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The Daily Star BUSINESS

DHAKA MONDAY, AUGUST 4, 1997

HYUNDAI
CARS THAT MAKE SENSE

Peoples Insurance declares 21 pc dividend

Peoples Insurance Company Limited has declared a 20.50 per cent dividend for the shareholders for the year 1996, said a press release.

The dividend was announced at the 12th annual general meeting of the company held at a city hotel on Thursday.

M Abu Taher, Chairman of the Company presided over the meeting.

Taking part in the discussion, the shareholders expressed deep satisfaction over the overall performance and steady growth of the company.

Among others, RN Das, Managing Director of the company, was also present.

Pak trade team to visit Dhaka soon

A five-member trade delegation from Pakistan will arrive here in the middle of this month on a three-day visit, said a press release issued by Pakistan High Commission yesterday.

The delegation led by Rana Abdul Qadir, Chief Executive of Ata Muhammad Enterprises Lahore, would discuss the possibility of establishing joint ventures in auto part and accessories during the visit.

They will hold talks with counterpart business organisations including Dhaka Chamber of Commerce and Industry (DCCI).

The other members of the delegation are: Muhammad Saleem, Chief Executive, National Automotive Components Lahore, Imtiaz Ali Rastgar, Managing Director of Rastgar Engineering Company Islamabad, Razzak Ahmad, Managing Director of Metaline Industries Lahore and Almas Hyder, Managing Director of Synthetic Products Lahore.

Meanwhile, they have showed interest in the areas like sheet metal part, engine valves, spring gear liners, tractor components, brake drums and wheel hubs.

Gulf Arab states shelve common currency plan

ABU DHABI, Aug 3: Gulf Arab states have shelved plans to unify their currency exchange rates as part of a long-standing plan to create a common market, a senior Omani official said in remarks published yesterday, reports AFP.

Hamud Ibn Hashem, Executive President of the Omani Central Bank, said the issue had been discussed at several meetings of Finance Ministry and Central Bank officials in the six-nation Gulf Cooperation Council (GCC).

All of them affirmed that exchange rates in the GCC are stable and do not constitute any restrictions on the movement of trade, investment and capital among them," he told the United Arab Emirates (UAE) daily Al-Itihad.

"They agreed to continue with the current arrangements for exchange rates and postpone discussion of the common currency peg," he said.

The GCC states — Saudi Arabia, Kuwait, Qatar, Bahrain, Oman and the UAE — had planned to create a single currency called the Gulf dinar for their planned common market, which will also include a customs union.

But they abandoned such a project and opted instead for unification of their exchange rates, a plan that has been under negotiation for years.

Bangladeshi girl lands in BA advertising role

By Staff Correspondent



Tania Neaz Ahmad, a student of journalism at London University, is to feature in a British Airways television, print media and billboard advertising campaign worldwide, says a press release.

The television commercial launched in mid-June is to be shown on the network of some 48 countries in Europe, Asia, Africa and North America.

She is daughter of Syed Neaz Ahmad, a Bangladeshi now settled in London. British Airways advertising consultants Satchi & Satchi had launched an extensive talent search to recruit someone to suit the new image of the airline. Tania was selected at the end of a seven-round contest which involved twenty contestants.

SEC sets target: 'Stop insider trading and manipulation' Lock-in on selling sponsors' shares likely

By Inam Ahmed

The government is going to impose a lock-in on transfer of sponsor shares very soon to check insider trading and manipulation.

"This is a major step we are going to take very soon," said M A Syed, the newly-appointed Chairman of the Securities and Exchange Commission (SEC).

"The lock-in period will be for two or three years during which sponsors will be barred from selling off their shares of a company."

The decision is likely to come

by this week, according to sources. Such provisions are imposed almost all over the world.

Along with this, the SEC has decided to reintroduce annual renewal system of brokers' licenses. Brokers and dealers will also be required to submit their annual reports to the SEC.

These two systems existed in the past, but were later waived for some unexplained reasons. Syed said the official notification allowing private mutual

funds has already been gazetted, and advertisements will be published in newspapers inviting applications from firms interested to float private mutual funds.

"Both local and foreign companies will be allowed to float mutual funds," Syed said. "This will bring competition in the market and offer better chances to investors. At the same time, the capital market will acquire depth and rational investment decisions will be expected."

"We have to maintain a

healthy growth of the market for which we need trained professionals. Our new organogram and reforms will meet that end."

Syed assured that the SEC would not interfere with the market forces, but surely intervene if any abnormal activities were detected in the market.

"We will apply rules strictly as per the law and there will be no bias or discrimination," he said. "We want to tighten the system and bring discipline in the market."

Bangkok finalises economic rescue package with IMF

BANGKOK, Aug 3: Top Thai financial officials Saturday finalised a harsh economic rescue package with a visiting International Monetary Fund (IMF) team, a Thai Army Television Channel news report said, reports AFP.

Opposition Democrat Party MP Supachai Panitchpakdi, a former Deputy Prime Minister for Economic Affairs, was quoted as saying the private sector would have to adapt to IMF conditions by downsizing operations and staff.

The country will be seized by a serious economic recession for at least the next six months, he said.

IMF officials completed negotiations with Finance Minister Thanong Bidaya. Bank of Thailand Governor Chaiyavat Wibulswadi and senior officials under them, the report said.

The results would not be released until they were presented to the cabinet on Tuesday, it said. No comments were reported from the responsible officials.

Commerce Minister Narongchai Akraasane said he was not aware whether the agreement specified which items would be affected by luxury tax increases, but any inflationary pressure induced would be mitigated by positive aspects.

"If we can collect the amount of tax that we plan to collect, the budget will not be imbalanced and the value of the baht will not decrease any further," he said.



Abdul Awal Mintoo, outgoing President of Bangladesh Employers' Association, making his points to the members at its 46th annual general meeting Thursday. Listening to him, among others, are new President Rokia A Rahman and Vice-President A Q I Chowdhury, H R Khan, MP, Chairman of Monno Ceramic Industries Ltd and two past presidents M Anis Ud Dowla and Latifur Rahman.

Bindings range between 55pc and 150pc

India seeks to open farm imports but sets high tariff barriers

NEW DELHI, Aug 3: India has sought between 55 and 100 per cent bindings on customs duties for 18 agricultural products including wheat, rice and grains, said 150 per cent bindings for imports of farm products, a government official said here today, reports Xinhua.

India's several major trading partners are reported to have sought much lower bindings than being sought by India. Bangladesh, for instance, is seeking bindings of between 15 and 45 per cent.

At the balance of payments (BOP) consultation meeting in January this year, India was unable to indicate any timetable for phasing out im-

port controls of farm products because the country's Agriculture Minister Charatanan Mishra objected to the removal of restrictions on import of agricultural products.

Mishra set up a committee to examine the issue and the committee suggested that imports be opened up, but very high tariffs be retained in the agriculture and other sensitive sectors.

At the early negotiation of agricultural bindings, India started by asking for extremely high bindings for most of the agricultural products ranging from 150 to 300 per cent for most of the items, but its major trading partners found these unacceptable.

In fact, even the current

bindings of 55 to 100 per cent are being considered very high by India's major trading partners.

Currency crisis Mahathir-Soros talks likely

KUALA LUMPUR, Aug 3: Malaysia's Prime Minister said Sunday he will consider talks with billionaire George Soros to discuss his contention that Soros was behind the recent plunge in Southeast Asian currencies, says AP.

"Well, I will certainly consider (meeting Soros) ... We'll find out what he wants to explain," Prime Minister Mahathir Mohamed said in response to the American financier's proposal for a public discussion in an interview published in the New Sunday Times.

Mahathir said last month that the government had definite evidence that Soros triggered a flurry of speculation that caused the currencies of Malaysia, the Philippines, Indonesia and Thailand to plummet against the dollar.

He said Soros wanted to punish the Association of South-east Asian Nations for admitting military-ruled Myanmar. The Soros Foundations have sought to promote democracy in Myanmar.

Soros told the paper that except for selling about 10 million dollars of Thai baht his group has not sold any Southeast Asian currencies in the past two months. He said the weakness of the currencies was due to economic problems in the region.

Kibria assures fair price to jute growers

Finance Minister Shah M S Kibria said necessary steps had been taken to disburse money to jute buyers to ensure fair price to the growers, reports UNB.

"Money disbursement was made to the jute-purchasing institutions and purchase centres have already started buying jute in full-swing," the Finance Minister told a Bangladesh Krishak League delegation yesterday.

The Krishak League delegation, led by its President and State Minister for Land Hajaj Rashed Mosharruf, called on him and discussed jute-purchase situation in the current season.

To fulfil the commitment of Prime Minister Sheikh Hasina, said the Finance Minister, several meetings had been held with different ministries, institutions and business groups concerned to ensure fair price to the jute cultivators.

He assured the delegation that jute-purchasing agencies and businessmen would extend cooperation in buying the fibre at fair price.

KL launches fund to help starving North Koreans

KUALA LUMPUR, Aug 3: Malaysian Foreign Minister Abdullah Ahmad Badawi and The Star Daily launched a fund Sunday to help the starving millions in North Korea, reports AP.

Abdullah joined the paper in its public appeal for donations for the fund after reading reports of the 800,000 North Korean children who faced famine in the reclusive communist state, the Sunday Star said.

Money collected from readers and others will be used to buy rice to feed those hit hardest by the food shortages.



Anwar Ahmed, Executive President of Al Baraka Bank Bangladesh Ltd, distributing certificates at the concluding ceremony of a ten-day-long "Foundation Course on Banking with Special Reference to Islamic Banking Methodology."



E A Chaudhury, Chairman of Pubali Bank Ltd, speaking at a conference of the regional managers in the city yesterday. He is flanked by Md Kamrul Huda, Managing Director, and M H Khan, General Manager of the bank.

Commodity market: Tea, oil firm; cotton dry over week

LONDON, Aug 3: The usually peaceful zinc market was caught up in a frenzy this week, because of risky deals by Chinese producers, reports AFP.

The Chinese smelters early this year had sold 250,000 tonnes of zinc "short" — metal they did not own in the hope that prices would fall and they could meet their contracts at a cheaper price. But the market got wind of the deals, and on the contrary, drove prices up.

This set the scene for several frantic days as prices surged to a seven-year high, before spectacularly crashing by 12 per cent in a single trading session.

Dealers suddenly thought that the Chinese authorities might come to the help of the smelters, or that a deal had been struck between the Chinese and a Swiss trade house, which has large stockpile of the metal.

Elsewhere on the commodities markets, trading in sugar, vegetable oils and grains was caught up in nervousness over the threat of drought in China, India, Thailand and North America.

GOLD: Hesitant. The yellow metal was shining a little brighter this past week, but prices remained far below the levels reached early in the year. Gold failed to break past the psychologically important barrier of 350 dollars per ounce,

and prices ended at similar levels to the previous week, at around 326 dollars per ounce.

SILVER: Firm. The firm performance of gold supported silver, which advanced to 4.40 dollars per ounce.

PLATINUM AND PALLADIUM: Rising. The prices of platinum and palladium continued to advance.

Russia has resumed exports of the two metals, which are used mainly in jewellery and catalytic converters, but at a much slower rate than last year.

Platinum prices rose 15 dollars to 435 dollars per ounce while the price of palladium gained six dollars to 211 per ounce.

COPPER: Pressure. The swelling stockpiles of copper in the London Metal Exchange (LME)'s warehouses weighed on prices. Three-month prices fell by 16 dollars to 2,316 dollars per tonne.

Over the week, official stocks of the LME — usually seen as an accurate reflection of supply and demand — grew almost 12 per cent, nearly 25,000 tonnes to 234,950. LEAD: Weaker. The price of lead, a metal mainly used to make batteries, fell 7 dollars to 640 dollars per tonne. ZINC: Chinese seesaw. The

buying frenzy which had driven zinc prices up to a seven-year high, fuelled by expectations of massive Chinese buying, came to a crashing halt on Tuesday.

In a single trading session, zinc prices plunged nearly 12 per cent as investment funds launched a wave of selling.

The three-month price of zinc, a metal mainly used in anti-corrosive treatments, remained under pressure for the remainder of the week, ending 159 dollars lower at 1,455 dollars per tonne.

ALUMINIUM: Hard. Aluminium prices broke past 1,700 dollars per tonne this week, after heavy buying by investment funds amid a severe squeeze in market supplies stored in the London Metal Exchange's warehouses.

NICKEL: Strike. Nickel prices surged as the tin ran out for Canadian producer Falconbridge to agree on a new wage contract with unions before an August 1 deadline for strike action.

Three-month nickel prices gained 370 dollars to 7430 dollars per tonne. LME stocks were up 540 tonnes over the week to 54,156 tonnes. TIN: Firm. The price of tin, widely used in soldering and the manufacture of cans, rose by

275 dollars to 5,645 per tonne.

OIL: Firm. Brent North Sea crude prices advanced further, reaching between 18.5 and 19 dollars per barrel this week, buoyed by fall in US crude oil and fuel stocks.

Dealers also responded to uncertainties surrounding the resumption of Iraqi oil exports, which have been frozen since the collapse of the oil-for-food deal between Baghdad and the United Nations in June.

TEA: In demand. Demand remained strong for all kind of brews on the London tea auctions. Prices for medium-quality tea gained 15 pence to 143 pence per kg.

SUGAR: Cautious. The sugar market remained cautious, despite a calmer environment after the speculative buying frenzy of the previous week.

White sugar prices remained close to 323 dollars per tonne on the London market, a high since September 1996.

Fears of a poor 1997-98 harvest combined with earlier rumours of buying from Russia. Analysts expressed concern about the prospect of falling production in Thailand and India after the return of a weather disturbance known as the el nino effect, which could cause severe drought.

VEGETABLE OILS: Nervous.

The latest weather reports on the American great plains, where the bulk of the world's soy is grown, continued to hold the market in thrall.

Fears that the continued lack of rainfall could wreak havoc on the soy crops drove prices up, amid a burst of buying by investment funds.

Soya prices on the Chicago Board of Trade (CBOT) closed the week up 16 cents at 7.68 dollars per bushel (of 27.2 kg — for delivery in August).

On the Rotterdam market, palm oil prices gained five dollars to 480 dollars per tonne. Sunflower oil prices remained at 540 dollars per tonne.

RAPESEED OIL: Prices rose by 1.5 guilders to 106 guilders per 100 kg but groundnut oil prices fell five dollars to 1,095 dollars per tonne.

GRAINS: Trading on the maize (corn) market was very nervous this week. Although the tender young shoots have nearly finished their pollenation stage, the crops could still be ravaged by drought. The continued lack of rainfall in the producing regions of the United States drove prices up on the Chicago market.

Company	Book Closure	AGM/EGM	Date	Venue & Time	Dividend/Payout
Pragati	17/07/97-08/08/97	AGM	08/08/97	Hotel Sonargaon	20
BGC	08/07/97-07/08/97	AGM	07/08/97	Estimote Garden, 12 noon	24
BTC	16/07/97-23/08/97	AGM	23/08/97	Hotel Parkton, 11:45 am	185
UCIL	13/07/97-27/08/97	AGM	27/08/97	Hotel Sonargaon, 2:30 pm	42.5
Square Pharma	24/07/97-13/08/97	AGM	13/08/97	RAOWA Club New DOHS 11:20 am	35
Sonargaon Tea	22/07/97-05/08/97	AGM	05/08/97	Hotel Sonargaon, 2:30 pm	12.5
Narmaphil Ins	31/07/97-20/08/97	AGM	20/08/97	Ladies Club, 10 am	20
BD Logistics (Pub)	04/08/97-04/08/97	Half yearly interest			20
Eastern Ins	12/08/97-20/08/97	AGM	20/08/97	Hotel Sonargaon, 11 am	20
Best Fabrics	14/08/97-20/08/97	AGM	20/08/97	Hotel Sonargaon, 2:30 pm	20
Beacon Ins	14/08/97-20/08/97	AGM	20/08/97	Hotel Sonargaon, 10:30 am	25
Rapon Oil	05/08/97-14/08/97	AGM	14/08/97	Palto, Dhanraj, 4 pm	182

CHITTAGONG STOCK PRICES

Company Name	Closing Rate	Previous Rate	Difference	Share Traded
Janata Insurance	272.80	275.40	-2.60	300
Central Insurance	301.19	305.25	-4.06	740
Federal Insurance	261.08	258.97	2.11	600
BGIC	480.78	486.07	-5.29	90
Prime Textile	165.15	166.00	-0.85	650
Apex Weaving	99.97	98.80	1.17	1700
Apex Spinning	185.00	185.00	0.00	20
Beximco Textile	115.00	117.33	-2.33	300
Beximco Synthetics	210.54	210.96	-0.42	480
Beximco Denims	170.00	167.44	2.56	100
Beximco Knitting	114.00	114.28	-0.28	100
Padma Textile	437.86	442.73	-4.87	560
Sajib Knitwear	52.00	52.00	0.00	200
Chic Text Ltd	11.07	11.24	-0.17	84500
Monno Fabrics	116.94	118.66	-1.72	4000
Eagle Star	13.40	13.60	-0.20	23800
Ailtex Ind	81.41	82.17	-0.76	1100
BD Dyeing	298.38	299.50	-1.12	1040
Dynamic Textile	53.00	52.78	0.22	180
Ashraf Tex	27.54	27.53	0.01	9000
HR Textiles	110.71	106.00	4.71	350
Square Pharma	846.47	867.42	-20.95	5640
ACI Ltd	124.02	124.52	-0.50	59250
Beximco Infusion	420.00	416.00	4.00	30
Beximco Pharma	122.56	124.58	-2.02	236000
Reckitt & Colman	184.26	183.85	0.41	700
Ambee Pharma	24.84	24.48	0.36	9050
Imam Button	99.25	98.00	1.25	400
Orion Infusion	98.60	99.00	-0.40	100
BCIL Ltd	236.57	232.00	4.57	210
Apex Food	1800.00	2000.00	-200.00	20
Raspiit Food	450.00	470.00	-20.00	50
Bengal Biscuit	152.14	152.83	-0.69	560
Beximco Fisheries	166.83	171.46	-4.63	180
AMCL (Phar)	751.50	783.00	-31.50	200
BTC	131.78	131.00	0.78	450
Cig Vegetable	141.00	139.46	1.54	150
Tripti Industries	255.00	253.13	1.87	10
Meghna Shrimp	118.00	120.00	-2.00	40
Rahima Food Corp Ltd	104.50	105.00	-0.50	100
Confidence Cement	489.08	489.08	-16.22	8220
Cig Cement	1598.94	1622.97	-24.03	2560
Meghna Cement	529.57	537.64	-8.07	7300
Aziz Pipe	1007.59	999.67	7.92	110
Quasem Drycells	73.80	77.25	-3.45	33250
Anwar Galvanizing	214.83	218.33	-4.00	300
Aftab Auto	358.22	358.19	2.03	475
Olympic Industries	517.49	519.49	-2.00	485
Wonderland Toys	181.50	181.40	0.10	180
BD Auto Cars	138.00	138.00	0.00	20
Eastern Cables Ltd	338.00	335.00	3.00	120
Apex Tannery	569.24	568.80	0.44	