

Beximco declares dividend, bonus share

Star Business Report

Beximco declared 1.2 bonus share and 25 per cent dividend for the year 1996.

It was announced at the twenty fourth annual general meeting of the company held at Sonargaon Hotel on Thursday, says a press release.

The company earned net profit of Tk 37,058 million for the year 1996. Sales for the year was Tk 315,629 million.

The meeting was presided over by ASF Rahman, Chairman of the Board of Directors.

A large number of shareholders attended the meeting where the company's performance during the period under review was highly appreciated.

Beximco Fisheries announces dividend

Star Business Report

Beximco Fisheries Ltd has declared a 20 per cent dividend for the year 1996 and recommended a 10 per cent interim dividend for the year 1997.

The dividends were announced at the 16th annual general meeting of the company held at Sonargaon Hotel on Thursday, says a press release.

The company earned a gross profit of Tk 48.93 million while its net profit was Tk 28.51 million.

ASF Rahman, Chairman of the Board of Directors presided over the meeting.

A large number of shareholders who attended the meeting expressed satisfaction at the company's performance.

China, Russia sign 5-yr protocol on precious metals

BELJING, Aug 29: China and Russia signed yesterday a five-year cooperation protocol on exploration and processing of diamonds and precious metals, the official Xinhua news agency reported, says AFP.

Chinese Geology and Mineral Resources Minister Song Ruiqiang inked the agreement with the Chairman of Russia's State Noble Metals Committee, German Kuznetsov, Xinhua said, without specifying where the signing took place.

The agreement covers the establishment of joint ventures and technology transfer, as well as surveying, mining and processing.

It coincided with a Moscow visit by Liu Huaging, the Deputy Chairman of China's powerful central military commission.

Liu's talks in Russia focused on supplies of spare parts for Russian Sukhoi fighter planes delivered to China, and implementation of a licensing agreement for China to manufacture 200 SU-27SK fighters.

China signed a contract worth some 2.5 billion dollars in 1996 to manufacture the planes under licence within five years.

China has already taken delivery of 48 SU-27s, and has an order of 24 outstanding.

Liu met with Prime Minister Viktor Chernomyrdin on Wednesday and has held meetings with a number of government and military officials.

Islami Bank declares 20pc dividend

Star Business Report

Islami Bank Bangladesh has declared a 20 per cent dividend for the shareholders for the year 1996.

The dividend was approved at the fourteenth annual general meeting of the bank held in the city on Thursday, says a press release.

The chairman of the bank, Commodore Mohammad Ataur Rahman (Retd) presided over the meeting.

The meeting adopted the balance sheet and profit and loss account for the year ended on December 31, 1996.

The bank earned income of Tk 123.24 crore in 1996 as against Tk 109.76 crore in the preceding year. The deposit of the bank increased from Tk 1266.93 crore as on 31-12-95 to Tk 1402.71 crore as on 31-12-96 with an increase of Tk 135.78 crore i.e. 10.72 per cent.

Investment of the bank also increased from Tk 1153.28 crore as on 31-12-95 to Tk 1353.93 crore as on 31-12-96. The growth rate of the bank in this regard is 17.40 per cent.

The bank transacted foreign exchange business to the tune of total Tk 3296.95 crore in 1996 as against Tk 3468.13 crore in the preceding year.

ISPI Travels joins BTI

ISPI Travels Limited is the latest company to join Business Travels International (BTI), says a press release.

It has been established recently and is a subsidiary of MM Ispahani Limited.

The company has diversified interests in tea, jute, textile, real estate, engineering, insurance and lease finance.

Asian stocks slump

HONG KONG, Aug 29: Stock in Asia slumped Friday, with Tokyo falling below a key level for the first time in four months. Hong Kong stocks fell more than five per cent in the first minute of trading, reports AP.

It was the second straight day of plunging share prices, but by midday a partial recovery was under way.

"It's a spillover from yesterday — Wall Street down quite sharply last night, worries about interest rates possibly going up, continued problems with the Asian currencies which were all weaker today," said Howard Gorges of South China Brokerage in Hong Kong.

Speaking on Hong Kong radio, Gorges said there were "worries too about the Asian stock markets, which continued to show weakness, but they're not as bad as they were yesterday."

Regional uncertainty has triggered a massive sell-down in Hong Kong," said Allen Chang. But he said a sharp cor-

rection had been widely expected and it seemed that "investors were waiting for a reason to sell."

Tokyo benchmark Nikkei Stock Average ended Friday's morning session at 18,124.61 down 326.84 points from Thursday's close. It later recouped 39.6 points.

About 10 minutes into activity, Hong Kong's blue chip Hang Seng index had fallen by 259.30 points, or to 5.1 per cent, to 14,116.80. At midday it was down 633.85, or 4.3 per cent.

Shares in Malaysia opened mixed following the introduction of new measures by the authorities to check share prices from sliding.

Early into trading, Malaysia's Composite Index of 100 blue-chip stocks was at 807.94 points, down 4.24 from Thursday. Later it pulled back to just 1.01 points.

The Malaysian ringgit closed at a 24-year low against the US dollar Thursday and lost more ground Friday to stand at

2,947.0 to the dollar at midday, from 2,958.0 at the opening.

In Singapore, the Straits Times Industrial Index (STII) was down 4.2 per cent, or 77.46 points, at 1,769.16 at midday, after touching a low for a year of 1,735.66 earlier.

The Philippine Stock Exchange Index lost as much as 173 points before rebounding to a preliminary closing level of 2,021.52, down 50.45 points, or 2.4 per cent.

South Korea's stock market opened slightly lower on concerns of further financial woes in companies, analysts said.

Ten minutes into the session, the Korean Composite Stock Price Index was down 2.08 points to 714.78.

Australian share prices dropped sharply at the open after most of the indicators which drive the market performed poorly overnight.

In early trading, the All Ordinaries Index of share prices stood at 2,583, down 48.3 points or 1.8 per cent from Thursday's close of 2,631.3 points.

Share prices in Indonesia opened sharply lower on continued selling pressure in almost all of the stocks.

After 10 minutes of trading, the Jakarta Stock Index was down 18.95 points or 3.5 per cent, at 511.415 points. No relief was in sight by midday, when the index was down further to 498.107, a drop of 32.259 or 6.1 per cent.

In Thailand, the stock market fell in early trading amid worries over continuing volatility in currency markets. Dealers said declines throughout Southeast Asian stock markets are adding to the negative sentiment.

Eight minutes into the session, the Stock Exchange of Thailand index was down 12.77 points to 496.99, compared with Thursday's close of 511.76.

Only Taiwan escaped the sell-off, because a typhoon forced its markets to close. On Thursday the Weighted Index tumbled 223.18 points to 9,827.49.

S Africa keen to recruit professionals from Bangladesh

years ago.

Earlier, in his speech the Chamber President Jafrul Islam Chowdhury MP said the trade relations between South Africa and Bangladesh were established only a few years back but following the recent visit of legendary personality Nelson Mandela of South Africa to Bangladesh the relationship between the two friendly countries would further be strengthened in the days ahead.

Reciprocating the sentiment, Minnar said an honorary council office of South Africa will soon be established in Bangladesh, the press release said.

Former President of Chamber Engineer Ali Ahmed, Senior Vice President Matiur Rahman and Director Iqbal Dada were among others who took part in the exchange of views, the press release added.

Ringgit sinks to record low

KUALA LUMPUR, Aug 29: The Malaysian ringgit sank to a record low of 2.9400 ringgit to the dollar in early trading Friday from the overnight low of 2.8685, reports AP.

Some traders expect the ringgit to fall further.

Traders reported continued persistent sale of offshore funds as one of the reasons for the drop.

The ringgit had been at about 2.52 seven weeks ago.

While Malaysian Prime Minister Mahathir Mohamad has blamed "rouge speculators", most traders and bankers say the weakening is due to economic fundamentals and market forces.

Mahathir has named American financier George Soros as the main such speculator driving down the value of Asian currencies. Soros has denied the allegation.

The stock market also continued to fall early Friday. The Kuala Lumpur Composite Index, comprising the prices of the top 100 companies listed, was at 803.03, down 9.15 points in early trading.

On Thursday, Mahathir ordered institutions under the government holding pension and other funds to buy stocks to boost the declining market.

Local news reports have estimated that between March and earlier this month the stock market has lost about 260 billion ringgit (86.43 billion dollars) in capitalization, or 3.6 times the reserves of the Central Bank.

Japan's jobless rate falls in July

TOKYO, Aug 29: Japan's unemployment rate fell to 3.4 per cent in July, dropping back from a record level a month earlier, the government announced, reports AP.

The overall jobless rate had remained at the record high of 3.5 per cent in June.

The rate among women improved, dropping to 3.4 per cent from 3.6 per cent in June, the statistics bureau of the Management and Coordination Agency reported Friday.

The jobless rate for women had hit a record-high 3.8 per cent in May.

The overall jobless rate had remained at the record high of 3.5 per cent in June.

The rate among women improved, dropping to 3.4 per cent from 3.6 per cent in June, the statistics bureau of the Management and Coordination Agency reported Friday.

Strike to protest privatisation

State-run banks shut in India for 2nd day

NEW DELHI, Aug 29: India's state-run banks were shut across the country as around 1.5 million employees stayed out on strike for the second day today in protest against privatisation, union officials said.

The rupee's latest woes sent the Jakarta Stock Exchange Index down 32.259 points to 498.107, a drop of 6.1 per cent at the midday break.

Brokers in Jakarta said investors had dumped shares, fearing the rupee would continue its slide in line with other regional currencies.

The rupee's fall accelerated after it was floated by Bank Indonesia on August 14 in the hope of stemming speculative attacks that have savaged several Southeast Asian currencies.

It recovered for several days after the central bank raised interest rates. But this strategy appeared to lose force in the market by the end of the week.

SCB holds workshop

A workshop on 'interbank payment and settlement system at New York' was held in the city on Tuesday, says a press release.

Organised by Standard Chartered Bank (SCB), it was inaugurated by Geoff Williams, Chief Executive for SCB Bangladesh.

Speaking on the occasion, he said SCB will always assist the local bank officials to develop their capabilities.

Mamum Rashid, Head of Treasury & Institutional Banking, focused on the importance of modern payment system and swift format for various types of payment at New York to reduce the number of correspondence, duplicate payments and operational error.

Mahmud Malik and Kanti Kumar conducted the workshop. It was attended by 35 officials of five local banks.

ROK's current account deficit narrows

SEOUL, Aug 29: Boosted by rising exports, South Korea cut its current-account deficit to 994 million dollars in July, down more than half from a year earlier, the Central Bank of Korea said Friday, reports AP.

The shortfall in July 1996 was 2.3 billion dollars.

Exports of goods increased 16 per cent to 11.9 billion dollars this July over a year ago, thanks largely to brisk shipments of semiconductors and chemicals.

Imports inched up 1.8 per cent to 12.2 billion dollars, leaving the nation with a 300 million dollars trade deficit — a hefty drop from the 1.7 billion dollars trade deficit in July 1996.

A deficit in the country's service sector, however, kept the current-account deficit from shrinking further.

The Deputy Chairman of the Revolutionary Command Council, Izzat Ibrahim, met the ambassadors of ASEAN member countries Indonesia, Malaysia, the Philippines, Thailand and Vietnam in Baghdad and told them Iraq wants to "develop trade with the regional grouping."

The UN accord which came into effect December eased the sanctions to allow Iraq to sell limited amounts of oil to finance purchases of food and medicine.

Bad weather may crimp world harvests

Commodity: Prices of gold, silver jump

LONDON, Aug 29: Coffee and cocoa prices extended rallies on Thursday when speculative money was lured to commodity markets by fresh predictions that a developing El Nino weather pattern may crimp world harvests, says Reuter.

Commodity trading on Thursday also saw silver run up sharply in a firm precious metals complex that was underpinned by weakness in Wall Street Stocks.

Climatic disturbance around the globe has in the past been triggered by appearances of the El Nino warm current in the Pacific Ocean. The worst episode, in 1982-83, caused floods or drought in some 15 countries and caused damage worth 13 billion dollars.

Forecasters now say that the Indonesian coffee crop could suffer if a drought, believed to be linked to El Nino, is prolonged.

London November futures for Robusta coffee rose to 1,604 dollars per tonne on Thursday, up some 3.0 per cent. On the day, Indonesia is the largest producer of Robusta beans. New York futures for better-quality Arabica beans also rose for the fourth successive day.

Earlier in the day, Indonesian meteorologists said the government planned to send clouds to reduce the impact of a drought on food crops. Indonesia is the third largest coffee producer after Brazil and Colombia.

Colombian coffee officials said on Wednesday it was too early to say whether the remainder of the 1996-97 coffee harvest would be damaged by hot weather caused by El Nino.

The price of silver jumped more than 15 cents an ounce on Thursday afternoon in a rally that dealers largely attributed to New York-based short covering.

Gold followed silver higher but with significantly less energy, fixing in London modestly firmer at 325.85 dollars an ounce compared with 324.75 dollars on Wednesday afternoon.

Fresh weakness on Wall Street, where the Dow fell by more than 100 points in early trade, was underpinning the precious metals complex as a whole, dealers said.

On New York's Comex futures market, silver saw heavy short covering at the start of US business. Spot silver chased