

## DSE relaxes circuit breaker system

By Staff Correspondent

The Dhaka Stock Exchange (DSE) yesterday temporarily relaxed the circuit breaker system in trading of shares of certain categories of listed companies.

The decision was taken out on emergency meeting of the Council of the DSE under orders from the Securities and Exchange Commission (SEC), said a DSE press release.

Under the relaxation programme, bid limits (+10 per cent) will not be applicable to any security of a listed company for successive three market days if that company furnishes "price-sensitive information" to the DSE in writing in any day.

In case the security of a listed company is traded in the DSE for the first time, the bid limits will not be applicable for six market days, the press release said.

The term "price-sensitive information" means information about issuance of profit and Loss Account (audited or otherwise), decision on interim dividend by the Board of Directors, Recommendation as to the final dividend by the Board of Directors, Recommendation as to bonus shares by the Board of Directors, decision about BMRE of the project(s) in the Directors Meeting under a specific agenda and declaration about signing of material contracts including foreign technical management or trade collaboration, with an internationally reputed company, the release said.

The DSE Council in its meeting to enlist for new issues, the newly enlisted companies are Wonderland Toys Limited and Investment Corporation of Bangladesh (ICB) 8th Mutual Fund.

The DSE will cancel trading of any security if its price rises or falls by more than 10 per cent over that of the previous day.

"We examined the pros and cons before taking a final decision in this regard," a senior member of the SEC said on condition of anonymity.

It is a "common method" to keep the stock markets under control and the restriction has been imposed mainly to protect the interests of share traders who have come in to the business without knowing "anything" about the capital market, he said.

Ruling out speculations about withdrawal of the system, the sources said that the decision to re-impose it was taken by the SEC in its board meeting and so there was hardly any chance of total withdrawal of the system shortly.

The circuit breaker system was re-imposed on stock trading on October 12 to avert any sharp rise or fall in stock prices amid fears of a possible crash.

Under the system the DSE will cancel trading of any security if its price rises or falls by more than 10 per cent over that of the previous day.

The market had reacted sharply just after imposition of the system but it returned almost to its earlier position, the official noted.

## JB to disburse Tk 65cr credit for rabi crops

Janata Bank has drawn a Credit Programme of Tk 65.00 crore for disbursement on current rabi crops, says a press release.

Loan will be disbursed to the small, marginal and tenant cultivators through pass books. No additional security is required for the loan.

In 1995-96 financial year, Janata Bank has disbursed a loan of Tk 62.00 crore on different crops among 40,000 loanees against a disbursement target of Tk 90.00 crore.

Besides, during this period, Janata Bank has disbursed a loan of Tk 45.00 crores on poverty alleviation and self-employment schemes among 59,000 destitute women, landless poor and unemployed youth. Sufficient fund for poverty alleviation credit has also been provided to branches.

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## Tk 954cr allocated for execution of 67 projects under BWDB

Bangladesh Water Development Board (BWDB) has taken up 67 projects including 52 investment, 15 technical assistance projects for implementation under the current year ADP, says a press release.

Out of these, 24 projects have been targeted for completion in the current financial year.

A total of Tk 954 crore has been allocated for implementation of these projects that includes a project aid of Tk 628 crore and local currency 326 crore.

The projects to be completed this year include rehabilitation and reconstruction of coastal embankment project part "C", Singer Beel.

The minister said that all sorts of irregularities and lapses would be severely dealt with. He made a special plea for completion of all tenders and land acquisition on schedule and removal of bottlenecks in this regard.

The minister underscored the need for prompt disciplinary action against those found guilty of irregularities, corruption and poor quality of works during implementation.

Water Resource Secretary Dr A T M Shamsul Huda, Chairman of BWDB M A Salam and senior officials of the Water Resources Ministry and Water Development Board were also present at the meeting.



Minister for Water Resources Abdur Razzaq presiding over a Review Meeting of Water Development Board held at the BWDB's conference room yesterday. Water Resources Secretary Dr ATM Shamsul Huda and Chairman, BWDB MA Salam are also seen in the picture.

## CSE becomes FEAS member

Chittagong Stock Exchange has become a full member of the Federation of Euro-Asian Stock Exchanges (FEAS) based in Istanbul, Turkey, says a press release.

The membership was given on Thursday at the General Assembly Meeting of FEAS held on October 15-16 in Istanbul, Iran.

This is the first entry of CSE in an International Federation of Stock Exchanges as a full member. Earlier CSE was admitted as a Corresponding Member of Federation of International Stock Exchange (FIB) based in France.

FEAS is an International Federation of Exchanges from Europe and Asia established to encourage cooperation among the member Exchanges, to promote and develop the securities market in the respective countries and also to develop an integrated international market.

A three-member delegation from CSE headed by its President Amir Khosru Mahmud Chowdhury, MP, participated in the Assembly. Other members of the delegation included

in this FEAS Annual Assembly were Tirana Stock Exchange, Chittagong Stock Exchange, Dhaka Stock Exchange and Cyprus Stock Exchange. It

should be mentioned here that only one Stock Exchange in a country is given full membership in FEAS and the other aspirant Stock Exchanges may be given associate membership provided they fulfill the requirements set by FEAS.

The CSE delegation while in Tehran on 15th Oct 1996 was given an audience by the Hon'ble President of the Islamic Republic of Iran Ali Akbar Hashemi Rafsanjani.

A memorandum of understanding (MOU) was also signed between Chittagong Stock Exchange and Tehran Stock Exchange.

Shoaib Khoory, Emirates' Senior General Manager Commercial Operations (Middle East, Africa and the CIS), said: "these increases are in response to market demand on two of our busiest routes. We are grateful to the governments of South Africa and Kenya for permission to increase capacity."



Saudi Arabian Airlines distributed awards and certificates among top cargo and travel agents at Surma Room in Sonargaon Hotel in the city on Monday. Picture shows recipients of the awards and certificates along with Tariq A R Katoah (sitting 3rd from left), Manager of Saudi Arabian Airlines for Bangladesh and Nepal and other SV staff.

CEDAR (Concern for Environmental Development and Research) arranged a four-day training programme on approach to poverty alleviation & rural development at its central office at Dhanmondi in the city from October 12. Shafiqul Alam, Executive Director, inaugurated the training programme. Project Coordinator (IGP) Shaheen conducted the programme. Project Coordinator (STD) HIV/AIDS Tariqul Islam, Administrative Officer Shamsul Kabir also attended the programme.

## Olympic ties up with Parle

Olympic Industries Limited and Parle of India have signed an agreement for processing, packaging and marketing of 'froot' brand of fruit juice drink in Bangladesh, says a press release.

The agreement was signed recently by the Managing Director of Olympic Industries Limited, Mubarak Ali and the Chairman of Parle, Prakash Chowdhury.

Under the accord, an ultra-modern sophisticated plant will be set up as an unit of Olympic Industries Limited. The machinery is being supplied by M/s Alfa Laval/Sweden India. An agreement to this effect has also been signed with Tetra Pak India Limited.

The plant is likely to cost Taka 100 million. It is expected to go into production in about a year.

Speaking on the occasion,



Alhaj Md Abdul Maleque, Chairman of Central Insurance Company Ltd, addressing the eighth Annual General Meeting of the Company at Sonargaon hotel in the city on Saturday. On his right Md Hashem Ali, Managing Director (incharge), Shah Alam Chowdhury, Ex-Chairman and Alhaj Md Shahjahan, Director and on his left Haji MA Malek, Ex-Chairman, MR Ali, AKM Azizur Rahman, Haji Md Amjad Hossain, Director of the company also seen in the picture.

Build effective agricultural research system: Matia

Agriculture, Food, Disaster Management and Relief Minister Matia Chowdhury has called for building an effective and sustainable agricultural research system to face the challenges of the 21st century respectively.

She said farmers are the users of agriculture technology and so it is necessary to innovate new agri-technologies suitable to the farmers' traditional farm atmosphere that could increase the acceptability of technologies.

The agriculture minister suggested that the country's agricultural research system should be reorganized to keep pace with the recent worldwide change in agricultural research and technology development.

During the last few years,

## 16 govt sugar mills may go for production soon

By Staff Correspondent

Country's 16 state-owned sugar mills are likely to go for production next week with a target of 215,000 metric tons of sugar this crushing season.

According to official sources, three sugar mills: Rajshahi, North Bengal and Natore sugar mills, will start crushing sugar cane on October 25.

An official of the Bangladesh Sugar and Food Industries Corporation has said other mills would go for production early next month.

Country's sugar mills produced 183,934 tons of sugar during 1995-96 crushing season against the set target of 218,000 tons.

"We failed to reach the target last time mainly due to sudden flash flood at the Northern zone, an intensive area for sugar cane production," said the official.

He said BSFIC has about 30,000 tons of sugar in its stock which, he expects is likely to meet the demand of the country for twenty more days. "We can

achieve any remarkable success in the country due to inadequate allocations," he said and criticised top-down planning, slow programme implementation, research having no link with the farmers and lack of accountability.

Matia expressed her concern at the gradual decrease of land fertility following excessive use of chemical fertiliser and reduction of crop-yields other than rice. She also pointed out stagnancy in rice production in some areas.

The present government, she said, has formulated a law for closer linkage of the NARS (national agricultural research system) institutions under the supervision of Bangladesh Agricultural Research Council (BARC).

Henceforth, the BARC will review the annual research programmes and progress of activities of the NARS institutions, she added.

Pierre Landell-Mills stressed the need for result-oriented research programmes to increase yield through better method. He said poverty and malnutrition could not be removed without increasing the food production.

Implementation of the ARMP project will formally begin through the workshop under joint collaboration of eight agriculture research institutions of the country BARC, BARI, BRRI, BJRI, BSRI, BFRI, FRI and BLRI.

The project launching ceremony, held at the auditorium of BARC, was chaired by its executive chairman Dr M S U Chowdhury, BARC member-director (P&E) Dr Nurul Alam delivered the welcome address.

The main objective of the project is to institutionalise the Maintenance Unit within the Ministry of Food and to prepare a realistic policy for the repair and maintenance of food godowns.

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gains and by fears of political unrest in Russia, which is one of the biggest aluminium exporters to the West.

**COPPER:** Lower. The price of this metal fell by about 60 dollars to 7,070 dollars per tonne on a subdued market. A rise of 1,080 tonnes to 41,550 tonnes in LME reserves drove prices downwards.

**TIN:** Down. The price of tin fell by around 100 dollars to 5,970 dollars per tonne while LME stocks dropped by 190 tonnes to 9,785 tonnes.

**OLIVE:** Furnace. Crude prices hit a record high since January 1991 as stocks in consumer countries, and in particular the United States, hit rock bottom.

Prices rose above 25 dollars per barrel, before slipping back to 24.40 dollars, which was nonetheless 70 cents higher than last week.

**COFFEE:** Bitter. The price of robusta coffee in London fell by 57 dollars to 1,400 dollars per tonne, after a spate of speculative selling in New York and by exporters in London.

**TEA:** Stable. Prices held

stable in the London auction houses, where medium-quality teas were trading at 106 pence per kilogram.

**SUGAR:** Melting. The price of sugar fell by five dollars to 315 dollars per tonne in London, weighed down by the prospect of plentiful harvests around the world, particularly

in Brazil.

**VEGETABLE OILS:** Sliding. The price of soya slipped on predictions of a strong harvest in the United States made by the US Department of Agriculture.

The 1996 harvest of the world's biggest producer is now expected to total 63.85 million tonnes, up from 61.77 forecast previously. This sparked a wave of speculative selling on the Chicago futures market. In Rotterdam, the price of soya oil plunged three guilders to 89 guilders per 100 kilograms.

**PALM OIL:** prices were dragged down in soya's wake, and lost 25 dollars to 525 dollars per tonne.

**GROUNDNUT OIL:** fell by five dollars to 875 dollars per tonne.

**SUNFLOWER OIL:** fell by 25 dollars to 875 dollars per tonne.

**RAPSEED OIL:** fell by four guilders to 93 per 100 kilograms. However, experts from

the specialist publication, oil world predicted that world output would fall by 13 per cent this year after a mediocre harvest in many producer countries.

**GRANES:** Fall. Grain prices

in Chicago Board of Trade (CBOT) fell by 14 cents to 4.11 dollars per bushel (delivery in December).

**MAIZE:** prices fell by seven cents to 2.83 dollars per bushel (27.216 kilograms each).

In addition to the favourable

sowing conditions, prices fell

because of a plentiful grain harvest this season, notably of maize.

**COTTON:** Shrunk. The

USDA spread panic among dealers by publishing a bigger-than-expected figure for this year's harvest in the United States, which is the world's leading producer country.

Prices fell after the authorities said that the country had produced 18.19 million bales (of 217.7 kilograms each).

Washington predicted that the United States would see its export market shrink in the coming months and cotton stocks in the country would rise by 25 per cent.

The cotton outlook index,

which covers the cash market, fell by one cent to 74.95 cents per pound.

**WOOL:** Warming increased demand lifted wool prices and the eastern index for Australian auction houses rose by 11 Australian cents to 564 cents per kilogram. The price of high grade fibres on the London market rose by 10 pence to 415 pence per kilogram.

## Commodity market: Prices of oil up, sugar, grains down over the week

LONDON, Oct 20: After months of feverish excitement, calm has returned to the world's cereal markets, with the prospect that the United States, the world's number one exporter, will produce bumper soys, maize (corn) and wheat crops this year, reports AFP.