

US dollar falls
against most
major units in NY

NEW YORK, June 1: The dollar was sharply lower against the other major currencies Friday except the yen amid a slump in the US bond market, reports APF.

Gold was up 40 cents an ounce to 390.90 dollars compared to its closing Thursday.

The dollar was trading Friday at 1.5235 German marks compared to 1.5353 Thursday, 108.12 yen compared to 107.65, 5.1590 French francs compared to 5.1487, 1.2487 Swiss francs compared to 1.2600, and 0.6447 British pound compared to 0.6519.

A treat of capital from the US bond market sent the dollar tumbling. The interest rate on bell weather 30-year treasury bonds was up Friday to 7 per cent compared to 6.93 per cent Thursday.

Traders are apt to be cautious next week as they wait for Friday's release of monthly US employment statistics. Analysts expect creation of 150,000 to 250,000 jobs in May and an unchanged unemployment rate of 5.4 per cent.

HK's GDP may
grow by 5 pc
this year

HONG KONG, June 1: Hong Kong's gross domestic product (GDP) is forecast to grow by five per cent this year, unchanged from a previous forecast made in March, the government said yesterday, reports APF.

Gradual recovery in consumer demand, revival in private sector building activity and continued heavy investment in infrastructural projects are expected to render a stronger growth momentum in the domestic sector, the government said in a statement.

The statement said growth in exports of services was expected to be strong, which should help offset more moderate growth in exports of goods.

The government forecasted that the consumer price index's main measure, which tracks the 50 per cent of Hong Kong households spending between 2,500 and 9,999 Hong Kong dollars (\$20 and 1,290 US dollars) per month, would rise 7.5 per cent in 1996, unchanged from its forecast in March.

The possibilities of moderation of inflation in the latter part of 1996 will "probably be smaller" due to an expected "light pick up in economic activity over the course of the year and a rebound in the prices of some key commodities," it said.

The government expects total export growth in 1996 of 9.8 per cent against a previous forecast of 10.0 per cent. Imports growth is now seen at 7.6 per cent, down from a previous estimate of 7.8 per cent.

French economy
experiences
mini boom in
three months

PARIS, June 1: The French economy experienced a mini-boom in the first quarter of the year, driven by a surge of consumer spending compensating for a slump caused by strikes in November and December, reports APF.

February had 29 days this year, a leap year, and the extra working day was also a factor pushing growth to 1.2 per cent over the figure in the last quarter of last year when output had fallen by 0.4 per cent.

The national statistical institute Insee, which published the data, said that overall in the first quarter, the way in which working days had fallen in the first quarter of this year

had contributed about half a percentage point to growth.

Consumers had compensated for shopping which they had not been able to do during a wave of strike in the public sector at the end of last year, Insee said, but it did not put a figure on the effects of this.

The winter had been severe and this had resulted in an increase of output by the energy sector.

Insee said that growth in the first quarter now meant that if gross domestic product remained static for the rest of the year, output for the whole year would increase by 0.9 per cent.

Household consumption had risen by 2.4 per cent on average during the first quarter from a decline of 0.3 per cent in the last quarter of last year.

By comparison with data for the first quarter of last year, household consumption had risen by about 3.5 per cent.

In the first quarter, purchases of cars had risen by 19.7 per cent from a decline of 0.3 per cent in the previous quarter, but all sectors of consumption of manufactured products showed an increase.

Investment by companies had risen by 3.1 per cent in the first quarter from a decline of 0.8 per cent in the last quarter of last year, and by 2.0 per cent on a 12-month comparison.

Investment by public administrations had fallen by 6.5 per cent but overall investment by companies, households and administrations had risen by 0.1 per cent in the first quarter.

Myanmar's currency falls by
10 pc against dollar

YANGON, June 1: Myanmar's kyat currency has fallen nearly 10 per cent against the dollar in recent weeks, and traders and analysts on Friday blamed everything from good border trade and a higher money supply to telephone bills, reports Reuters.

Economists and currency traders could not agree on a single factor for the currency's fall to about 136 kyats to the dollar on Friday from about 125 kyats in the first week of May.

"Nobody really knows exactly why it's dropped," said one foreign analyst. "There are probably a variety of reasons."

He and other economists said that is not unusual in a country with an immature money market that has only the currency move freely for a short while.

The government, which has set the official exchange rate at 5.8 kyat to the dollar, in December legalised the exchange of foreign exchange certificates (FECs) for kyats.

Previously the FECs, which were introduced as a parallel currency in 1993 mainly so foreign tourists would not have

to deal at the overvalued official rate, could only be exchanged for dollars.

Now, 10 exchange counters swap kyats for FECs at roughly the dollar-FEC rate.

The dollar rate has been pretty stable for the past year or so at about 125," said The Tun, a member of the board of Tun Foundation Bank. "But all of a sudden it's gone down."

That Tun attributes the drop to an increased money supply, noting the government recently added to the already-large amount of kyats in circulation with a programme to make about 20 billion kyat in loans to public sector employees.

"So the injection of all this money is responsible for the fall," he said.

Others said it was the growing demand for dollars and FECs that caused the kyat to fall.

"The dollar's value depends on border trade," said one currency trader, speaking anonymously. "When things are normal and peaceful and trade is very good, dollars are in higher demand as goods come in."

Ships also are clogging Yangon's port now, waiting to unload what industry sources say are construction supplies for various buildings and infrastructure projects.

But the most popular answer for why the kyat has dropped was the recent wave of telephone installations and, consequently, the need of more people to pay monthly phone bills.

The government began installing more telephones about two months ago to meet a demand that is about double the supply.

Residents pay 1,500 dollars in FECs to have a telephone installed. Monthly bills also are paid in FECs since Myanmar people are not supposed to have dollars.

FECs also have lucrative bargaining power, traders said. FECs can be used to buy an unlimited amount of normally rationed gasoline and give people priority in buying airline tickets and other goods.

Whatever the reason, traders and analysts say the kyat will continue to drop against the dollar as the economy grows, hitting about 150 to the dollar within a few weeks.



Cyclists ride past a bus station decorated with Coca Cola advertising board in Ho Chi Minh city May 29. The American soft drink giant has been launching massive advertising campaigns across Vietnam in particular in the bigger cities like Ho Chi Minh with its population of some five million people.

9 electronic cos convicted
of rigging bids in Tokyo

TOKYO, June 1: Nine electronics manufacturers, including industry leaders Hitachi Ltd and Toshiba Corp, were convicted Friday of rigging bids on a government contract, reports APF.

The Tokyo High Court imposed a total of 460 million yen (4.3 million dollars) in fines on the nine companies for "dango," a business practice where companies agree to their bid prices, and thus the contract winner, among themselves before the bidding takes place.

The informal agreement system is illegal, though a common practice in public works projects. Foreigners claim it is a major impediment to penetration of the Japanese construction market.

Friday's ruling, over 1993 bidding for electronic monitors to be used in sewage projects, was the first application of new fines under a 1992

stiffening of anti-monopoly laws in response to a US demand for tighter penalties.

Prosecutors told the court that the companies used a "draft" system, similar to those used in professional sports, to prioritize which contracts they wanted.

A former deputy chief of the Japan Sewerage Works Agency's engineering department, Tomikazu Nishikawa, was sentenced to eight months in prison with a two-year suspension of sentence for providing information about the bids beforehand.

The agency, an affiliate of the Construction Ministry, conducts bidding on behalf of local governments carrying out sewage projects.

Tadaharu Kanda, presiding judge of the Tokyo High Court, accepted the prosecution's account of the case and told the court that the bid-rigging was a "vicious crime."

\$30m Kuwaiti loan
to China's
Ningxia region

BEIJING, June 1: A delegation led by Kuwait's ambassador to China and the head of the Kuwaiti Arabian Foundation has agreed to provide a 30 million dollars loan to the impoverished Ningxia region, Xinhua reported yesterday, according to APF.

The loan will contribute to 400 million dollars project to irrigate 133,300 hectares of land in northern Ningxia, which will benefit at least 200,000 people, it said.

The Kuwaiti delegation, headed by foundation President Bader Al-Humaidhi and Ambassador Abdulmohsen Nasir Al Ghan, which recently returned from Ningxia, also pledged a further 110 million dollars in loans pending a further inspection of the area, the news agency said.

Ningxia is inhabited by 1.7 million Muslim Hui people, 65 per cent of whom still live below the poverty line.



John Kemp Welch (L), Chairman, London Stock Exchange, signing a leasing agreement May 30, with Jack Wigglesworth, Chairman of the London International Financial Futures and Options Exchange for the trading floor of the Stock Exchange.

Europe's newest rocket thunders
into space June 4

PARIS, June 1: It cost 7 billion dollars to develop, yet it is as disposable as a Dixie cup.

On June 4, Europe's newest line of throwaway rocket the Ariane 5, thunders into space for the first time, carrying with it a continent's hopes of locking up the lucrative satellite launch market.

Backed by 53 European shareholders, mostly governments and state run companies, French-led ArianeSpace now dominates roughly 60 per cent of the multi-billion dollar launch market. Its rockets raking in 1 billion dollar a year in mid May, ArianeSpace

placed its 86th satellite in orbit. It has a waiting list of 45 launches worth nearly 45 billion, including eight more planned this year from its launch site in Kourou, French Guiana, on the northeast shoulder of South America.

ArianeSpace puts aloft mostly weather and telecom communications satellites that jet billions of people around the world chat on cellular phones, beep each other on pagers, access the Internet and view hundreds of TV programs.

Its competitors — American, Russian and Chinese launchers — are scrambling to catch up.

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Exchange Rates

Sonali Bank

The following are the Sonali Bank's dealing rates to public for some selected foreign currencies with Bangladesh Taka as on June 1, 1996.

	Selling		Buying	
	T.T. & O.D.	B.C.	T.T. (Clean)	O.D. Sight Transfer
USD 1 B.T.K.	41.9110	41.9510	41.6150	41.4555 41.3610
GBP 1 B.T.K.	65.1959	65.2581	64.2180	63.9719 63.8260
DM 1 B.T.K.	27.6727	27.6991	27.1895	27.0853 27.0236
FRF 1 B.T.K.	8.1764	8.1842	8.0347	8.0039 7.9857
CAD 1 B.T.K.	30.7786	30.8080	30.2461	30.1302 30.0615
SFR 1 B.T.K.	33.7423	33.7745	33.1494	33.0223 32.9471
JYEN 1 B.T.K.	0.3919	0.3923	0.3815	0.3800 0.3791

A) T.T. (DOC) spot buying Taka 41.5353

B) Usance export bill buying rates (B. Taka for one unit of US Dollar).

	30 Days DA	60 Days DA	90 Days DA	120 Days DA	180 Days DA
41.2087	40.8792	40.5498	40.2203	39.5614	

C) Usance sight export bill 3 months forward purchase. Same as O.D. sight export bill. Indicative rates (B. Taka for one unit of foreign currency).

Currency	Selling	Buying
	T.T. & O.D.	O.D. Transfer
Saudi Riyal	1= Tk 11.1754	11.0278
UAE Dirham	1= Tk 11.4103	11.2602
Kuwaiti Dinar	1= Tk 139.7499	137.8700
D. Guider	1= Tk 24.2920	23.9663
S. Krona	1= Tk 6.1676	6.0822
Malaysian Ringgit	1= Tk 16.8027	16.5756
Singapore Dollar	1= Tk 29.7347	29.3236

Chittagong Stock Exchange
Index decreases

CHITTAGONG, June 1: Five issues were traded on the Chittagong Stock Exchange (CSE) floor today, reports UNB.

Of those, only one gained and the rest four incurred loss. A total of 565 securities valued at Tk 423,370 were traded on the country's second bourse.

The CSE All Securities Price Index declined on the day by 0.5583 per cent.

Market capitalization stood at Tk 32.91 billion.

Company Names	Closing Rate	Previous Rate	Difference	No of Securities traded	Value in Taka
Apex Weaving	105.17	101.00	4.17	150	15775.00
Confidence Cem	324.00	327.30	-3.30	20	6480.00
CTG Cement	1647.64	1739.29	-91.65	235	387195.00
Shripukur	77.00	80.00	-3.00	150	11550.00
6th ICB MF	237.00	242.50	-5.50	10	2370.00

Day's trading performance		CSE at a Glance	
All Securities Price Index	393.60	Day's Change in Index	-0.5583%
Day's Change in Value in Taka	423,370.00	Total Turnover in Volume	565
Total Turnover in Taka	32,912,309.678	Total Closing Market Capital in Taka	32,912,309.678
Total Number of Listed Securities	71	Total Number of Companies	64
Total Number of Mutual Funds	6	Day's Contract Numbers	32
Day's Issues Traded	5	Day's Issues Gained	1
Day's Issues Incurred loss	4	Day's Issues Unchanged	0

Shipping Intelligence

Chittagong port

Berth position and performance of vessels as on 1-6-96.

Berth No.	Name of vessels	Cargo	L port call	Local agent	Date of arrival	Leaving
J/1	Alam Tegas	GI	Sing	OD	27/5	1/6
J/3	Lacanian Confidence	R Seeds	P. Said	Rainbow	25/5	3/6
J/4	Nomadic Querida	Cement	Sing	PSAL	9/5	2/6
J/5	KP Vivoda	GI	P. Kel	ANCL	26/5	6/6
J/6	Banglar Mookh	GI/GL	Mald	BSC	25/5	8/6
J/7	Jiang Cheng	GI	Sing	Bdshp	25/5	1/6
J/8	Yue Hang	Rice(GI)	Papa	Seacoast	25/5	6/6
J/10	Komsomolets Amenil	Rice(P)	Kaki	PSAL	14/5	2/6
J/12	Meng Yang	Cont	Sing	AML	26/5	3/6
J/13	Sintra	Cont	Sing	PHI(B)	30/5	3/6
CCT/2	QC Teal	Cont	Sing	QCSL	30/5	2/6
CCT/3	Fong Shin	Cont	Sing	Bdshp	29/5	3/6
CGJ	Yuan Da	C. Clank	Sing	Delmore	21/5	4/6
GSJ	HAE Woo No.3	Cement	Sing	Delmore	22/5	4/6
RM/3	Kang Son	Cement	Sing	MIISI	9/5	7/6
RM/4	Alinda	Cement	Chan	USTC	11/5	1/6
RM/5	Tulip	Cement	Yang	PSAL	17/5	3/6
RM/6	Margilan	Cement	Veng	USTC	20/5	4/6
DOJ	Banglar Shourab	C. Oil	BSC	R/A	1/6	
DDJ	Banglar Robi	Repair	Sing	BSC	26/5	13/6
DDJ/1	Tanary Star	Idle	Sing	PSAL	7/6	30/6
DDJ/2	Banglar Baari	Idle	Sing	CTPL	R/A	1/6
SM/10	Tug Indonesia	Idle	Karl	Karna	R/A	
Cudj	Cardu	GI	Kuma	Everett	21/5	2/6
Kalco(U)	Al Salma	Urea	ASL	R/A	4/6	

Vessels due at outer anchorage

Name of vessels	Date of arrival	L port call	Local agent	Cargo	Loading port
Dae Jin	1/6	COL	Bdshp	Cont	Col
Novol Taisk	1/6	Chin	SES	MOP	
Fong Seak	2/6	Cal	Bdshp	Cont	Sing
Island Press	2/6	Cal	Sunshing	GI	
Dubai Glory	2/6	Tutu	Malt	Sugar(GI)	
Mowlati(E/L)18/5	2/6	Mong	SSL		BAN/Kas
Pu Cheng	2/6	Xing	Prog	GI	
Steuat	4/6	Mong	Bdshp	Cont	Col
Fong Lee	3/6	Sing	Bdshp	Cont	Sing
Shenton	3/6	Sing	Ap(B)	Cont	Sing
Susak	4/6	Col	Baridhi	Cont	Col
Consistence	4/6	Sing	RSL	Cont	Sing
Mytachi	5/6	Lung	Jaycee	Cement	
Indian Trader	3/6	Yant	Jaycee	Cement	
Dintang Harapan	5/6	Xing	Prog	GI(P. Iron)	
Morning Bright	5/6	Yoko	Oil	Vehicles	
Ocean Bliss	5/6	Sing	HSL	Scraping	
Dong Do	6/6	Sarv	HSL	GI(Logs)	
Kota Berjaya	7/6	Sing	PHI(B)	Cont	Sing
Banglar Moni	8/6	Sing	BSC	Cont	Sing

Tanker due

Ocean Opal	1/6	Sing	Mapi	SKO/MS
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Vessels at Kutubdia

Name of vessels	Cargo	L port call	Local agent	Date of arrival
Aspiros	C. Oil		BSC	29/5
Banglar Jyoti	C. Oil		BSC	R/A

Vessels at outer anchorage

Ready on	100/10	NT
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Zakso Sharif	100/10	NT
Neng Kiat	100/10	NT

Vessels not ready.

Alsharthy	100/10	NT
Hang Shun	100/10	NT
Liberta	100/10	NT
Integrity	100/10	NT
Sea Renown	100/10	NT

Vessels not entering

Latsa	100/10	NT
Philla	100/10	NT
Amica	100/10	NT

Movement of vessels for 2-6-96

Outgoing	Incoming	Shifting
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J/4 N Qureda	DOJ B Shourab	TSP Kang sort to J/10
J/6 B Mookh	J/11 Dae Jin	RM/4 Tulip to J/7
J/10 K Arment	CCT/1 Meng Kiat	
CCT/2 QC Teal	J/4/9 PU Cheng	
DOJ B Jyoti	RM/9 Sea World	
Cudj Fardu	RM/5 Ocean Opal	

The above are shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group

Dhaka.

Dhaka Stock Prices

At the close of trading June 1, 1996.