

Russia to close  
trade missions  
in 35 countries

MOSCOW, Aug 30: The cash-strapped Russian government plans to close its trade missions in 35 countries, a news agency reported Thursday, reports AP.

The trade missions will be closed, among other countries, in Singapore, Switzerland, Portugal, Australia, New Zealand, the Philippines and South Africa, the ITAR-Tass news agency said.

In some cases, the trade missions will be replaced with trade advisors in Russian embassies, it said.

The report said the decision to close the missions was based on 'present condition of trade and economic relations with some foreign countries and budget restrictions.'

China, UK reach  
accord on HK's  
next budget

HONG KONG, Aug 30: China and Britain reached agreement today on spending guidelines for Hong Kong's next budget, which straddles the handover of sovereignty next year, a Chinese official said, reports AP.

Both sides have agreed on spending guidelines, including a maximum expenditure limit and ways to deal with additional spending requests, said Chen Zuoren, Senior Chinese Representative in the Sino-British Joint Liaison Group.

The Joint Liaison Group is responsible for handling affairs related to the handover of the British territory to China on July 1, 1997.

The Chinese official was speaking to reporters after a two-day meeting on preparation of the transitional budget which covers the fiscal year to March 1998.

Hong Kong Treasury Secretary KC Kwong, who led the British team in the budget talks, described the two-day discussions as 'very positive and pragmatic.'

Kwong said the next step for the Joint Liaison Group would be to consider new resources for government branches and departments for the 1997-98 budget.

Pepsi shares  
fall to  
lowest level

NEW YORK, Aug 30: Shares of Pepsi Co Inc. fell for a third straight day Thursday to their lowest level since January after an analyst's downgrade led to concerns about the company's restaurant business, reports AP.

Mark Cohen, an analyst with Goldman Sachs and Co., removed Pepsi from his recommended list, saying he expects disappointing sales to continue at the company's Pizza Hut and Taco Bell chains.

Last month, Pepsi said second-quarter sales at its restaurants declined 2 per cent from a year ago. Sales at Pizza Hut restaurants open at least a year fell 13 per cent, while sales at Taco Bell stores open at least a year were off less than one per cent.

Comparisons of outlets open at least a year, known as same-store sales, are considered the most accurate assessment of a restaurant's performance.

KFC was the lone bright spot with an 11 per cent rise in same-store sales.

"They can't seem to get all their restaurants to fire on all cylinders at the same time," said Mitchell H. Pinheiro, an analyst at Janney Montgomery Scott Inc. in Philadelphia.

Pepsi spokesman Richard Detweiler Jr. said the company expects third-quarter profits at Pizza Hut and Taco Bell to be flat but wouldn't give a projection on sales.

Analysts said Pepsi's recent problems in Latin America have contributed to the stock's weakness on Wall Street.

Russia's biggest  
oil co boosts  
production

MOSCOW, Aug 30: Russia's largest oil company, Lukoil, boosted its output in the first half of 1996 compared with the same period of last year, nearly doubling its export figures, the company's president Vagit Alekperov said Thursday, says AP.

Alekperov also told a news conference that development of the offshore Caspian oilfields was 'now the number one project' for Lukoil, which controls one-fifth of Russia's oil market.

He forecast that by 2005 the volume of Caspian oil produced by Lukoil would represent up to 20 per cent of the company's total output.

In the first half of 1996, Lukoil's overall production volume represented 101 per cent of last year's figure for the corresponding period, Alekperov said.

In January-June 1996, Lukoil exported 74.7 million barrels of crude and 11.7 million barrels of oil products, a company press release said.

Lukoil's various enterprises produced 57.3 million tonnes of oil in 1995 - 15.7 per cent of the total oil produced in Russia - and the company's sales volume reached 6.5 billion dollars, of which 528 million was clear profit.

Lukoil has a 10 per cent stake in an international consortium developing the Azeri, Chirag and Gyunesli oilfields in the Caspian Sea, off Azerbaijan. The fields recoverable reserves total about 530 million tonnes.

## DSE, CSE weekly review

## Market indicators go up

By Rafiq Hasan

All market indicators at Dhaka and Chittagong Stock Exchanges went up last week as voluminous trading happened during the period.

On an average, more than 6 lakh shares and debentures were traded daily at the Dhaka Stock Exchange (DSE) against average 5 lakh shares and debentures valued Tk 10 crore trading on the previous week.

Out of an average of 132 traded issues, prices of 69 companies shares increased and 57 suffered losses while 5 remained unchanged.

The All Share Price Index at

DSE rose by 39.56 points reaching 1196.35 points on Thursday, the closing day of the week. The position is a new record of the DSE. Earlier, the highest record of all share price index at the DSE was 1193.62 on Wednesday.

The market capitalisation of the bourse also increased to Tk 8228.83 crore from 7956.74 crore marking a total rise of Tk 272.09 in a week.

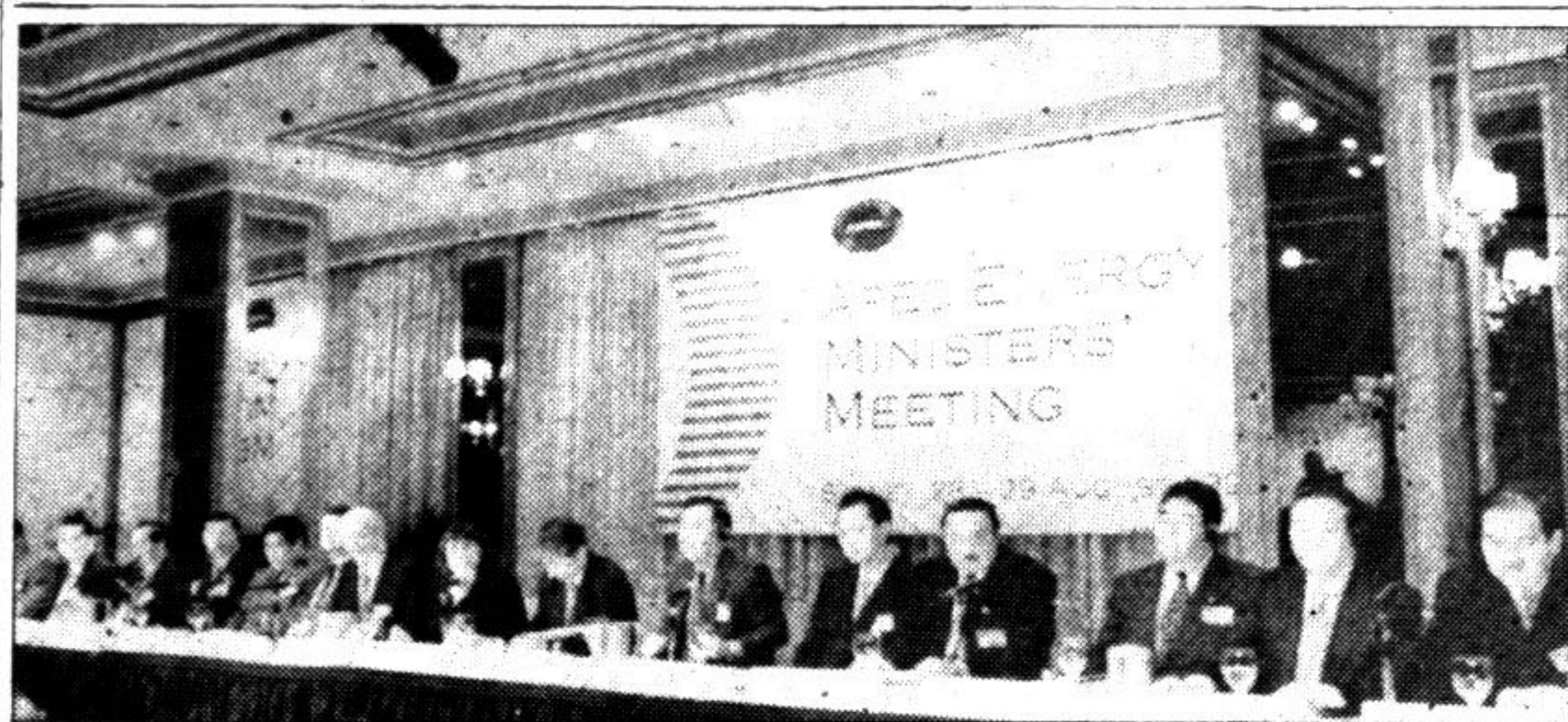
The All Share Price Index at Chittagong Stock Exchange marked a rise of 21.12 points pushing it to 499.32 points on Thursday.

Market capitalisation of the CSE rose by 251.64 crore during

the week. Now it stood at Tk 4609.10 crore against Tk 4357.46 crore in the previous week's position.

According to market operators and share brokers, the share market boomed because heavy speculation and rumors among the investors. They said that voluminous trading of some blue chips shares helped rise in the market indicators.

Due to a news published regarding contract of Shingepur Holding with a foreign company pushed the share prices of the company up which also helped bring the market capitalisation of the DSE high, they pointed out.



Energy ministers from 18 nations hold a press conference at the conclusion of the Asia Pacific Economic Cooperative (APEC) Energy Minister's Meeting in Sydney on Thursday. The two-day forum to promote international trade and investment, and the development of telecommunications, energy, mineral resources, transportation and technology throughout the Asia-Pacific region.

— AFP/UNB photo

IMF likely to sell gold to reduce  
debts of poor nations

NEW YORK, Aug 30: The International Monetary Fund has said for the first time it may be willing to sell some of its 40 billion dollars supply of gold to reduce the debts of the poorest developing countries, The New York Times reported today, says Reuters.

The cutting of debt would allow the poor nations to improve their economic growth and attract more foreign investment.

The new plan was sent in confidential, outline form to member governments this week. It will be discussed by the executive boards of the IMF and the World Bank next month.

The proposal is one of several concessions the IMF and the World Bank have made to critics who regard their March

debt reduction plan to make lower interest loans as being too burdensome for poor countries.

Officials say the plan could cost between 5.6 billion dollars and 7.7 billion dollars over six years.

It is still unclear whether the debt reduction initiative will be approved at this year's ministerial meetings of the World Bank and the IMF in Washington at the end of December.

The plan was first called for at a summit meeting of the Group of Seven leading industrial nations in Halifax, Nova Scotia, in 1995.

The United States favours gold sales to finance debt relief. However, other western gold

However, other western industrial countries, which control the institutions, remain divided over the wisdom of allowing the IMF to sell any of its gold when it has about 30 billion dollars in outstanding loan commitments to Russia and Mexico.

Germany leads the opposition, and is supported by Italy, Switzerland, Norway and Sweden, the newspaper said.

Officials also say the so-called Paris Club of western creditor nations is proving slow to heed a call in June by the Group of Seven at a summit meeting in France to raise the level of forgiveness offered qualifying poor countries to 90 per cent of their direct debts from 67 per cent.

US economy  
surges

WASHINGTON, Aug 30: The US economy surged at a 4.8 per cent annual rate in the second quarter, fastest in two years, and an unexpectedly steep jump in new home sales in July suggested continued momentum, says AP.

The reports sparked new fears of higher interest rates but were welcome news for President Clinton as he accepts the Democratic nomination for second term.

"The economy is firm," said Stephen S. Roach, chief economist with Morgan Stanley and Co. in New York. "There are no signs it is slowing appreciably in the second half of the year as the (Federal Reserve) has been expecting."



Malaysian Prime Minister Mahathir Mohamad (second from right) sprinkles holy water with his wife Siti Hasmah (R) on New Zealand make Bantam B22S aviation aircraft after launching the Labuan Fest in East Malaysia's Labuan Island on Thursday. Mahathir opened the 144.4-million US dollar Labuan Financial Park Complex. The complex is the most prominent building on the island, housing almost all the investment houses in Labuan.

— AFP/UNB photo

The auditor general said no funds have been transferred to the oil development board for three years.

TAIPEI: Taiwan said Friday it will cut import duties on 1,121 agricultural and industrial items by an average of 2.66 per cent under a trade liberalisation programme.

The cuts to take effect pending legislative approval, will cost the government 870 million Taiwan dollars (31 million dollars) a year in tariff income, the Finance Ministry said.

## Asia business briefs

Forty-four items, including films, video tapes, broadcast trucks and photo equipment, will become tax free under a government programme to turn Taiwan into an Asian media production centre, it said.

Tariffs on trucks and truck chassis will be reduced from 42 per cent to 37 per cent, it said.

SEOUL: South Korea's Hyundai Group unveiled Friday 3.38 billion dollar investment plan to build power and auto plants, mines and more in Brazil, Chile, and Peru.

The biggest single investment is a one billion dollar venture to develop mines in Peru. Another 300 million dollars will be spent to construct a coal-powered plant. South Korea's second largest conglomerate said in a statement.

## Dhaka Stock Prices

## Price-fluctuation of issues

By Staff Correspondent

The all share price index of the Dhaka Stock Exchange witnessed a sharp rise last week as the prices of a number of companies' shares went up.

Name of issue	Opening price		Difference
	August 22, '96	August 29, '96	
Islami Bank	Tk 5300	Tk 5342	Tk 42
National Bank	Tk 228	Tk 218	-Tk 10
UCBL	Tk 180	Tk 170	-Tk 10
ILDC	Tk 2937	Tk 3277	Tk 340
ULC	Tk 1733	Tk 1790	Tk 57
BD Lamps	Tk 3196	Tk 3479	Tk 283
Eastern Cables	Tk 577	Tk 564	-Tk 13
Kurim Pipe	Tk 343	Tk 390	Tk 47
Singer BD	Tk 10487	Tk 10481	-Tk 6
Renwick Japaneswar	Tk 346	Tk 330	-Tk 16
National Tubes	Tk 1912	Tk 1978	Tk 66
Alpha Tobacco	Tk 128	Tk 128	00
Anam Sea Food	Tk 4050	Tk 4366	Tk 316
Apex food	Tk 3892	Tk 4388	Tk 496
Gemini Sea Food	Tk 819	Tk 700	-Tk 119
AM LC Pran	Tk 684	Tk 762	Tk 78
Modern Industries	Tk 230	Tk 200	-Tk 30
Padma Oil Co	Tk 309	Tk 437	Tk 128
National Oxygen	Tk 210	Tk 205	-Tk 5
Modern Dying	Tk 92	Tk 80	-Tk 12
Monno Fabrics	Tk 105	Tk 105	00
Ambee Pharma	Tk 38	Tk 41	Tk 3
Beximco Pharma	Tk 87	Tk 88	Tk 1
ACI	Tk 120	Tk 125	Tk 5
BCIL	Tk 370	Tk 310	-Tk 60
Beximco Infusion	Tk 400	Tk 411	Tk 11
N Polymer	Tk 843	Tk 847	Tk 4
Square Pharma	Tk 651	Tk 675	Tk 24
Imam Buton	Tk 218	Tk 195	-Tk 23
Eastern Housing	Tk 115	Tk 115	00
Apex Tannery	Tk 597	Tk 638	Tk 41
GQ Ball Pen	Tk 474	Tk 487	Tk 13
Monno Ceramic	Tk 821	Tk 799	-Tk 22
Phonex Leather	Tk 500	Tk 300	-Tk 200
Umsania Glass	Tk 864	Tk 868	Tk 4
Cig Cement	Tk 3225	Tk 3134	-Tk 91
Confidence Cement	Tk 692	Tk 793	Tk 101
Meghna Cement	Tk 541	Tk 583	Tk 42
Green Delta	Tk 840	Tk 830	-Tk 10
Phonix Insurance	Tk 600	Tk 583	-Tk 17
Esran	Tk 358	Tk 343	-Tk 15
Karnaphuli	Tk 338	Tk 316	-Tk 22
Rupali	Tk 689	Tk 678	-Tk 11
Sandhani	Tk 408	Tk 347	-Tk 61

ASEAN protests against  
new EU rules

MANILA, Aug 30: The Association of South-East Asian Nations (ASEAN) sent a letter to the European Commission protesting against new rules that they said would make their products less competitive, reports Reuters.

The letter asked the commission to rescind an order requiring exporters of vegetable oil to use 'dedicated' ships.

The letter signed by Philippine Agriculture Secretary Salvador Escudero was released at the end of a two-day ASEAN agriculture and forestry ministers meeting in Manila.

The ASEAN ministers also asked the European Union to reconsider a new trade scheme which uses a country's economic growth data as a gauge to determine tariffs on food exports starting January 1, 1997.

ASEAN groups the Philippines, Indonesia, Malaysia, Brunei, Vietnam, Singapore and Thailand.

Escudero said the European Union had issued a directive in January saying it would allow shipments of vegetable oils only if the vessel transported food items.

ASEAN whose members are the world's largest exporters of coconut oil and palm oil, said the directive would make its products less competitive with higher costs.

If the spirit of the directive is to ensure the safety of food stuffs during transport, we would like to reiterate that there were no cases of contamination of vegetable oil shipped to the European Union from various sources since October 1993, said Escudero, who chaired the ministers meeting.

Escudero said the introduction of a revised Generalised System of Preferences (GSP) for agricultural products from de-

veloping countries, including the new ASEAN 'dragons', would not only have adverse financial and economic impact on ASEAN farmers but also political repercussions.

The national gross domestic product (GDP) and average per capita GDP in recent years among ASEAN member countries do not reflect the actual living standards in the ASEAN farming sector," Escudero said.

Microsoft Corp  
apologises to  
South Korea

SEOUL, Aug 30: Microsoft Corp apologised to South Korea on Friday for erroneously suggesting in its latest CD-ROM encyclopedia that part of ancient Korea was ruled by Japan, says AP.

Microsoft's Encarta 96 Encyclopedia states that Kaya, an ancient Korean kingdom, was dominated by the Yamato clan of Japan, prompting a complaint from Seoul's Foreign Ministry.

Such a theory, popular among Japanese historians, is considered by Koreans a slight on their national pride. Koreans remain bitter over Japan's 1910-45 colonial rule over Korea, during which they say Korean culture was forbidden and history books were distorted.

We apologize for erroneous references in the 1996 product that suggested that Kaya was a colony of Japan," Don Holtzinger, Microsoft's lead product planner, said in a letter to the ministry. "We regret if these errors have insulted the Korean people."

Stocks tumble, dollar  
flat in Tokyo

TOKYO, Aug 30: Stocks tumbled again Friday as selling from foreign investors and deepening worries about Japan's economic recovery pushed the main market index to a five-month low. The dollar was flat against the yen, says AP.

An overnight plunge on Wall Street and more unwinding of arbitrage positions spurred by lower index futures prices also contributed to the selloff, traders said.

The Nikkei Stock Average lost 386.26 points, or 1.88 per cent, to end the week at 20,166.90 points. The index lost 156.65 points, or 0.76 per cent, on Thursday.

It was the lowest close for the barometer index of blue chip issues since March 14, when it closed at 19,923.66 points.

Traders attributed the slump to a combination of negative factors - a Bank of Japan survey showing poor business sentiment, uncertainties about a supplemental budget to stimulate the economy, and private predictions that Japan's GDP fell in the April-June quarter.

"There was just a lot of ugly news for equities this week," Dan O'Keefe, a market analyst at Merrill Lynch.

The effects of Friday's selloff were felt more acutely in the Nikkei index, reflecting a heavy amount of arbitrage activity in index futures.

The Tokyo Stock Price Index of all issues listed on the first section of the exchange lost 15.72 points, or 1.00 per cent, to 1,543.49. The TOPIX was down 12.91 points, or 0.82 per cent, the day before.

Volume on the first section of the exchange picked up to an estimated 381 million shares, above 202.42 million shares Thursday, due to big chunks of index-linked buy orders placed in the early afternoon.

Overall, retreating issues overwhelmed advancers 851 to 216, while 140 shares were unchanged.

Traders cited sharp decline overnight on Wall Street as another factor contributing to the gloom mood in Tokyo. New York stocks got hammered on data showing stronger than expected growth in US gross domestic product for the second quarter and a jump in new home sales in July.

Currency trading was more subdued, with dealers finding few incentives to push the dollar in either direction.

The dollar was fetching 106.40 yen at late afternoon, up 0.11 yen from its level in Tokyo late Thursday and also above its late New York level of 108.30 yen overnight.

Trades were caught in a tight range between 108.25 yen and 108.48 yen.

Government bonds continued to rally on indications that the pace of Japan's recovery may be slowing. Slow growth and low interest rates make bonds more attractive to investors.

The benchmark No. 102 10-year Japanese government bond was sold at 100.39 yen, up from 100.14 yen late Thursday. Its yield, which moves in the opposite direction, fell to 2.945 per cent from 2.980 per cent.

## Shipping Intelligence

Chittagong port  
Berth position and performance of vessels as on 29.8.96

Berth position and performance of vessels as on 28.9.86						
Berth No.	Name of vessels	Cargo	L. port call	Local agent	Date of arrival	Leaving
J/1	Komsomlets Armeni	Cement	Sing	PSAL	25/8	5/9
J/2	Great Concert	G	P. Kel	ANCL	23/8	30/8
J/3	Jiao Cheng	G	Mani	Oil	27/8	2/9
J/4	Captain Peter-V	Sugar (G)	Bomb	USTC	10/8	29/8
J/5	Bintang Harapan	G	S. Hai	Prog	23/8	29/8
J/6	Tong Chuan	G	Dali	Prog	15/8	30/8
J/7	Banglar Urmi	G	Kara	BSC	21/8	30/8
J/8	Feng Qing	G	S. Hai	Bdship	27/8	2/9
J/9	Iona Yakir	Wheat (P)	Col	AASS	10/8	2/9
J/10	Meng Kiat	Cont	Col	Bdship	25/8	30/8
J/11	Kavert	Sugar (G)	Daman	BMA	23/8	10/9
J/12	Svendborg Gate	G	Sunshine		24/8	29/8
J/13	Fong Yun	Cont	Sing	Bdship	24/8	30/8
CCT/1	Fong Soon	Cont	Sing	AML	27/8	31/8
CCT/2	Sea Elegance	Cont	Sing	PLI (B)	26/8	31/8
RM/14	Mun Su Bong	Cement	Sing	MSTPL	12/7	4/9
CJ/1	Puk Chang	C. Clink	Sing	Seacom	23/8	10/9
TSP	K. L. Borisenko	R. Phos	Nanj	OLM	R/A	7/9
DQJ	Banglar Jyoti	Repair	BSC	R/A	3/9	9/9
DD	Banglar Shobha	Repair	Mong	BSC	6/8	7/9
DDJ/1	Tanary Star	Idle	Para	PSAL	7/6	10/9
DDJ/2	Banglar Gourab	Repair	B. ABB	BSC	R/A	2/9
RM/8	Banglar Kiron	Repair	B. ABB	BSC	22/7	31/8
CJULF	Blue North (Atch. 10/7)	Cement	Qing	PSAL	3/6	10/9
Kafco (U)	Chang Ping	Urea	COL	ANCL	26/8	30/8

Vessels due at outer anchorage

Name of vessels	Date of L. port arrival	Local agent	Cargo	Loading port
Susak 20/8	3/8	COL	Baridhi	Cont
Meng Yang 22/8	30/8	Sing	AML	Cont
Banglar Moni 14/8	31/8	Sing	BSC	Cont
Monte	31/8	Sing	BBA	GI (Veh.)
Lucy Olden Dorff	31/8	Sing	Rainbow	M. Seeds
Gokhan Kalkavan	1/9	ADAB	Litmond	GSSP
Fong Shin 25/8	2/9	Sing	Bdship	Cont
Mulpha Sibb	31/8	PSAI	Cement	Sing
Robert E. Lee	1/9	Karna	GI (Lash)	
Vishva Pallav	1/9	VIZA	SSI	Buses/G. Ant. Duri Der
QC Teal 26/8	1/9	Sing	QCSL	Cont
Padma 24/8	1/9	Sing	RSI	Cont
Socrates	6/9	MBA	Sugar (G)	Sing

Tanker due:

Gas Gloria	1/9	VIZA	MBL
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Vessels at Kutubdia

Vessels at Kutubdia				
Name of vessels	Cargo	L Port call	Local agent	Date of arrival
Setia Abadi	Sing	Sing	B Bay	6/8
Coral Reef Explorer	Sing	Sing	B Bay	6/8
Aman Abadi	Sing	Sing	B Bay	7/8
Eastern Explorer	Puke	Puke	B Bay	11/8