

M Saifur Rahman: Former finance minister Saifur Rahman has strongly advocated market forces playing around the stock exchanges to stabilise it. He called for monitoring the financial jockeys by the regulators of Securities and Exchange Commission (SEC) and detecting the alleged manipulators so that the overheated financial 'bazaars' could be cooled down to protect inves-

"Free market does not mean free style operations," he observed while alleging that the said manipulators were harvesting a bonanza whenever companies with strong fundamentals traded below their

Commenting on the current situation in the country's volatile securities market, sliding up and down, he lashed at the present government for withdrawing the one year lockin period that his government had introduced to keep it stable, raising the capital from 200 million US dollars to one billion dollars in four years, forming the Securities and Exchange Commission (SEC) to watch it. "But foreigners coming here to invest have told me that it has become a 'manipulating exchange," he remarked.

When the lock-in was there the foreigners came to invest. But now they are scared, Saifur Rahman said, claiming that an unhealthy trend was allowed to develop where promoters shrugged off their shares and ran away after five months. leaving their empty fields, and were allowed to issue right shares. "The SEC should keep them on their toes until they start going into production and spinning money.

He said the SEC should scan the exchanges taking all aspects into consideration, including checking the audit reports, if needed, by third auditors. He also suggested more information about the exchanges "so that people could be educated to absorb the shocks as free market means an informed market, too."

Saifur Rahman further said that he does not favour excessive regulations. "There should be accountability and reforms in the market so that the perpetrators of loan default culture can not play around the bourse. being broker and director of companies at the same time.. he



Manzoor Elahi: A lea ding industrialist, Manzoor Elahi has suggested widespread reforms in the country's stock markets, insulating them against pirates manipulating the ratings of companies and institutionalising the vast army of educated unemployed youths operating in the kerb markets.

The Dhaka Stock Exchange (DSE) has become a casino-like place where two of my companies are listed, I am exporting too but their fortunes remain static, 350 to 500 per cent below certain companies, at least one of them I know have had no production for four months, retrenched even workers but its shares gushed upto five digits. Elahi said.

Stressing the need for accountability, the former MCCI president said the situation demands closer scrutiny to guard against manipulators waltzing around for the kill as the honey-pot attracted thousands including retirees, playing the roulette and losing their

lifetime savings. "It is true that playing around the stock markets could produce losers and winners but the situation in the exchanges demand that more shares are

Growing Pains of an Emerging Capital Market pumped in and the government bolstering it with its own stocks

The former advisor to the caretaker government of justice Habibur Rahman sought attention of all on the kerb marketeers, trooped by educated unemployed youths trying to change their fortunes. "It has become a social trend. If they lose their little capital it would have its bearings on society. Their business is not legal but authorities must take their existence into cognizance by le-galising their trade," he said.



Shah Abdul Hannan: Banking Secretary Shah Abdul Hannan said what happened in the country's stock markets was basically manipulation by some brokers and their agents. adding that it was not driven by market forces.

He said. "It is not entirely true that the boom was triggered by liquidity."

Hannan said sales of some shares should be stopped by force so that people do not suffer. I have seen people lose faith in the stock exchanges. This faith has to be restored by action and by inducing new people to the exchanges.

He felt that the proposed national stock exchange should be set up quickly to normalise the

He also observed that the SEC and NBR, aided by experts, should find out who made millions out of the market.



Yusuf Abdullah Ha-

roon: President of Federation of Bangladesh Chambers of Commerce and Industries Yusuf Abdullah Haroon yesterday recommended a number of steps to streamline the stock exchanges to provide them with a sound footing protecting the investors confidence and their

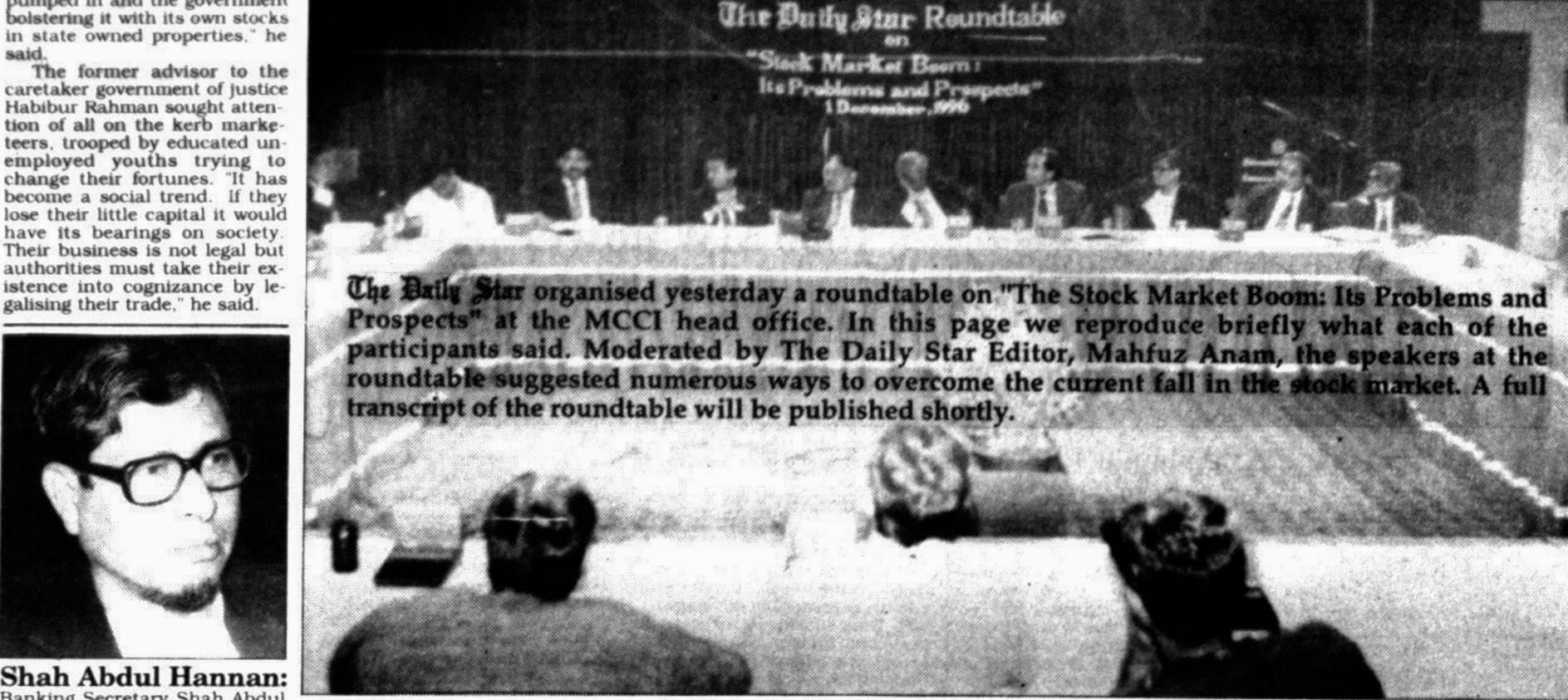
money We have a social obligation because you are dealing with other people's money," the FBCCI president said while suggesting a package of reforms that includes reinforcing the SEC, setting up a central deposi tory system, shedding brokers from policy decision levels and keeping them off listed compantes board.

The leader of the nations apex business body observed that the experience in the mar ket was new and people were not prepared for it. The boom came in a plain field without any infrastructure but time has come to assess the whole system, he added.

Yusuf Abdullah Haroon suggested that independent auditing should be organised for the market players with a strong regulatory and watchdog role for the SEC so that no one could manipulate and indulge in foul

The situation is fantastic for the entreprenuers. But if you borrow money to invest you are not mobilising savings. I know of certain companies who have no productions but managed to offload shares and minted money. We should look into all

these factors," he added He said 'very often we see that government cannot make any headway without any consensus and referred to former finance minister's predicament when he felt something was right for the nation but could not implement it because of lack of consensus. Being an opposition leader he should now



come forward to reach consen-

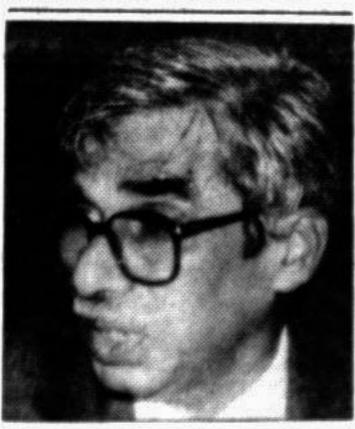


Samson H Chowdhu-

ry: President of Metropolitan Chamber of Commerce Samson H Chowdhury observed that the government should release its stocks from state enterprises and pension funds of its employees to hedge the market from destablisation.

He recommended a number of steps to stablise the volatile market , weeding out attempts to manipulate it and strengthening the Securities and Exchange Commission to take prompt remedies to correct the situation

"No stock market is perfect. There is no need to panic. We are having a new experience to learn from it," he observed.



Harunur Rashid: Ch airman of SEC Harunur Rashid said computerisation of stock exchanges is of utmost impor tance to stop manipulation of share prices:

He said institutional reforms, to improve facilities at the stock exchanges, are also important to allow the brokers handle the loads of investors.

He observed that the ac counting standard of companies leaves a lot to be desired adding. "We cannot ignore the

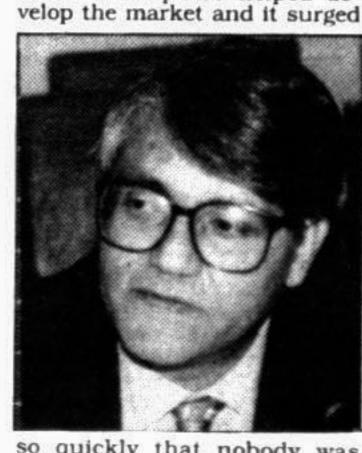
He said SEC does not have the full expertise to deal with the burgeoning market. 'We are still in the process of develop-

The chairman said there has to be regular monitoring and surveillance of the market to

avoid manipulation. "Institutional structure of DSE could give rise to manipulations," he said. "We have kept a watch on the market and have already received some information. Our purpose is to prevent frauds in the future."

Imtyiaz Husain: Dhaka Stock Exchange Chairman Imtyiaz Husain attributed the recent boom in the share markets to the six years' hard work by the government and other or ganisations.

Political stability, liberal economic policy and democratic atmosphere helped develop the market and it surged



so quickly that nobody was prepared for it which created

distributive problems, he said. Underlining the need for legal framework, the DSE chairman observed that the law should be passed by the parlia-

He said that although there were many loopholes and failures, much has been done for industrial development through the capital market. "As we are pursuing market

economy, private sector should be given the opportunity to flourish by its own force." Imtviaz said

Referring to the present crisis of share supply in the market, he said it could be resolved through releasing more government shares.

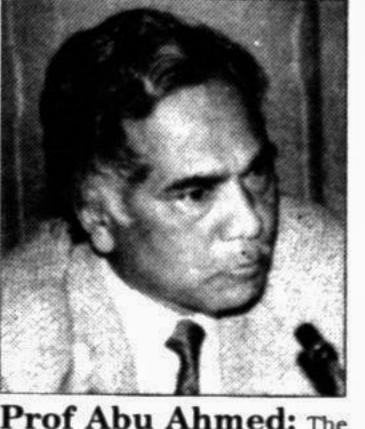


Dr Amir Khashru Mahmud Chowdhury, MP : President of Chit Jagong Stock Exchange Amir Khashru Mahmud Chowdhury suggested that in order to check over valuation of enlisted companies assets, and to make the financial information in the prospectuses of these companies more reliable.

foreign accountants should be allowed to work in Bangladesh "If foreign investors are allowed in the share market, I don't see why accountants should not be allowed too," he

Giving his views on the recent ups and downs of the secondary market, the president of the CSE said, all the players the big and small investors, the market operators and the regulatory body - were still learners. He added that, recently, the capital market had been shocked by imposition of various regulations, withdrawal of bank loans, and huge applications for Initial Public Offerings (IPO)

He added, automation of the trading floors and formation of a central depository system were the ultimate answers to keeping the market healthy for all.



Prof Abu Ahmed: The prices of most of the shares rose very high despite the warnings given by the government through the mass media that when the market would go down the small investors would be the great losers, observed Prof Abu Ahmed of Dhaka University.

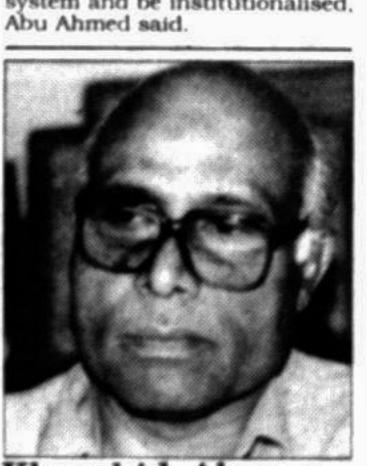
Referring to the resumption, of bank loans against share certificates, he said only the big investors will be the main beneficiary of this loans as common people have hardly any access to the bank loan.

Alleging that the DSE members are involved in manipulation and syndicate trading. Prof Ahmed, also President of Bangladesh Investors Forum. told reforms of the stock exchanges. He emphasised the need for automation and modernisation of the DSE trading system, as well as establishing transparency and accountabil-

Abu Ahmed suggested issuing brokerage licences on yearly basis to make the stock exchanges more transparent and accountable. He said that the SEC should act as a watchdog so that all sort of manipulation and outside trading can be

Stressing the need for upgradation of country's overall auditing standard. Abu Ahmed said that foreign auditing firms should be allowed to audit the accounts of local companies.

He said that the kerb market has grown due to the inefficient trading system of the bourses Although the trading at the kerb market is "illegal," but it should be brought under legal system and be institutionalised.



Khurshid Alam: For mer Chairman of DSE Khurshid Alam said that a 500 point fall in the price index should not be termed a 'crash'. because ups and downs in the stock markets are natural.

He said that the investors who were making profit should also be ready to bear the losses. He differed with the views that the Securities and Exchange Commission should act as a policeman, but it should

venture: Treasure Island 15

(Hindi Subtitles) 1:30 Classic:

Fiction: Pride and Prejudice Part

5 9:00 Extreme Close Up 9:30

This Week That Year 10:00

Comedy: Big 15 (Hindi Subtitles)

11:30 World Cinema: The Little

Boy 15 (English Subtitles) 1:30

Thriller: The Medusa Touch

3:30 Horror: The Scarecrow 18

(Arabic Subtitles) 5:30 Film

rather act as a regulator on the basis of specific complaints. "They can also act as a monitoring organisation," he observed.



Barrister M Zahir: Ba rrister M Zahir, a securities and investment lawyer, has suggested that the Securities and Exchange Commission should take into consideration what many emerging markets had done to prevent inside trading and other malpractices.

Participating in The Daily Star roundtable on stock market he cited examples of Australia in early seventies and the United States after the great depression while strengthening regulations to monitor the stock exchanges. He stressed the need for legal reforms to insulate the investors from preda-



Khondoker Abu Bakar: Regarding snags in clearance of different laws related to the capital market. Joint Secretary of the Ministry of Law, Khondoker Abu Bakar, defended the position of the Law Ministry saying that the ministry was under-staffed and it did not have enough experi-

enced manpower. We have sought help of the ministries of Establishmen and Finance to increase our manpower, but in vain," he said, adding that there is a proposal to set up an independent division in the government which would actually be a pool of bureaucrats, to serve in any ministry whenever necessary.

The joint secretary noted that the problems in the capital market should be pin-pointed and appropriate punishment for the violators or manipulators should be identified. Once strong action is taken against the violators, confidence in the market would become stronger, he observed.

Jahangir Miah: The Deputy General Manager of Investment Corporation of Bangladesh, Jahangir Miah said, "We have to look at the capital markets of Thailand,



Indonesia, Pakistan, Malaysia, and learn from them. Foreign portfolio investors invested in those markets, which created demand for the securities and. later, local investors have come

He said, each capital market has three stages — primary, manipulation and consolidation - and Bangladesh was passing through the manipulation stage.

Citing an example of a local stock exchange, he said, only manipulation could lead to increase in trading, from Tk 10 lakh to Tk 30-40 crore. "Now, we should move towards the consolidation stage," he added.



Hemayetuddin

med: Former DSE chairman and presently a DSE member Hemayetuddin Ahmed, explaining the recent boom said, if the liquidity increases substantially, the security demands are backed by purchasing power of the investors, that follows a large increase in the security

Referring to 'over-subscription of IPOs, Ahmed said, the authorities should stop receiving money when the company's target of accumulating capital is achieved, thus preventing over-subscribed' money from being released to recycle.

He said, the small investors might be given opportunities to minimise losses through 'softlending'

"The boom is over and the burst is ahead," he warned. adding that the Securities and Exchange Commission has a role to play in properly scrutinising a company's financial and other performances, before giving it permission to operate in the capital market.

He also urged the private sector to make use of the opportunities prevailing in the market. The former DSE chairman suggested giving recognition to the intermediary companies to look into the investors' inter-



Rizwan Bin Faroug: Managing Director of First Capital Securities Ltd. Rizwan Bin Faroug yesterday said the setting up of the central depository system (CDS) should be expedited for transparency of the market. He laid stress on automation of the DSE for ensuring better service to

He also said private mutual funds should be allowed in the market soon. Explaining the recent phe-

investors

nomenon in the stock markets. Rizwan said it was a liquiditydriven boom from retail investors as the perception of the market improved after the general elections. He said the on-going correc-

tion is being influenced by a panic syndrome, but it cannot be termed as a crash. He felt that once the confidence of retail investors is shaken, it would be difficult to restore it. He said the brokers should

have done some research on

investors is important for nor-mal functioning of the market, and added, share market topic could be incorporated into the formal education system.

what to do with the boom.

Rizwan said education of the

Mahmudul Haque: Director of Chittagong Stock Exchange Syed Mahmudul Haque yesterday said efficiency of the regulators of the markets should be improved to bring transparency in the market.

He also said the infrastructure of the stock exchanges should be enhanced for efficient and smooth operation.

Mahmud also felt that emphasis should be given on dissemination of information about companies and their fundamentals so that investors could take informed decisions.

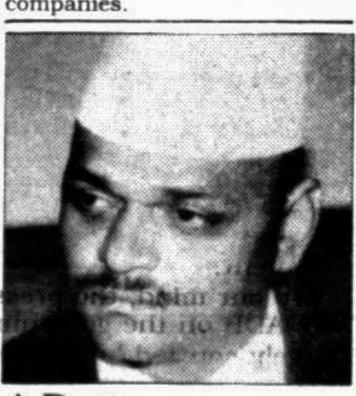


Nazimuddin Ahmed:

A DSE member Nasimuddin Ahmed said, the SEC lacked the efficiency to regulate the market properly. He said, the market should ensure flow of necessary information to help the market 'players'.

Ahmed said, "Our market lacks transparency and there is not sufficient infrastructural facilities.

He, however, placed emphasis on company publications besides DSE and SEC publications for proper dissemination of information about listed companies.



A Dutta: In solidarity with the suggestion to increase securities in the market, Manager of Standard Chartered Bank, A Dutta, said that in order to ensure public interest, issuer of a share should be made responsible and accountable to the people and the law. Companies should not take the SEC's approval as a 'gate pass' to do anything they want, including market manipulation, he added.



Ltd observed that one should not be pessimistic about the prospect of the capital market since the economic fundamentals of the country supported the growth of the share market, to some extent. "Stock Exchange is the barometer of the economy. Earlier this year, we thought the All Share Price Index of DSE would reach 2000 - because the economy was set to take off and because of the change of government. In reality, the index exceeded our level of prediction," he said He suggested it was the right time to float new shares in the

market to ensure a growth of 20 to 30 per cent next year.

The Daily Star Entertainment Guide

Monday 2nd December All programmes are in local time. There may be changes in

the programmes. BTV

3:00 Opening announcement, Al Quran, Programme summary 3:10 News in Bangla 3:15 Patriotic song 3:20 Recitation from the Bible 3:25 Retelecast of Sandhikhanay Amra, Script: Dr. Inamul Haq. Producer: Alauddin Ahmed 4:40 Education programme 5:00 News in Bangla 5:25 Dolan Changa 5:50 Documentry on UAE 6:30 Anu-Paramanu 6:50 Open University 7:00 The News 7:25 Silver Jubilee of freedom fighting: A documentary 8:00 News in Bangla 8:25 Silver Jubilee of freedom fighting: After the March 25 9:00 Package Drama 10:00 The News 10:25 Those day of freedom fighting 10:30 Janamat 11:30 News in Bangla 11:35 Tuesday's programme summary 11:40 Close down.

BBC

6:00am BBC World News 6:10 World Focus The Money Programme 7:00 BBC Newsroom inc World Business Report/Asia Today/24 Hours 10:00 BBC World Headlines 10:05 World Focus The Money Programme 11:00 BBC Newsday 2:00 BBC World News 2:15 World Focus The Money Programme 3:00 BBC World News 3:30 Time Out. Top Gear 4:00 BBC Newsdesk 6:00 BBC News Headlines 6:05 World Focus: Assignment 7:00 BBC World News 7:15 World Business Report 7:30 BBC New shour Asia & Pacific 8:30 Time Out: Film '96 9:00 BBC World News 9:15 World Focus: The Money Programme 10:00 BBC World News 10:30 Time Out: The Clothes Show 11:00 BBC World News 11:30 Time Out Tomorrow's World 12:00 The World Today 2:00 BBC World Headlines 2:05 World Focus: The Money Programme 2:45 Building Sights 3:00 BBC World News

Show 4:00 BBC World Report inc World Business Report/24

Hours

CHANNEL V 6:00 Frame by Frame 7:00 Rewind VJ Sophiya 8:00 Frame by Frame 9:00 Jump Start VJ Alessandra 10:30 Frame by Frame 11:00 The Vibe VJ Luke 12:00 Rewind VJ Sophiya 1:00 By Demand VJ Trey 2:00 Frame by Frame 2:30 First Day First Show 3:00 Sansui Mangta Hai 4:00 Planet Ruby 4:30 Big Bang VJ Alessandra 5:30 Big Bang 6:00 Rewind VJ Sophiya 7:00 Launch Pad VJ Samira 8:00 Planet Ruby 9:00 BPL Ovel 10:00 First Day First Show 10:30 Soul Curry 11:00 The Ride 11:30 Over The Edge 12:00 Big Bang VJ Alessandra 1:00 Haysah 2:00 By Demand VJ Trey 3:00 Big Bang VJ Alessandra 4:30 Asian Top 20 VJ Trey

STAR PLUS 6:00am Home and Away 6:30

The Sullivans 7:00 Aerobics Oz Style 7:30 Star News 8:00 Sky News 8:30 Star News 9:00 Sky News 9:30 Aerobics Oz Style 10:00 Nathalie Dupree Cooks 10:30 Videotashion 11:00 Kate & Allie 11:30 The Oprah Wintrey Show 12:30 Dynasty 1:30 Santa Barbara 2:30 The Bold & The Beautiful 3:00 Buniyaad 3:30 Lifeline 4:00 Home and Away 4:30 Lost in Space 5:30 Adventures of Black Stallion 6:00 Kate & Allie 6:30 Nathalie Dupree Cooks 7:00 The Amul. India Show 7:30 Star News (Hindi) 8:96 Small Wonder 8:30 The Bold and the Beautiful 9:00 Imtihan 9:30 Star News 10:00 Yes Minister 10:30 Chicago Hope 11:30 The Bold & The Beautiful 12:00 Santa Barbara 1:00 The X Files 2:00 Star Treak 3:00 Quincy 4:00 The Oprah Winfrey Show 5:00 Barnaby Jones

STAR SPORTS

8:00 Vietnam Open 1996 Semi Final From Ho Chi Minh City Vietnam 10:00 Int'l Motorsports News-4311:00 Million Dollar Golf 1995 H/Ls 12: 00 ITU Triathlon World Cup 1:00 WTA Tour Champonships From New York 1st Semi Final 3:00 Trans World Sport 4:30 Vietnam Open 1996 Final Day From Ho Chi Minh City, Vietnam 8:00 World Wrestling Federation Survivor Series 11:00 World Cup Of Golf Qualifler From Jamaica 12:00 Spark 1:00 Same Day Delay National Football League, 1996-1997 3:30 Thai Kickboxing Highlights 4:30 International Motorsports News 5:30 WTA Tour Champonships From New

york 1st Semi Final

STAR MOVIES

7:30 Documentary: Visions of

Light 15 (Hindi Subtitles) 9:30

Family: Triumph of The Heart

PG (Hindi Subtitles) 11:30 Ad-

Peyton Place 15 (Hindi Subtitles) 3:30 Family Munchie Strikes Back 12 (Hindi Subtitles) 5:30 Western: Forty Guns PG (Arabic Subtitles) 7:30 Film

6:00 The News 6:30 Jagran 7:00

Club: Mississippi Burning 18 (Arabic Subtitles) ZEE TV

A to Z of Computer 8:00 ZEE Education Prog 8:30 The Dream Merchants 9:00 Hum Zameen 9:30 Gaane Anjaane 10:00 Sailaab 10:30 Daak Ghar Apna Ghar 11:00 17 Sherty Road 11:30 Goopaliee 12:00 Suno Suno Tring Tring 12:30 Celeste 1:00 A to Z of Computer 1:30 Asian Sky-

(Serial) 3:00 Serial TBA 3:30 Mere Ghar Ana Zindagi 4:00 Mano Ya Na Mano 4:30 Khana Khazana 5:00 A to Z of Computer 5:30 Akbar Birbal 6:00 Cartoon 6:30 Love Stories 7:00 ZED 7:30 The Hindi News 7:45 Raahat 8:15 Tol Mol Ke Bol 8:45 TVS Sa Re Ga Ma 9:15 Akai Jhalak 9:30 Campus 10:00 Daraar 10:35 The News 11:00 Shayad 11:30 Close Up Antakshari 12:00 Parivartan 12:30 Andaz 1:00 9 Malabar Hill 1:30 Aap Ki Pasand 2:00 Zee Arabia Arabic Programme 2:30 Zee Arabia: Infotainment - TMM PTV

Marketing 2:30 Pakizaah (Rpt)

8:00 am Tilawat Aur Tarjuma

/Hamd/Naat 8:20 Cartoon 8:30 Khabrain 8:45 Abb Pata Challa 9:05 Khat Farmaish 9:20 Sar gam Sargam 9:45 Ilaaj-Bill-Ghiza Pakistan 10:05 Shab Daigh 10:35 English Film : Goof Troop 10:55 Milli Naghma 11:00 Khabrain 11:10 The Saint (Roger Moor) 12:00 Shama (Drama Serial)

Bismillah 1:15 Angaar (Drama Serial) 2:00 Shehrad (Drama Serial) 2:50 The Face Of Cultural 3:15 Roushni 3:30 Paimaney 4:00 Ghardari 4:35 Biology for 10th/ Geography/ Chemistry 5:55 Inter College Quiz 6:25 Aiou Courses 7:00 Taranum (Drama Serial) 7:45 English News 8:00 Potluck 8:20 Ali Baba 8:45 Tum Se Kahan Tha (Serial) 9:00 Break for Headline News 10:00 Khabarnama 11:15 Classics Drama Serial: Janglee 12:20 Special TBA 1:00 Khas Khas Khabrain/ Close down

12:55pm Quran-e-Hakeem 1:02

DD 7

10:30 Janmadin 10:35 Educ Prog 11:00 Nazrulgeeti 11:15 Folk Songs 12:30 Monoroama Cabin 1:00 Janani 2:30 Aiy Chandee Ki Anandey 3:00 Bahari (Serial) 3:30 Irsha (Serial) 5:05 Nepali Programme 5:30 News 5:35 Desh Bidesher Khela 6:00 Palli 7:55 Dinindan 8:00 Gan Sudhu Gan 9:00 Janani 9:30 Monorama Cabin 10:00 Bengali Movie Club Film Show: Maa 1:00 Closed SONYET

Katha 6:30 Batayan 6:55

Bhangan 7:30 Bangla Sambad

8:30am Yaadon Ki Baarat 9:00 The Three Stooges 9:30 Dennis

The Menace 10:00 | Dream Of Jeannie 10:30 Surf-Wheel Of Fortune (Game Show) 11:00 Cover Story-Hostel (Serial) 12:00 Mere Message Meri Geet 1:30 Baat Ek Raz Ki (Serial) 2:30 Cine Matinee-Hindi Feature Film 4:30 The Rasoi Show 5:30 The Three Stooges 6:00 Mere Message Meri Geet 6:30 Dennis The Menace 7:00 Premier 7:30 Dream of Jeannie 8:00 Surf-Wheel Of Fortune 8:30 Taak Jhaank 9:00 Jevan Mirtu (Serial) 9:30 Yeh Sadi Nahi Ho Sakti (Serial) 10:00 Chamatkar (Drama Serial) 10:30 Ghave 11:00 The Young And The

EL TV

Restless 12:30 O'Maria (Serial)

1:00 Pehli Mulakat 1:30 Surf-

Wheel Of Fortune 2:00 Premier

Jodi 8:30 Music Time 9:30

Tarane Aur Fasane 10:30 Kal

06:30 Dance Dance 7:30 Jugal

2:30 Closed

Bhi Aai Bhi 11:00 Teri V Chup 11:30 Amar Prem 12:00 Manoranjan 12:30 Song Yatra 1:00 Special: Naam Gum Jayega 1:30 Tarannum 2:00 Aya Saawan 3:00 Shatrani 3:30 Abhinetri 4:00 Bgd Balwant 4:30 The Music Real Count Down 5:00 Talaash 5:30 Special: Jhumo Nacho 6:30 Its My Choice 7:00 Siyaram Kamaal Kombination 7:30 Awaz Nahi Andaz Wahi 8:00 Fit Or Fat 8:30 Sorry Mery Lory 9:00 Dance Mania 9:30 Karz 10:00 Chalo Cinema 10:30 Yeh Dunia 11:00 Hee Hee Haa Haa 11:30 Hit Hai Hit Thai 12:00 Intezaar 12:30 Helen Special 1:30 Music Time 2:30 Ched Chad 3:30 Jazbaat