

Exchange Rates

The following are the Janata Bank's dealing rate (BD Tk for one unit of Foreign Currency) to public as on 15/05/97:

	Buying		
	TT Clean	OD Sight Export Bills	OD Transfer
US Dir	43.5200	43.3522	43.2386
GB Pnd	71.2320	70.9407	70.7547
D Mark	25.6030	25.4983	25.4314
F Franc	7.6022	7.5712	7.5513
JP Yen	0.3724	0.3709	0.3699
C.Dir	31.1628	31.0353	30.9540
S Franc	30.2550	30.1313	30.0523

Name of Currency	T.T. & O.D.		B.C.
	Buy	Sell	
US Dollar	43.8120	43.8650	
GB Pound	72.2791	72.3614	
D Mark	26.0304	26.0600	
F Franc	7.7296	7.7384	
JP Yen	0.3811	0.3815	
C Dollar	31.6850	31.7210	
Franc	30.7725	30.8074	

Dhaka to receive Tk 8.25 cr Danish grant for water management

Bangladesh will receive Danish kroner 12.30 million (approximately Tk 8.25 crore) as grant from Denmark for the development of mathematical modeling of water management in the country, reports UNB. The grant money will be utilised to finance the project "Strengthening of the Surface Water Modeling Center", during the 1997-99 period, under an agreement signed here yesterday.

ERD Joint Secretary AB Chowdhury and Charge d'Affaires of the Royal Danish Embassy in Dhaka Finn Thirsted signed the agreement on behalf of their respective governments.

The objective of the project is to contribute towards improved water management through high quality mathematical modeling and related analysis.

Its immediate objective is to develop an independent and commercially viable centre of expertise in the field of mathematical modeling for water management in Bangladesh.

New York council against business with cos involved in Myanmar

NEW YORK, May 15: New York's City Council voted Wednesday to stop doing business with companies involved in Myanmar in a move to use city funds "to do good and not to encourage evil," reports AFP.

The council passed the measure by a vote of 50 to 0. Mayor Rudolph Giuliani has 30 days to either sign or veto the measure.

The mayor's office has opposed the bill. But backers of the measures say they could easily get a two-thirds majority to override any veto.

City Council speaker Peter Valone said the members had heard evidence at a March 4 hearing of serious human rights abuses by Myanmar's ruling military junta, the State Law and Order Restoration Council (SLORC).

No impact of US sanctions: Yangon
Reuters says from Tokyo: US sanctions which bar new American investment in Myanmar are not affecting the country, a senior Myanmar official told a business seminar today.

"A major power has most recently imposed economic sanctions on Myanmar. We all know that this decision smacks of hypocrisy and double standards and that sanctions will have no impact on the Myanmar economy," said Brigadier General Maung Maung, Secretary of the country's Investment Commission.

New MD of Hotels Int'l
Adiluzzaman was appointed the new Managing Director of Hotels International Limited, owning company of Pan Pacific Sonargaon Hotel on Sunday, says a press release.

Adiluzzaman joined Hotels International Limited in the capacity of Secretary and has been holding the position for the last 20 years.

Zaman started his career as a Trainee Officer in Platinum Jubilee Jute Mills Khulna in 1967. Later he joined as Sales Executive in the daily "People and Weekly" "Gonabangla" in 1970. He served as Deputy Chief Planning Officer in Adamjee Jute Mills before he was transferred to BJMC as Coordination Officer, where he worked till 1974. He joined Bangladesh Parjatan Corporation in August 1974 and served as Deputy Manager, Research & International Affairs Division till 1977 before joining Hotels International Limited. He has been trained in Cornell University, USA on Hotel Management.

Phoenix Insurance declares 30 pc dividend

Phoenix Insurance Company Ltd has declared a 30 per cent dividend for the shareholders, says a press release.

The dividend was declared at the 11th Annual General Meeting of the company held at Sonargaon Hotel in the city on Wednesday.

The chairman of the company Major General Abdul Mannan Siddiqui (retd), president over the meeting.

During the year 1996, the company earned a pre-tax profit of Taka 3.86 crore as against Taka 3.56 crore in 1995. Total assets of the company in the year 1996 was Taka 37.09 crore as against Taka 36.13 crore in 1995.

In the vacant posts of Directors from the sponsor-shareholders' Group, Nashrudin Ahmed, Md Habibar Rahman Mia, Jahanara Begum and Mrs Meherun Haque were elected Directors unopposed.

Kibria seeks Japanese fund for 3 projects

Finance Minister Shah AMS Kibria yesterday sought assistance from the Overseas Economic Cooperation Fund (OECF) of Japan for Rupsha Bridge Project, Sylhet Osmany International Airport and Ganges Barrage Project in Bangladesh, reports BSS.

Budget constraints: Tokyo may cut foreign aid

TOKYO, May 15: Japan, the world's largest aid donor, may cut its foreign aid because of budget constraints, Foreign Minister Yukihiko Ikeda said today, reports Reuters.

"Due to budgetary difficulties, developmental assistance cannot be expected to grow by leaps and bounds as before," Ikeda told an international conference on Asia.

"As a result, Japan will consider other sources of financial flows... such as expanding market access for goods from developing countries into Japan through deregulation or securing special funds from the private sector," he added.

Ikeda's statements under-

scored calls on Tuesday by a foreign ministry panel for a reduction in Japan's financial aid and a thorough reform of its foreign aid programme.

Ikeda said this reflected a general mood among policymakers to cut Japan's aid, long considered a sacred cow in foreign policy.

There are people within the government who suggest that development assistance cannot remain sacrosanct," he said.

Japan's foreign aid in 1996 fell 35 per cent from the previous year to 9.58 billion US dollars, the lowest dollar value in six years, according to foreign ministry statistics.

omponent of the country.

Kibria also appreciated the role of OECF in the development of Bangladesh and, in this respect, he referred to major projects undertaken by OECF which included Gumti-Meghna Bridge, Jamuna Bridge and the Chittagong Airport Development Project.

He apprised the OECF President of the policy direction and initiatives undertaken by the present government under the leadership of Prime Minister Sheikh Hasina for achieving progress and stability in Bangladesh, a message received here yesterday said.

The OECF President praised achievements of the present government in Bangladesh so far and assured that important project outlined by the finance minister would receive careful consideration after details of these projects were received by the Japanese government.

Kibria invited Akira Nishigaki to visit Bangladesh soon and he accepted the invitation, the message said.

Secretary of the External Relations Division Dr Mashur Rahman and the Bangladesh Ambassador to Japan SM Rashed Ahmad were present during the meeting.

Pakistan forecasts sharp rise in current account deficit

ISLAMABAD, May 15: Pakistan's current account deficit is forecast to rise to 4.0 to 4.5 billion dollars in the year to June 1997 from 2.8 billion dollars a year earlier, a government official said yesterday, reports AFP.

The higher deficit would represent about seven per cent of the Gross Domestic Product (GDP), up from 4.3 per cent a year earlier, Deputy Chairman of Planning Commission, Hafeez Pasha, told The Associated Press of Pakistan agency.

Pakistan was expected to register in 1996-97 exports of nine billion dollars and imports of 12 billion dollars, leading to a shortfall of three billion dollars.

The agricultural and industry sectors, which form the backbone of the economy, had performed poorly, leading to a sharp decline in economic growth, he added.

Pakistan emerged from a political crisis with new elections in February which followed the dismissal of premier Benazir Bhutto by President Farooq Ahmed Leghari in November for alleged corruption and misuse.

The new government led by Prime Minister Nawaz Sharif has introduced wide-ranging

economic reforms, including significant tax cuts to stimulate industrial growth and expand revenues.

Pakistan's economic growth was around six per cent in 1995-96 but it is likely to be much lower in the current year at around three per cent.

Inflation was expected to be in double digits and the budget deficit was expected to be above four per cent of GDP, a target advised by the International Monetary Fund (IMF).

Pasha forecast substantial improvement in the economy during the next fiscal year.

He said the government was hopeful Pakistan would be able to reduce the trade deficit two billion dollars in 1997-98, the trade deficit was 3.3 billion dollars in 1995-96.

The official projected five per cent growth in agricultural output and seven per cent growth in production from the large-scale manufacturing sector.

Pakistan's foreign debt burden stood at 26.5 billion dollars and outstanding domestic loans at 1,003.2 billion rupees (25 billion dollars), according to official figures.

The government has said it has averted the danger of default on international pay-

ments but it would take at least two years to turn the economy around with the help of structural reforms and fiscal discipline.

The government, opting to pursue its own programme to spur growth and mobilise more revenues, has said it would negotiate with IMF a loan of 1.5 billion dollars covering a period of three years.

The loan, for which negotiations are to start in July, will be sought under the IMF's extended structural assistance facility, a programme aimed at supporting major economic reforms in member states.

The government has collected 234 million dollars from citizens toward a debt repayment fund launched by Sharif so as to help ease its foreign debt problems, officials said.

Funds flowing in included outright donations, interest-free loans to the government and fixed deposits for terms ranging between two and five years. The money is to be used before June 30 to repay expensive short-term debt.

The government has vowed to accelerate a privatisation programme, saying it would use the proceeds from sale of state units and corporation to reduce the debt burden.



M Aminuzzaman, Managing Director of Uttara Bank Ltd., inaugurated the regional heads' conference at its head office yesterday.

US, Brazilian officials clash over free-trade

slowly, preferring a step-by-step approach instead.

Brazil wants to deal first with issues such as the unification of customs procedures, and then with non-tariff barriers, such as quotas and surtaxes.

Brazil would leave negotiations on the reduction of tariffs and market access until 2003 — two years before the scheduled startup of a hemisphere-wide free trade zone. The creation of the Free Trade Area of Americas was agreed to in the First Summit of the Americas, held in Miami in December 1994.

The United States feels two years are not enough to negotiate the most contentious issues involved in creating a hemisphere-wide free trade zone.

Defending his country's position, Brazil's Foreign Minister Luiz Felipe Lampreia, told the same business executives that more time was needed to accommodate the needs of the hemisphere's less developed economies.

BELO HORIZONTE, Brazil, May 15: American and Brazilian officials clashed Wednesday over the pace of negotiations to remove trade barriers in the Western Hemisphere and create the Free Trade Area of the Americas, reports AP.

US Secretary of Commerce William Daley wants comprehensive bargaining to begin next March at the Second Summit of the Americas in Santiago, Chile.

"We want to craft measures, to make doing business easier, early in the game," he told a forum of Brazilian and foreign business executives.

"We want to launch the negotiations in all areas at Santiago next year, and we must ensure that all necessary steps for those negotiations are taken before then," he said.

But Brazil — the largest and most powerful partner of the Mercosul trade union, which also includes Argentina, Uruguay and Paraguay, wants a

Shipping Intelligence

Chittagong Port

Berth position and performance of vessels as on 15-5-1997.

Berth No	Name of Vessels	Cargo	Last Port	Local Agent	Date of Leaving	Arrival
J/1	Gul Lin Ang	C Clink	Chin	USTC	7/5	21/5
J/2	Sea Dilli	P Mat	Sing	BNSC	10/5	15/5
J/4	Jasmine	Wheat (G)	Sing	SSST	8/5	15/5
J/5	Topaz	Cement	Sing	PSAL	4/5	17/5
J/6	Dinamarc	GI	Sing	Prog	10/5	18/5
J/7	Indian Goodwill	GI	Busa	Oil	9/5	15/5
J/8	Banglar Gourab	GI	Nago	BSC	7/5	17/5
J/11	Banglar Kiron/Khanak	Wheat (G)	R Dia	BSC	R/A	18/5
J/12	Banglar Asha	Wheat (G)	K Dia	BSC	R/A	19/5
CCT/1	Vanessa	Cont	Sing	RSL	10/5	15/5
CCT/3	M Regina	Cont	Sing	PI (B)	14/5	17/5
RM/14	Meng Yang	Repair/ Survey	Sing	AML	29/4	16/5
CCJ	Hea Woo No 2	Cement	Sing	RML	6/5	18/5
CSJ	Mihalis-F	Wheat (G)	K Dia	SSST	12/5	20/5
TSP	Sea World	Repair	Mong	Saffron	25/4	16/5
RM/4	Techant Pioneer	Cement	Sing	PSAL	10/5	23/5
RM/6	Teachon	Cement	Sing	Cosmos	5/5	15/5
DDJ	Banglar Shourabh	Coff	Mong	BSC	R/A	16/5
DDJ	Raffiu	Repair	Mong	KSL	29/4	20/5
DDJ/1	Tanary Star	Idle	Para	PSAL	8/6/95	-
DDJ/2	Fong Lee	Repair/ Survey	COLA	(BDSHIP)	1/5	16/5
RM/8	Mantis	Repair	Mumb	Cross	15/4	17/5
CUFLJ	Blue Npht	Cement	Qing	PSAL	3/6	-

Vessels due at outer anchorage

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
Susak	15/5	Mong	Baridhi	Cont	Col
Fong Yun	15/5	Sing	BDSHIP	Cont	Sing
QC Teal	15/5	Sing	QC SL	Cont	Sing
Ocean Rover	15/5	Cal	Fairmax	GI	-
Olympia-96	15/5	Yang	Simni	For Scraping	-
Torin	15/5	Sing	APL	For Scraping	-
Freesia	16/5	Sing	RSL	Cont	Sing
George	17/5	Sing	PSAL	Cement	-
Fong Shin	17/5	Sing	BDSHIP	Cont	Sing
Lian Sha	17/5	Sing	BDSHIP	Cont	Cal
Ravidas	17/5	Mad	SSL	GI/GL	UK Cont
Pioneer Rossi	17/5	Sing	ANCL	GI	-
Banglar Moni	17/5	Sing	BSC	Cont	Sing
Altairace	17/5	Yang	Everett	GI	-
Dragon Sentos	17/5	Sing	RSL	Cont	CAL
Elbe Star	19/5	Sing	BDSHIP	Cont	CAL
Hapaan	18/5	Yang	MTA	GI	-
Lamphun Navee	18/5	Sing	RSL	Cont	Sing
Esco Argo	18/5	Bang	Prog	GI/White (Cement)	-

Name of Vessels	Date of Arrival	Last Port	Local Agent	Cargo	Loading Port
Meng Kiat	18/5	Col	AML	Cont	Sing
Tug Tong Ah	19/5	Sing	Karna	Empty	-
Lorely	19/5	-	MBL	-	-
Ioloco Flame	19/5	-	AHZ	-	In Ballast
Green Opal	19/5	Chin	Prog	GI	-
Grace Marine	19/5	Sing	Everett	GI	-
Kota Selamat	19/5	Sing	PL (BD)	Cont	Sing
Al Salma	20/5	-	ASLL	GI/GL	Kara
Leona	20/5	-	Prog	GI	-
Padma	20/5	Sing	RSL	Cont	Sing
QC Platall	21/5	Sing	QC SL	Cont	Sing
Rita Del Mar	22/5	Col	JF	Vehi	-
Kota Berjaya	22/5	Sing	PL (BD)	Cont	Sing
Vientianne	23/5	-	AMBL	GI	-
Ultima	23/5	-	Baridhi	Cont	COL
Able Lieutenant	25/5	Yoko	BEL	Vehi	-
Jang Cheng	25/5	-	BDSHIP	GI	Chinee Por
Banglar Robi	27/5	Sing	BSC	Cont	Sing

Vessels at Kutubdia

Nam of Vessels	Cargo	Last Port	Local Agent	Date of Arrival
Imaya	-	-	B Bay	9/1
Clzont	-	Sing	B Bay	25/2
Mighty Tide	-	-	B Bay	R/A (1/5)
Apilos	C Oil	-	BSC	10/5
Banglar Jyoti	C Oil	-	BSC	R/A (15/5)

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

India's free-market reforms losing momentum: IMF

NEW DELHI, May 15: The International Monetary Fund (IMF) said yesterday India's free-market reforms were losing momentum and the country was lagging behind China in opening up its economy, reports AFP.

"China's reform programme was on the right track right from the beginning and that was the reason behind its success. However, that is not the case with India," said Flamming Larsen, Deputy Director of the IMF.

"India has been lagging behind both in pace and direction," Larsen told reporters here of the country's sweeping economic reforms launched in 1991.

Larsen said India should overcome its "policy weakness" and work towards being a part of the global economy.

"Developing economies should frame sound macro-economic policies and have market-oriented reforms and a sound banking system before moving towards integrating with the global economy," he said.

He said increasing globalisation of markets was an important force driving global growth and would provide opportunities to all countries.

The challenge for any government policy would be to take advantage of the force of global-

isation to ensure that its benefits are fully realised, Larsen added.

"It took China just 16 years to halve the income gap in the country but India will take 150 years for the same and this inability is due to the weaknesses in domestic policies," he added.

Earlier speaking at a conference on the confederation of Indian industry, Larsen said the global economy would register very high growth in the near future.

"The world economy is predicted to grow at 4.5 per cent in the coming years, which is much above the average of 3.5 per cent in the last decade," he said.

The growth would be mainly due to recovery from a global recession, pick up in world industrial production and determined efforts by countries to contain fiscal deficit and inflation, Larsen added.

He said the process of industrialisation showed little evidence on the popular concern expressed by European nations that there was a trend towards declining employment in the industrial sector.

The concern about globalisation, often heard in the United States, that trade with low-cost countries like China and India contributed to a reduction in the real wages in the developed countries was also not true, he said.

"However, the fear that integration of financial markets due to globalisation would lead to volatility in interest rate and decrease the autonomy of national policy makers did carry some truth."

Larsen said in order to integrate with the global economies, the developing countries should make efforts to reduce their interest rates, exchange rates and also lower inflation.

"The exchange rates should reflect economic fundamentals," he said.

"Globalisation is not a game, all countries can benefit if they can get their house in order though one cannot deny the risks involved in the process."

Larsen cautioned India not move towards full convertibility in one go.

"The move should be calculated and in a phased manner, there are certain pre-requisites for attaining total convertibility like macro-economic outlook, low inflation and a sound private financial system."

"India should first achieve these pre-requisites and then move towards total convertibility."

He said the interim committee of the IMF would be meet in Hong Kong shortly to discuss on "surveillance, capital account convertibility, finances and quotas."

Egypt urged to adopt more aggressive privatisation policy