



DHAKA MONDAY, NOVEMBER 24, 1997

BADC reduces prices of potato seeds

Considering the financial constraint of the potato growers, Bangladesh Agriculture Development Corporation (BADC) has reduced the prices of different varieties of potato seeds with effect from Sunday, reports UNB.

BADC also announced five per cent commission/discount at the corporation's cold store and three per cent at regional seed godowns for dealers, farmers and institutions who would collect at least five tons of seeds or more than that.

According to the revised rate for BADC cold store, prices of diamond/cardinal A-grade variety of seeds has been reduced from Tk 17.50 to Tk 13 and B-grade from Tk 14.50 to 11. A-grade of cleopatra/binela/multa/petroniz from Tk 17 to 11 and B-grade from Tk 14 to 9. A-grade of grenla/ilisa/ hira/ dhira/chamak from Tk 16 to 10 and B-grade from Tk 13 to 8, and A-grade of kufri sinduri from Tk 14 to 9 and B-grade from Tk 11 to 7.

For regional and thana seed sale centres, the reduced prices are: A-grade of diamond/ cardinal variety from Tk 17.50 to Tk 14 and B-grade from Tk 14.50 to 12. A-grade of cleopatra/binela/multa/petroniz from Tk 17 to 10 and B-grade from Tk 14 to 11. A-grade of grenla/ilisa/ hira/ dhira/ chamak from Tk 16 to 12 and B-grade from Tk 13 to 10, and A-grade of kufri sinduri from Tk 14 to 11 and B-grade from Tk 11 to 8.

The seeds are now being sold on the basis of "first come first service" at BADC's cold stores at Kasiampur (Dhaka), Chandpur, Kishoreganj, Jamalpur, Faridpur, Jessore, Bogra, Rangpur, Rajshahi and Thakurgaon and different regional sale centres.

Buyers, dealers, farmers and institutions have been advised to immediately collect seeds as per their needs by communicating with Deputy Director (Seed sales) and thana seeds inspectors.

German envoy visits Paragon

Star Business Report

German Charge d' Affaires, Dr Ingo Kerstein, recently visited the Paragon Leather and Footwear Industries Ltd, a German-Bangladesh joint venture shoe manufacturing industry in the Chittagong Export Processing Zone, says a release.

During his visit, he expressed satisfaction over the performance of the company and assured all possible co-operation of his government.

Chairman and Managing Director MA Salam, General Manager Vilayet Hossain and Factory Manager Rejaul Karim were also present.

Exchange Rates

The following are the Sonali Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 23rd Nov. '97.

Buying			
Name of Currency	TT Clean	OD Sight Export Bills	OD Transfer
US Dir	44.8400	44.6600	44.5600
GB Pound	75.5345	75.2313	75.0629
D Mark	25.6708	25.5677	25.5105
F Franc	7.6612	7.6306	7.6135
C Dir	31.4594	31.3332	31.2630
S Franc	31.6312	31.5042	31.4337
JP Yen	0.3513	0.3499	0.3491

Selling			
Name of Currency	T.T. & O.D.	B.C.	
US Dollar	45.2095	45.2490	
GB Pound	76.7763	76.8434	
D Mark	26.1575	26.1803	
F Franc	7.8061	7.8129	
C Dollar	32.0488	32.0768	
S Franc	32.2352	32.2634	
JP Yen	0.3615	0.3618	

A) TT (DOC) US Dollar Spot Buying Tk 44.7502

B) Usance Rate

30	60	90	120	180
Days	Days	Days	Days	Days
44.8791	44.0656	43.5318	43.2881	42.9708

C) US Dollar sight export bill 3 months forward purchase: Same as OD sight export bill buying rate.

The following are the Janata Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 23/11/97.

Buying			
Name of Currency	TT Clean	OD Sight Export Bills	OD Transfer
US Dir	44.8350	44.6506	44.5410
GB Pound	75.5247	75.2053	75.0207
D Mark	25.6674	25.5589	25.4961
F Franc	7.6603	7.6279	7.6092
JP Yen	0.3530	0.3515	0.3507
C Dir	31.4554	31.3223	31.2557
S Franc	31.6271	31.4933	31.4160

Selling			
Name of Currency	T.T. & O.D.	B.C.	
US Dollar	45.2115	45.2510	
GB Pound	76.7551	76.8229	
D Mark	26.1428	26.1658	
F Franc	7.8017	7.8086	
JP Yen	0.3617	0.3620	
C Dollar	32.0308	32.0590	
S Franc	32.2171	32.2455	

Janata Bank's selling and buying rates in cash currency for public:

Name of Currency	SELLING	BUYING
US Dollar	45.7000	45.1000
GB Pound	75.7600	73.7600
S Riyal	12.2000	11.9000
UAH DH	12.1500	11.7000
KW Dinar	147.5000	142.5000

APEC summit begins today Pacific nations move to open markets

VANCOUVER, Nov 23: Gathering against the nerve wracking backdrop of Asia's economic crisis, Pacific Rim leaders pledged fresh rescue efforts Saturday and reached a modest agreement to open markets for such export items as toys and gems, chemicals and telecommunications equipment.

"Asia veils nearly a third of what we sell abroad, supporting millions of high-paying American jobs," US President Bill Clinton said in a preview speech as he traveled to Asia-Pacific Economic Cooperation meetings here. "More than ever, America's future and Asia's future are joined," reports AP.

Officials of the 18 APEC nations identified nine product where negotiators will strive to eliminate tariffs and other trade barriers as a down payment toward the goal of full free trade among their nations by the year 2020.

Canadian Prime Minister Jean Chretien set the stage for the summit, saying it would be a tragic error to try to erect barriers even in hard times. "Globalization is a fact of life. We cannot move against this current," he said in speech to Pacific business leaders.

While the annual gatherings of APEC leaders normally focus on trade issues, this year's summit meeting Monday and Tuesday has been overtaken by the Asian economic crisis, which has engulfed country after country in the region in the grip of plunging currencies and falling stock market values.

The economic typhoon claimed its biggest victim so far, South Korea, on the eve of the summit, and President Kim Young Sam, in an address Saturday before his departure for APEC, warned South Koreans of "bone-carving pain" as his government implements austerity measures as a condition of receiving international monetary support.

Trade ministers in the 18-member Asia-Pacific Economic Cooperation forum normally focus on trade issues, this year's summit meeting Saturday to start negotiating an end to all tariffs and other trade barriers among themselves in nine sectors beginning in 1999:

Chemicals; Energy equipment; Environmental products and services; Fish; Forestry products; Gems and jewelry; Medical equipment; Telecommunications and Toys.

Six other sectors under discussion were left off the list but would be slated for eventual tariff elimination: Automobiles; Civil aircraft; Fertilizer; Food; Oil Seeds and Rubber.

Source: AP



The car has been put on display at the French Trade Show at Dhaka Sheraton Hotel. The three-day show which began yesterday is a part of French Week in Dhaka organised by France-Bangladesh Chamber of Commerce & Industry and French Trade Commission. — Star photo

Saudis shake OPEC with call for higher oil output

JAKARTA, Nov 23: The Organization of the Petroleum Exporting Countries faces a dilemma it has avoided for a few years — the world's top oil producer, Saudi Arabia, wants to pump more, reports AP.

Saudi oil minister Ali Naimi is OPEC's most influential player, but his suggestion that the group should raise its production ceiling, perhaps by around two million barrels a day, will not sit well with some members worried that prices could fall.

It could lead to some of the hardest negotiations OPEC ministers have held in some time, with members possibly fighting over new production quotas while trying to ensure they don't spook oil traders with the threat of a glutted market.

But oil consumers shouldn't hold their breath for any bargains — analysts believe OPEC ministers will get through their winter meeting this week in the Indonesian capital of Jakarta without weakening the price too greatly.

OPEC has made no major changes to its official production quotas since 1993, although some cosmetic adjustments were made in June 1996 to allow for limited crude oil exports by Iraq, which has been mostly shut out of the market since it invaded fellow OPEC member Kuwait in 1990.

Global demand for crude oil is high enough that the Saudis think they can lobby for more without any big upsets.

Commodity market: Prices of gold, silver, tea rise; oil, sugar fall

LONDON, Nov 23: Baghdad's decision on Thursday to unconditionally allow all UN weapons inspectors charged with disarming the country to return to Iraq brought calm back to the oil market, reports AP.

The benchmark price for Brent North Sea crude fell below 19 dollars per barrel, from more than 20 dollars the previous week.

The apparent resolution of the standoff between Iraq and the United States ended any fears of US military intervention and accelerated the decline in prices which had begun as negotiations were stepped up to find a diplomatic solution.

The market can now concentrate on the "real fundamentals," in particular next week's meeting of the OPEC oil exporters' cartel, which will be discussing proposals to raise its output ceiling.

Elsewhere on the commodities markets, sugar prices melted because of weak demand and prospects of a massive harvest in India, the world's hungriest consumer of the sweet commodity but also the biggest producer.

Wheat prices also weakened as competition hotted up on global markets with the imminent arrival of Australian and Argentine crops.

GOLD: Modest rise. Concerns about sales of central bank bullion reserves continued to weigh on the gold market this week, but technical buying lifted prices modestly.

The price of the precious metal gained 1.50 dollars to 303.50 dollars per ounce on the London bullion market.

"Last week's plunge in prices was rare for the gold market, which is usually very cautious. Investors have adopted a more neutral attitude, and no one is prepared to see the price fall

below 300 dollars," said Tony Warwick-Ching, an analyst from Fleming Global Mining.

The World Gold Council's latest quarterly report said that global gold consumption reached record levels in the third quarter, despite the financial and economic crisis in South-East Asia, traditionally a major gold importing region.

However, the spreading of the crisis to South Korea has been a cause for pessimism, added to concerns that the future European central bank may hold no or minimal gold reserves at the launch of the single currency in 1999.

SILVER: Shine. Silver prices continued to strengthen, rising 22 cents to 5.27 dollars per ounce.

Sentiment on the market was encouraged by a drop in world stocks of the metal, as well as an anticipated growth in production of photographic film, a major outlet for silver.

Analysts said that silver prices were at bargain levels compared to previous years, but warned that profit-taking could halt the metal's gains.

PLATINUM AND PALLADIUM: Positive. The price of these two precious metals rose after the publication of an upbeat quarterly report by metals group Johnson Matthey.

According to the report, the outcome for these metals is positive, partly because of a tightness in supplies caused by problems with Russian deliveries and strong demand from jewelers in China and the United States.

Palladium prices gained three dollars to 393 dollars per ounce and platinum prices rose 0.50 dollars to 210.5 dollars per ounce.

COPPER: Tarnished. Copper prices fell sharply this week because of a jump in LME market stocks.

Three-month copper prices lost 55.5 dollars to 1,908 dollars per tonne, after a rise in reserves to 344,275 tonnes from 343,025 the previous week.

Dealers said that copper was on a downturn because of oversupply, and this was likely to last for all 1998.

The Asian financial crisis has spread to South Korea, and fears that an economic slowdown in the region will depress demand for base metals, in particular for copper, weighed heavily on traders' minds.

ZINC: Higher. Zinc prices shot up on speculative buying by investment funds.

Three-month zinc prices gained 45 dollars to 1,237 dollars per tonne.

LEAD: Heavy. Lead prices continued to fall heavily, at one point mid-week hitting a low for two-and-a-half years at 556 dollars per tonne.

Three-week lead prices lost 10 dollars over the week to 578 dollars per tonne.

This was despite the onset of winter in the northern hemisphere, which traditionally is a time of high demand as car owners replace batteries, of which lead is a major component.

Dealers explained the metal's weakness by pointing to the possible flow of Chinese exports and the effect on demand in Asia from the financial crisis in the region.

ALUMINIUM: Stronger. Aluminium prices strengthened this week, encouraged by the continued fall in LME market stocks, which usually signifies good consumer demand.

Three-month aluminium prices gained three dollars to 1,647 dollars per tonne.

Reserves of the metal stored in the LME's worldwide warehouses fell to 689,425 tonnes from 713,250 the previous week.

The metal's gains, however, were limited by some producer selling, dealers said.

NICKEL: Weak. Nickel prices inched higher, rising by 10 dollars to 6,230 dollars per tonne.

Inco of Canada, one of the world's top nickel producers, announced the closure of five Canadian plants, because of high costs and a sudden drop in prices caused by a flow of Russian exports.

TIN: Strong. Tin prices gained 130 dollars to 5,680 dollars per tonne, underpinned by a growth in LME reserves to 8,175 tonnes from 8,120 tonnes the previous week.

GOLDFIL: A deal brokered by Russia to defuse the three-week-old standoff between Iraq and the United States caused a sharp drop in oil prices, which gave up over a dollar a barrel to fall beneath the 19 dollar barrier.

The benchmark price of Brent North Sea crude oil for delivery in January dropped to 18.67 dollars, down 125 cents from the previous week.

Prices had already begun to weaken significantly before the Moscow-brokered agreement on Thursday, as concerns evaporated about the potential threat to the UN "oil-for-food" deal with Iraq, under which Baghdad is permitted to export a limited quantity of oil to pay for humanitarian supplies.

Under the accord, Iraq agreed to the immediate return of all UN weapons inspectors, reversing its decision to expel US members of the UN inspection team.

The market's focus has now returned to the prospects of plentiful supplies in the coming month.

Winter has not properly set in the northern hemisphere, delaying the seasonal rise in crude consumption, and the oil exporters' cartel, OPEC, may

Karachi stocks under pressure

KARACHI, Nov 23: Stocks remained under pressure at the Karachi Stock Exchange (KSE) for most of the week, dealers said Saturday, reports APF.

The KSE 100-index shed by an overall 34.87 points or 1.95 per cent during the week to close at 1750.08 on Friday.

The news from Islamabad that army intervention had defused a simmering political crisis led to some improvement on Friday when the KSE 100-index rose by 62.29 points.

Abid Reza, a senior analyst at a leading brokerage house, said the market remained depressed for the last two weeks as the political crisis in capital Islamabad continued to worry investors.

A dealer said investors have lost millions of dollars during the week as share prices fell across the board due to lack of interest and political uncertainty.

"Foreign investors were totally 'in-active,' he said.

The KSE 100-index fell by 44.37 points, 34.11 points, 4.36 points and 14.32 points on Monday, Tuesday, Wednesday and Thursday.

IMF bailout ROK to drastically restructure its economy

SEOUL, Nov 23: Smarting from its humiliating request for a bailout fund from the International Monetary Fund, South Korea vowed Sunday to use it to drastically restructure its inefficient economy, reports AP.

"It's shameful to try to overtake a foreign currency crisis with the help of the IMF, but it could rather serve as a good opportunity if we use it to strengthen the long-term growth potential of our economy," Finance and Economy Ministry Lim Chang-yul said in a television programme.

Discussing the ramifications of South Korea's request for a \$20 billion-plus IMF bailout two days earlier, Lim said his government is prepared for radical changes in its growth-first economic policy.

"Priority will be given to rectify the structural problems of our economy by reshaping... measures to improve our balance of international payments positions," Lim said.

South Korea's economy, the world's 11th largest, will emerge even stronger if it succeeds in eliminating inefficiency with the help of the IMF.

The first of two working IMF delegations was to arrive in Seoul later Sunday to discuss terms of the bailout fund. Seoul officials said the first group is assigned to look into the banking sector. The second group, due here later this week, will check on the general economy, they said.

IMF's conditions for the bailout fund are expected to include low economic growth, tight government spending and elimination of debt-ridden banks which will result in high unemployment, the officials said.

Lim said a major focus of the IMF-coordinated restructuring will be on the nation's inefficient finance industry. Many South Korean commercial and merchant banks are reeling with \$26 billion in non-performing loans.

Minister addresses seminar on wind energy Draft renewable energy policy likely soon

The draft renewable energy policy of the government is expected to be approved soon, Energy Minister Lt Gen M Nooruddin Khan said here yesterday, reports BSS.

He was speaking as the chief guest at the inaugural session of a seminar on "wind energy study (WEST) project" held at Government Engineering Department (LGED) auditorium at Agargaon here.

The Energy Minister underscored the need for harnessing different renewable sources of energy, including wind energy, to meet the energy requirement of the country.

He called upon the different UN agencies, international organizations, as well as private sector to come forward and invest in renewable sources of energy, specially in generation of wind energy.

He said the tourist spot Kuakata could be an important site for wind energy generation which could also attract the tourists.

Organised by Bangladesh Centre for Advanced Studies (BCAS) in association with Aid Management Office of British

High Commission in Dhaka (AMOD) and LGED, the inaugural session was also addressed by British High Commissioner David Walker, team leader of the project Dr Anwar Hossain and First Secretary, AMOD, British High Commission M McCarthy.

Dr Anwar Hossain said of all the renewable energy technologies, wind energy offers the best economy in the medium to large scale. It is pollution free, available free of cost and has low operation and maintenance cost, he added.

He said the types of wind mill for mechanical power and wind turbine for electricity and their sizes could also be matched.

Dr Hossain said depending on wind speed and its variation over the years Bangladesh could make use of all possibilities like electricity to the grid, stand alone systems, wind-photo voltaic (PV) battery charger, hybrid system with diesel power or simply wind mill to lift underground water for drinking or distribute surface water for irrigation.

China to tighten supervision of int'l loans

BEIJING, Nov 23: China pledged Sunday to better supervise its use of international loans, after money lent by the World Bank for agricultural work was misused for speculation, reports AP.

"We must tighten up supervision," said Huang Shiqiang, a State Auditing Administration official. "Some of the money has been misused."

Overall, World Bank projects, especially in the industrial sector, "have been implemented well," the official China Daily quoted Huang as saying. "But some problems have cropped up in the agricultural projects."

The World Bank is China's biggest single lender.

Eastern Bank holds AGM

Star Business Report

The accumulated operating profit of Eastern Bank Limited has stood at Taka 53 crore in 1996.

This was stated by the Chairman of the bank, Nurul Husain Khan, while presiding over its fifth annual general meeting held at a city hotel on Thursday, says a press release.

He said the deposits of the bank reached Taka 749 crore in December last year while it was Taka 236 crore in 1992.

He said during this span of time loans and advances raised from Tk 21 crore to Tk 363 crore. Consequently, the total assets of EBL has a meteoric rise from Tk 189 crore to Tk 799 crore.

In his speech, M Khairul Alam, Managing Director (Acting) said in the year 1996, the bank earned an operating profit of Tk 27.30 crore while in 1995 it was Tk 19.03 crore thus showing an increase of 41 per cent. After loan provisioning the profit stood at Tk 22.30 crore which is 63 per cent increase over the preceding year, he added.

The newly formed Board of Directors of the Bank are: KA Group (Govt of Bangladesh) Nurul Husain Khan, Chairman, Chowdhury Mohammad Mohsin, Director, "KHA" Group (Financial Institutions) Mahabubur Rahman Khan, Ghulam Hossain, M Aminul Hossain, Directors, "GA" Group (Depositors of erstwhile BCCI/public) Ghazul Shaque, Mir Nasir Hossain, A M Shaikat Ali, Mohd. Noor Ali and Md. Showkat Ali Chowdhury, Directors.

WB expert praises bankruptcy law

A World Bank expert said here yesterday that the country's newly enacted bankruptcy law would strike a balance between the debtors' and creditors' rights.

The WB expert in bankruptcy law and debtors and creditor right, Clifford Ruder, told BSS that the law would now enable honest borrowers to start their business afresh through restructuring their loans.

The borrowers will now be benefited by restructuring their business or compromise with the creditors ensuring the benefits of the employees.

He said the country's bankruptcy act, which has been framed following the models existing in Europe and USA, would expedite and smoothly handle the cases of loan default.

Ruder said the bankruptcy act has also enabled the creditors to raise all the issues of default borrowers in one court which would save time and money for creditors.

He said in the absence of the bankruptcy act the creditors had to move from one court to another. Now with the establishment of this specialised court the chances of greater recovery of default loan has been created.

Ruder said lot of confusion has been created surrounding the act "because the law is new, complex and sophisticated."

Explaining some of the misgivings about the new laws, the world bank expert said as the period during which the hearing remains adjourned shall not exceed ninety days after the filing of the case by the plaintiff, cases will not linger in the court.

The WB expert said the "best of provision" in the act might have created some confusion that the organisations will remain outside the jurisdiction of bankrupts act.



Nurul Husain Khan, Chairman of Eastern Bank Limited, delivering inaugural speech at the fifth annual general meeting of the bank at a city hotel on Thursday.