

'France to retaliate'

PARIS, Aug 8: President Jacques Chirac said on Wednesday that France would retaliate immediately if the United States applied sanctions against French firms under an anti-terrorist law banning energy deals with Iran and Libya, reports Reuters.

If French firms were directly affected by such measures, France will have to take immediate retaliatory measures, a government spokesman Alain Lamassouse quoted Chirac as telling a cabinet meeting.

Lamassouse told a news conference that the President instructed the government to take a particularly firm line in consultation with France's European Union partners over Washington's unilateral initiative.

Malaysia joins condemnation

Another report from Kuala Lumpur adds: Malaysia has joined international condemnation of the United States over new legislation that seeks to punish non-US businesses investing in alleged terrorist-sponsored states Iran and Libya.

Foreign Minister Abdullah Badawi said Malaysia had decided at its cabinet weekly meeting Wednesday to raise the US move at the upcoming Asia-Pacific Economic Cooperation forum meeting in Subi Bay, the Philippines.

Outcry over Iran-Libya Sanctions Act

US vows to stand alone

WASHINGTON, Aug 8: The United States, facing blanket condemnation from Europe over its Iran-Libya sanctions law, vowed yesterday to stand firm in battling the two regimes it accuses of spearheading international terrorism.

But the State Department reiterated its call to European countries to join in the drive to isolate the anti-Western regimes in Tehran and Tripoli, saying that such action would make them eligible for a sanctions waiver.

The United States is going to go forward. We're going to implement this bill," spokesman Nicholas Burns said as protest notes from European governments continued to pour into the State Department.

Britain, France, Germany, Italy, Switzerland, Russia and Norway registered strong protests as did Pakistan, Canada and Japan over the law signed by President Bill Clinton on Monday.

The Iran-Libya Sanctions Act requires the president to act sanctions on foreign companies that invest more than 40 million dollars annually in the oil and gas sectors of Iran and Libya.

European government argue that the law violates international trade agreements and have vowed to strike back at the measure that comes on the heels of another sanctions law punishing firms that do business in Cuba.

Burns said Washington is prepared to defend the legislation before the World Trade Organisation if the European government decide to challenge its legitimacy.

"Nothing at this point can dissuade US from implementing American law," Burns said. "But we'd like to cooperate with the Europeans. We'd like them to become a partner of US."

Contrary to the United States, European countries, in particular France and Germany, believe that cutting off contacts with Tehran will further radicalise the regime.

While they have supported a UN arms and aviation embargo slapped on Tripoli in 1992, the European governments have been reluctant to disrupt trade ties with Libya for its refusal to turn over two suspects in the 1989 bombing of PanAm flight 103.

"They maintain that Washington is pointing the finger at Iran and Libya while being en-

gaged diplomatically with Syria — another country on its list of terrorist state — in an effort to broker a peace agreement with Israel.

The State Department responded yesterday that Iran and Libya were actively supporting terrorist organisations that target Israel and the United States.

According to Washington, Europe has an interest in striking back at Iran as a source of terrorism because much of the violence is being carried-out on European soil.

There were over 260 terrorist acts in Europe last year, although many of those were staged by local groups in northern Ireland and Spain.

Republican Senator Alfonse D'Amato, the author of the sanctions bill, voiced confidence that European countries will follow the US lead and toughen their approach to Iran and Libya.

"I think eventually the allies will join us," D'Amato said in an interview with CBS television. "It's in their interest to stop doing business as usual with the Iranians, with the Libyans, with whoever, whatever nation sponsors these kinds of terrorist attacks."

Turkey wants to import Iraqi oil despite sanctions

UNITED NATIONS, Aug 8: Turkey has asked the United Nations for permission to import an unspecified amount of Iraqi oil in exchange for food and medicine and to use oil imports to reduce Baghdad's debt to the Ankara government, reports AP.

The Turks made the request in documents submitted to the Security Council's sanctions committee, which is expected to consider it next week. Trade with Iraq has been banned under UN sanctions imposed on Baghdad after it invaded Kuwait in 1990, touching off the Gulf war.

In asking for the exemption, Turkey said it had suffered a 30 billion dollars economic loss since sanctions were imposed and a key oil pipeline and other cross-border trade were cut off.

Turkey said it needed relief in addition to what has already been provided for under the May oil-for-food deal, under which Iraq accepted a UN offer to sell two billion dollars for an initial 180 days to buy food and medicine.

Implementation of the plan has been delayed because the United States has not yet signed off on procedures for the sales. All 15 members of the UN sanctions committee must agree to the procedures.

"For six years Turkey has been at the forefront of the countries which have been directly and most adversely affected by the embargo," Turkey said in its proposal. Turkey said problems created by the sanctions had "caused a strong and growing frustration among the Turkish public opinion."

"Turkey appreciates the contributions made by the international coalition to mitigate some of the difficulties suffered as a result of the Gulf war, the Turkish request said. "Nonetheless, the heavy burden of economic losses and other problems remains. Turkey believes that the losses, detailed in the annex have long exceeded its ability to continue in this manner for an unknown period of time.

Law suit against KLM Airlines

LONDON, Aug 8: The low-fare airline easyJet filed suit Wednesday against KLM Royal Dutch Airlines, saying KLM abused its powerful position on the London-Amsterdam route by undercutting easyJet's prices, reports AP.

The small British airline introduced flights from London-Amsterdam for as low as 99 guilders (\$9.30 dollars) each way — or about half the price typically charged by KLM.

KLM responded by offering a limited number of seats for 190 guilders (113.80 dollars) round trip, which came to eight guilders 4.80 dollars cheaper than easyJet.

According to easyJet, KLM is in violation of European Union rules that prevent large companies of abusing dominant market positions, for example by predatory pricing intended to drive rivals out of business.

The lawsuit seeks "substantial financial damages" and says consumers will be the losers if easyJet is pushed out of Amsterdam.

"If we are forced out of the Dutch market, KLM will undoubtedly raise its fares again," said easyJet owner Stelios Hajioannou.

Lawyers for easyJet filed their case Wednesday in the High Court in London and said they were preparing to take action against KLM before the European Commission.



Indonesian Finance Minister Mar'e Muhammad gestures as he speaks to reporters after addressing the Indonesian Capital Market Conference yesterday. Mar'e said he preferred to see the rupiah 'slightly undervalued' but vowed to maintain Indonesia's current 'guided float' exchange rate policy. Coming on top of recent investor nervousness about the political situation in Jakarta, dealers said the dollar may move as high as 2,350 IDR.

Sudan slams UN moves to impose air embargo

KHARTOUM, Aug 8: Sudanese Aviation Minister Tigran Adam Al-Tahir on Wednesday warned the United Nations that an embargo against his country's flagship Sudan Airlines would devastate aid efforts in the war-torn south, says Reuters.

The ban on Sudan Airways is unfair and lacks logic, legality and justice," Tahir said. "It would lead to the deterioration of humanitarian work and the delivery of aid to the affected areas."

A UN Security Council source said on Monday members were considering an air embargo against Sudan, which already faces diplomatic and travel curbs for failing to extradite three men accused of trying to assassinate Egyptian President Hosni Mubarak.

The new mandatory sanctions would include a ban on international flights by Sudan Airways and other Sudanese airlines would already sent a message to the council through Sudan's permanent representative at the UN detailing what he called the social, economic and humanitarian role of the airline.

Sudanese Foreign Minister Ali Osman Taha was quoted by the official SUNA news agency as saying neighbouring Egypt was spearheading efforts to tighten the embargo on Sudan, despite its public opposition to tougher sanctions.

Foreign firms can now list shares in Malaysia

KUALA LUMPUR, Aug 8: Malaysia will now allow listing of foreign companies on the Kuala Lumpur Stock Exchange. Deputy Prime Minister Anwar Ibrahim announced today, reports AFP.

The move is in line with the government's plan to liberalise Malaysia's capital market and develop Kuala Lumpur as a regional financial centre, Anwar, who is also finance minister said.

Under the first phase, foreign firms with substantial foreign assets or operations but owned and controlled by Malaysians can list as foreign companies on the main board of the KLSE, Anwar said.

Detailed guidelines concerning listing conditions, disclosure and accounting requirements as well as matters relating to corporate governance are being prepared by the Securities Commission and the KLSE and will be released later.

Matsushita to start digital video disc factory in California

TORRANCE, California, Aug 8: A Japanese-based company will open the first US factory for digital video discs in Southern California, officials announced Wednesday, reports AP.

Matsushita Electrical Industrial Co Ltd, whose brand names include Panasonic, Technics, Quasar and National, said the plant in Torrance will open in January and have about 50 workers at first, increasing to 120 within three years. Production is expected to begin in the spring.

DVDs are powerful compact discs with the capacity to hold 100 million phone listings, or a full-length movie with better sound and video quality than videotape. Matsushita last month unveiled its first machines to play the new discs.

The Japanese industrial giant said at that time that it would invest 30 million dollars in new DVD facilities in California. One, already set up at Universal Studios, is to be used to prepare movies for DVD production.

The other is the DVD factory, supplementing an existing Matsushita DVD manufacturing site in Japan. To be built in a 62,000-square-foot (5,760-square-meter) building, the 25 million dollars plant will be the North American manufacturing facility for Panasonic DVDs as well as the company's research and development centre.

Dhaka Stock Prices

At the close of trading on August 8, 1996

All indicators show positive signs

Star Report
After six consecutive days' fall, the Dhaka Stock Exchange All Share Price Index rose sharply as most of the issues

The price index registered a massive gain of 17.04 points, resuming its bullish trend from bearish one. The index reached 1126.89 from previous day's 1109.85.

The market capitalisation of the bourse increased by Tk 116.92 crore to Tk 7731.14 crore from Tk 7614.22 crore.

Both the transactions in volume and value surged by 88 per cent and 84 per cent respectively.

A total of 6.87 lakh shares and debentures worth Tk 15.33 crore changed hands as against previous day's 3.66 lakh shares and debentures valued at Tk 8.33 crore.

The day's trading was confined to 1974 hawlas. The number of issues traded totalled 123, of which 69 gained, 47 incurred losses while prices of seven issues remained unchanged.

The leading gainer of the day was Islami Bank Bangladesh with a rise of Tk 600.00 per share while the losers were led by Delta Life Insurance with a fall of Tk 69.84 per share.

The other significant gainers were Singer Bangladesh (495.86), Prime Textile (479.79), BD Zipper (Deb) (49.41) and Chittagong Cement Clinker (31.82).

Monno Ceramic, 3rd ICB Mutual Fund, and the Ibn Sina Pharma were also major losers of the day.

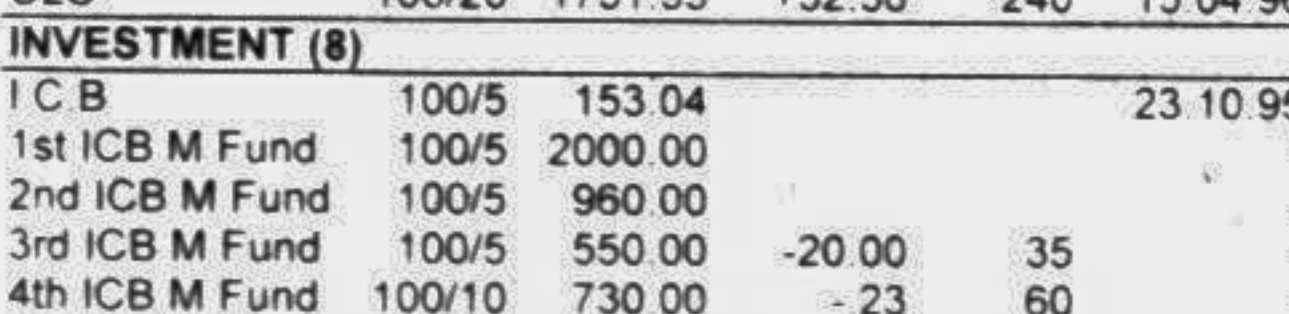


Table titled 'DSE at a glance' showing market statistics: Total Number of Listed Securities (203), Total Number of Companies (185), Total Number of Mutual Funds (7), Total Number of Debentures (11), Total No of Shares & Debentures (382,096,163), Day's DSE All Share Price Index (1126.89), Day's Market Capital Tk (7731.14cr), Day's Transaction in volume (687280), Day's Transaction in value Tk (15.33cr), Day's Total Issues traded (123), Day's Issues gained (69), Day's Issues Incurred Losses (47), Day's Issues unchanged (7), Day's Total No of Hawlas (1974).

Table titled 'PEEP INTO ISSUES' listing various companies and their stock performance. Columns include Company, Book Closure, AGMEGM Date, Venue & Time, and Dividend Proposed. Examples include BD Lamps Ltd, BGC Ltd, Pragati Ins. Co., East Ins. Co., Fed. Ins. Co., UCL, Sandhani Life Ins., Reliance Ins. Co., etc.

Latest position & performance of DSE-listed issues

Large table showing the latest position and performance of DSE-listed issues. Columns include Company, FV/ML (Taka), Average Closing Rate (Taka), Change (+/-) (Taka), No of Share/Dev. Traded, Last/Total AGM Div. Date, and % change. The table is categorized into BANKS (13), INVESTMENT (8), ENGINEERING (20), FOOD & ALLIED (28), FUEL & POWER (4), JUTE (8), and TEXTILE (37).

Chittagong Stock Exchange Index rises

Twenty six issues were traded on the Chittagong Stock Exchange floor on Thursday, of which 13 gained and 13 incurred loss, reports UNB. The CSE All Securities Price Index rose by 0.5822 per cent to 471.65. A total of 24,940 securities valued at Taka 12,994,681.690 were traded. Market capitalisation stood at Taka 42.97 billion.

Table titled 'Day's trading performance' showing company names, closing rates, previous rates, differences, and values in Taka. Companies listed include Rupali, Janata, Central, Federal, BGC, Pragati Insu, Sandhani Life, Apex Weaving, Beximco Denims, Sajit Intertex, Chic Tex Ltd, Monno Fabrics, ACI Ltd, Beximco Pharma, Inam Buttun, AMCL/Prani, Confidence Cement, Cig Cement, Anwar Galvanizing, Apex Tannery, Shine Pakur, BOC (BD) Ltd, 7th ICB MF, 6th ICB MF, Umanisa Glass, and Monno Ceramic.

Table titled 'CSE at a glance' showing market statistics: All Securities Price Index (471.65), Day's Change in Index (0.5822%), Total Turnover in Value in Taka (3529690.00), Total Turnover in Volumes (24940), Total Issuing Capital in Taka (12,994,681.690), Total Closing Market Capital in Taka (42,977,330,575.00), Total Number of Listed Securities (74), Total Number of Companies (67), Day's Contract Numbers (222), Day's Issues Traded (26), Day's Issues Gained (13), Day's Issues Incurred Loss (13), Day's Issues Unchanged (0).