message received here yesterday, reports BSS.

Rahman, who is leading the Bangladesh delegation to the annual meetings of the Board of Governors of the World Bank and the IMF, was warmly welcomed by Camdessus. The IMF chief complimented the Bangladesh government on its commitment to and success of sustained economic reforms.

Impressive growth of export and manufacturing sectors, sustained low inflation, improved performance of the financial sector, investment growth and overall sound economic management were

marked as the dividends of the reform policies, the message said.

In the meeting both Rahman and Camdessus agreed that to hold the benefits of the reforms, it was essential to continue to liberalise the economy and to sustain the pace of reforms including reforms in the areas of labour market, privatisation, legal framework and financial market.

It was felt that containing current expenditure was important to continue the healthy reserve position that Bangladesh now enjoys.

The IMF managing director said if the dramatic improvement that Bangladesh achieved in the last four years was sustained, it would lead the country to an economic take off in the very near future.

Dhaka-Tehran trade picks up in '95: Shamsul

Information and Commerce Minister M Shamsul Islam on Thursday said that the state visit by Iranian President Akbar Hashemi Rafsanjani would contribute to "further increase" in co-operation and trade between Bangladesh and Iran, reports BSS.

Talking to newsmen, at the International Conference Centre after the two countries signed a number of memoranda of understanding (MOUs) the minister said, "Bangladesh-Iran trade picked up this year, in future I hope it will further increase."

"We will be able to sell more to Iran," he said.

A long range of understanding has been reached, he said, through the signing of a number of MOUs to promote bilateral cooperation. The minister described the trilateral memorandum of understanding, also signed Thursday among Bangladesh, Iran and Turkmenistan, to provide transit and access to Bangladesh goods to the five Central Asian republics as "very significant from the trade point of view."

He said that at their formal talks, assisted by aides, President Rafsanjani and Prime Minister Begum Khaleda Zia, discussed the entire range of bilateral cooperation and regional and international issues of common interest.

Foreign Secretary Farooq Sobhan and Bangladesh Ambassador to Iran Syed Moazzem Ali were present at the press briefing.

He said that the visit would diversify and increase bilateral trade.

The Minister for Information and Commerce said the trilateral MOU signed by Bangladesh, Iran and Turkmenistan would enable Bangladesh to reach the Central Asian countries to buy and sell.

He told a questioner that another trilateral agreement would be signed "as soon as possible" to enable Bangladesh conduct trade with the Commonwealth of Independent States (CIS) through Iranian transit.



Iranian Foreign Minister Ali Akbar Velayati (L), Bangladesh Commerce and Information Minister M Shamsul Islam (M) and Turkmenistan Foreign and Economic Relations Minister Orazov Meret Balamrov seen signing the trilateral memorandum of understanding on 'international road and rail transport and transit' in the city on Thursday. —PID photo

Delay in replenishment of IDA resources to hurt South: Saifur

WASHINGTON, Oct 13: Finance Minister M Saifur Rahman expressed concern over the uncertainty over the replenishment of the 11th International Development Association (IDA) and said any delay in adequate replenishment of the resources, would seriously hurt the world's poorest and would jeopardise the World Bank's main objectives, reports BSS.

Making a statement at the joint annual discussion of the World Bank and IMF Wednesday, the Finance Minister referred to the appeal made by Prime Minister Begum Khaleda Zia to the heads of government of the G-7 countries for their generous contribution towards the 11th IDA replenishment to meet the growing demand for concessional credit facility by the poorest countries.

Presided over by the Chairman of the Board of Governors of the World Bank and IMF, Paul Dossou, the meeting was also addressed by the US President Bill Clinton. The Chairman of the Executive Board of the IMF, Michel Camdessus was present.

Rahman said that the uncertainty over replenishment was, in great measure, dispelled by President Clinton's vision of a world free from the curse of poverty and his clarion call for an international order based on democratic values, accountability and the rule of law. The finance minister said, we are deeply appreciative of his (Clinton) impassioned and firm commitment to the IDA replenishment.

Dwelling on the global Forest Dept in Cox's Bazar earns Tk 12 cr by selling uprooted tress

COX'S BAZAR, Oct 13: Forest Department of the district has so far earned Tk 12 crore till date by selling trees uprooted by tornado and cyclone, reports UNB.

Environment and Forest Minister Akbar Hossain was informed this Sunday by the forest officials. The minister came here on a two-day visit to see for himself the ongoing afforestation campaign in the coastal areas.

The officials also informed him that the department have afforested about 4,000 acres of fallow lands of the district during 1993-94 and 1994-95 fiscal years.

economy, the finance minister said the world economy made good progress during the 1994. A number of developing countries continued to show strong growth but growth was weak and the standard of living stagnated in the poorer countries, he added.

Rahman said that the poorer countries required stronger international support to put them on a sustainable growth path. The poorer countries must also be allowed to benefit fully from the Uruguay Round agreements.

The finance minister referred to the threat of new trade barriers in the name of environment, social and employment considerations and said such threats were matter of concern for the poorer countries.

"We are concerned at the threat posed by the debt problems of low income developing countries," he said. The lack of progress in fiscal consolidation, particularly deficit reduction, structural reform in the industrial countries are causing real interest rate to be high and adding to the volatility of exchange rate movements, he added.

Over 7 lakh MT of wheat may be produced in Rajshahi Div

BOGRA, Oct 13: About seven lakh 31 thousand metric tons of wheat is expected to be produced in Rajshahi division in the coming rabi season, reports BSS.

Official sources said nearly four lakh hectares will be brought under the wheat cultivation drive to achieve the target.

In greater Bogra district 36 thousand ton of wheat will be produced on 18 thousand hectares in the season.

About 80 thousand hectares have been brought under the programme in greater Rajshahi district. It is expected that nearly one lakh 50 thousand tons of wheat will be produced in the district.

In Pabna, one lakh 71 thousand tons of wheat is expected to be produced on 85.5 thousand hectares.

An intensive programme has been taken in greater Dinajpur to produce nearly 93 thousand tons of wheat on 96 thousand hectares the Agriculture Department has already started distributing seeds, fertilizer and pesticides among the farmers to achieve the target of wheat production in the division.

Australia will stick to economic policy

CANBERRA, Oct 13: The Australian government will hold the line on economic policy despite forecasts of higher underlying inflation, Treasurer Ralph Willis said today, reports AFP.

The government has forecast underlying inflation will rise above 3.0 per cent in the year to June 1996, breaching a loose long-term target of 2.0-3.0 per cent set by the Central Reserve Bank of Australia.

Willis said in his May budget that underlying inflation, measured at 2.5 per cent in the year to June according to latest official data, would rise to 3.25 per cent in 1995-96.

"Clearly some time during the course of this year we're going to see the rate move up over the three per cent mark, I don't want to forecast when that will occur," Willis told Australian Broadcasting Corp, radio.

"And when it does it shouldn't be seen as some unexpected outcome — it was forecast in the budget. So, we will not take the development of something that we forecast as a reason to change policy."

The Reserve Bank of Australia lifted the official interest rate last year from 4.75

per cent to 7.50 per cent in successive preemptive strikes against inflation.

"Obviously we will continue to assess the appropriateness of policy on all fronts as we go along," Willis said in an interview from New York.

"But simply because we see the rate going outside the two to three per cent range as forecast for a period of time doesn't mean to say it's a breach of the target."

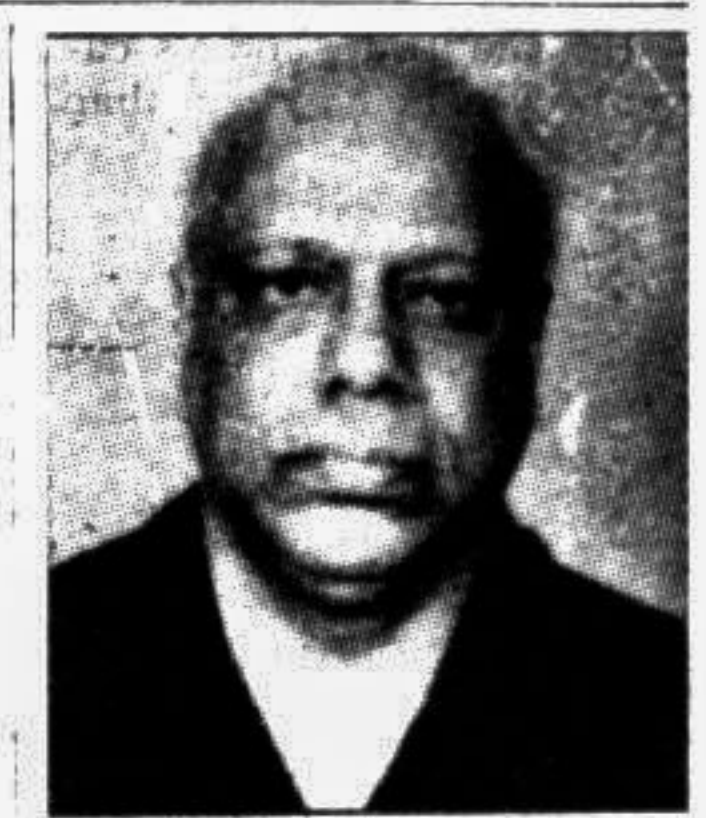
The treasurer also said government policy would not be altered by a rise in the country's unemployment rate — from a seasonally adjusted 8.3 per cent in August to 8.5 per cent in September.

"There are no macro-economic policy implications from these figures," Willis said.

New executives of Bagerhat chamber

BAGERHAT, Oct 13: Sheikh Delwar Hossain, Syed Kamrul Islam and Mir Murraddoula have been elected president, senior vice-president and vice-president of the Bagerhat Chamber of Commerce and Industry respectively, reports UNB.

The election was held at the chamber office recently.



Indian management specialist due today

The management specialist of India, Sharu S Rangnekar is arriving in the city today to conduct a number of important top and senior level management training seminars and courses for various companies in the private and public sector, says a press release.

Invited by Rapport Bangladesh Limited, Rangnekar will be the keynote speaker at the inaugural ceremony of the Second Investment Seminar of the Housewives to be held tomorrow at Sonargaon Hotel.

He would conduct three top and senior management training courses on Stock Market Operations in Bangladesh, Higher Management Skills and In Search of Excellence.

'Investors need not fear reversal of econ reforms in Philippines'

MANILA, Oct 13: Investors need not fear a reversal of economic reforms by President Fidel Ramos's successor as many are the result of global agreements to which the Philippines is party. Foreign Secretary Domingo Siason said in an interview yesterday, reports Reuter.

Siason was responding to widely expressed concerns about the Philippines' future when Ramos's term of office ends in 1998.

The main concerns are whether a successor will undo the liberalisation measures credited with helping transform the Southeast Asian nation's economy.

Siason said the administration's priorities are to complete both economic and social reforms to ensure the current growth is based on stable foundations.

Ramos's successor will be constrained to follow internationally accepted guidelines

Few of 800m suffering from chronic hunger hear of FAO

ROME, Oct 13: The world has about 800 million people suffering from chronic hunger but few of them have heard of the agency founded to help feed them, reports Reuter.

The Rome-based Food and Agriculture Organisations (FAO), which celebrates its 50th birthday in Quebec City, Canada, on October 16, is the biggest autonomous agency operating within the United Nations system and one of the least known.

Familiar to experts in the developing world and to agricultural scientists, the FAO and its motto "fiat panis" (let there be bread) is a stranger to front-page news.

Now, after half a century of diligent but often unremarkable endeavour, the agency says a wind of change is blowing through its modern marbled headquarters near the ancient Roman Circus Maximus, a short stroll from the Coliseum.

"We're changing this organisation to go back to ba-

sics, to be a centre of excellence," Frederick Zenny, the FAO's Assistant Director General for General Affairs and Information, told Reuters in an interview in his office.

"The richer countries keep reminding us, and they're right, that in a way we've lost our way," he said. "The ball game has changed and we have to change."

The FAO's constitutional mandate, for those wondering what it does, is to raise levels of nutrition and standards of living, to improve agricultural productivity and to better the conditions of rural populations.

To do this, it collects and publishes information, warns of impending famine through an "early warning system" that uses the latest satellite technology and plays an important role in tackling the world's food and farming emergencies.

All of which has a cost that is becoming increasingly tough to meet in a general

climate of belt-tightening.

Gone are the days when all things seemed possible, when money was easy and the developing world was going to industrialise itself quickly with huge projects.

The FAO's two-yearly budget is due to be set later this month and already there are signs that the agency, which wants 700 million dollars is likely to receive less in real terms than it did in 1993 when it was granted 670 million dollars.

"In real terms we have barely kept our head above water," said Zenny, a Haitian. "We have not grown with this next budget, we will be going into negative growth."

In this tightened financial climate, the emphasis is more than ever on self-reliance.

"(Countries) must forget about the old fancy, sexy projects and go back to feeding the people," said Zenny. Some critics have in the past accused the FAO of

abandoning traditional third world subsistence farming for western-style high technology cash crops with disastrous results.

The major donors have meanwhile criticised perceived budgetary inefficiency and overstaffing.

Former Director General Edouard Saouma of Lebanon, who ran the FAO for 18 years, was accused of autocratic leadership and of concentrating too much on the interests of the third world.

Now it has a new Director General in Senegal's Jacques Diouf, who last year became the first African to lead the organisation, new policies and a new outlook — although Diouf has yet to grant an interview to the print media.

The 50th anniversary celebrations concentrate on the theme "food for all," with the focus particularly on the role of agriculture, fishing and forestry.

The public profile may still be no higher than a scoop of rice but staff levels

have been reduced, with 4,653 people actually employed as of June compared with 5,458 positions officially listed at the last budget in 1993.

Amazingly, to those used to the more guarded Saouma years, past mistakes are publicly acknowledged.

One of these, said Zenny, was to ignore Non-Governmental Organisations (NGOs). "We made mistakes," he said. "We must always be ready to discuss things with these people, no matter how tired some or objectionable. They have a right to be heard and my own feeling is that we didn't do a very good job in the past."

"The NGO community think that we're party to the worst practices, which is not true, and they tend to identify us as upholders of the status quo," he said.

"It's a no-win situation. The only thing you can do is be as scientific and factual as you can. In the long term it's the only thing that can sus-

tain your credibility."

Zenny said the NGO "explosion" and the change in the world political scene since the fall of the Berlin Wall were among the major changes the FAO had to deal with in recent years, apart from famine in Africa and war and disasters elsewhere.

When the organisation was founded in Quebec City in 1945, just after the end of World War Two and eight days before the United Nations came into being, it had 44 members.

Going into its 51st year, it groups 171 nations.

Summing up the last half century, Diouf said in a pre-released speech that the FAO's mission remained as valid now as when it was founded in Quebec City's Chateau Frontenac Hotel.

"However, we believe that what is needed now, if the fight against hunger is to succeed, is to mobilise the political will at the highest level," he said.

WFP, Ethiopia sign two agreements on grants of \$ 33.14m

ADDIS ABABA, Oct 13: The World Food Programme (WFP) and Ethiopia yesterday signed two agreements on grants of 33.14 million dollars, reports Xinhua.

The first grant amounting to 29.17 million dollars is to be used with a view to stabilising land productivity, increasing farmers' incomes and improving food security, according to the agreement.

The grant includes the supply of 108,579 metric tons of wheat and 4,064 metric tons of vegetable oil, which will serve as a work incentive for farmers.

An estimated 156,000 families would directly benefit from the grant, a statement said after the signing of the grant agreements.

The second grant amounts to 3.97 million dollars. It is earmarked to better food security for poor households in the capital city Addis Ababa