

Bank holiday

Bangladesh Bank and all scheduled banks will remain closed on Tuesday on the occasion of holy Shab-e-Barat and Victory Day 1997, said a press release, reports UNB.

Tk 5895m foreign proposals registered with BOI in Oct

Foreign investment proposals with a capital lay-out of Tk 5895.31 million have been registered with the Board of Investment during October this year, BOI sources said, reports BSS.

The proposals included foreign direct investment and projects on joint venture between local and foreign entrepreneurs. The foreign investing countries whose proposals were entered are Austria, India, Korea, the United Kingdom and Hong Kong.

The fields in which the investments have been proposed are basic drugs and pharmaceutical raw materials, textile dyeing and finishing, plastic products, printing ink, knit fabrics, garments accessories, power plant and bottling, packing and marketing of soya bean oil.

After going into full production, these proposed units will produce goods and services valued at Taka 3196 million a year, the sources said.

ICC okays policies to face 21st century

Star Business Report

The International Chamber of Commerce endorsed last week policies on legal protection on bio-technological inventions, custom modernisation, environmental protection at its Executive Board meeting in Paris, a press release said.

ICC hoped that the proposed policy guidelines would prepare national governments and the private sectors to take up economic challenges of the next century, the statement said.

The Board also approved policies on general usage of International Digitally Ensured Commerce, peaceful use of nuclear energy and sustainable development, and cross-border organisations.

Mahbubur Rahman, former FBCCI president and a member of ICC Central Board of Governors represented Bangladesh in the meeting.

Pakistan to issue high-yielding currency bonds

KARACHI, Dec 14: Pakistan will issue three-year foreign currency bonds in the next two weeks to raise about 200 million dollars, Commerce Minister Ishaq Dar said yesterday, reports AFP.

"These bonds will have a better yield than other foreign exchange bearer certificates (FBCBs) and could be traded on the stock exchange," Dar said.

He did not give the rate of return on the bonds.

Pakistan launched its first foreign currency bond in the form of an FBCB in 1985. It brought in more than 375 million dollars while the second issue in early 1992 could not attract more than 150 million.

The central State Bank of Pakistan allowed overseas investors in May to invest in the bond market provided they use foreign currency.

Asian financial markets brace for fresh round of volatility

SINGAPORE, Dec 14: Asian financial markets are bracing for a fresh round of volatility with South Korea hard-pressed to prove its commitment to a painful IMF programme and concern in Indonesia over President Suharto's health, reports AFP.

Fallout from the South Korean financial crisis and domestic worries sent the South Korean won, the Indonesian rupiah, the Thai baht and the Philippine peso to all-time lows last week.

Markets had cheered Thailand's decision to shut down 58 troubled finance firms, as well as Malaysia's austerity measures.

But these were quickly overshadowed by Seoul's desperate calls for an earlier disbursement of funds from a 60 billion-dollar IMF-led package, and a series of downgrades by US ratings agencies of South Korea's foreign currency ratings.

Regional turmoil hit Wall Street shares, which fell over two days, and New York's decline boomeranged on faltering Asian stock markets.

The South Korean won tested its limit low of 1.8914. Before ending the week on rare central bank intervention at 1.710 against the US dollar, down from 1.229 the previous week, its stock market plunged to a 10 year-low.

Last-minute bid to strike compromise deal for Dec 18 poll fails

Power brokers play DSE game

By Toufique Imrose Khalidi and M Shamsur Rahman

While the bull continues to elude Bangladesh's capital market, Dhaka Stock Exchange brokers will choose this Thursday a new group of councilors who will be burdened with the task of getting business out of the bear's grip.

The indicators have kept plummeting, but electioneering, which has outshone anything else on the Dhaka bourse for the past few weeks, has brought senior politicians and power brokers into the play.

Myriad factions have entered into marriages of convenience to form two groups -- one led by Khwaja Abdul Quddus, DSE chairman in 1982, and another by Rakibur Rahman -- ahead of the elections for 12 positions on the 18-seat Council. The rest six are ex-officio members -- the FBCCI chief, the MCCI chief, a joint secretary at the Banking Division, a senior Bangladesh Bank official, the DCCI chief and the ICB managing director.

According to sources, several ruling party politicians and business leaders have been among the wheelers and dealers

whose latest attempts to broker a compromise deal between the two groups failed Sunday evening.

A three-hour meeting between the two parties, sponsored by Shamsul Alam, the managing director of Reliance Insurance, failed to push through a six-from-each-side formula when the rivals remained stuck to their positions.

"It is better for all members to be in the race. Let the members elect the leadership to lead the bourse into the 21st century," Rakibur Rahman said after the meeting. "Let the members decide what is better for them." His rival, Quddus, could not be reached yesterday, nor the other key players.

The move came apparently because most of those contesting had some kind of affiliation with the ruling Awami League. Those who attended the Alam-hosted meeting included at least two Awami League MPs and FBCCI president Yusuf Abdul Harun, also an AL supporter.

Rakibur Rahman is known to have considerable access to

the Prime Minister's Office. So is Reliance's Alam -- a close relative of a senior minister and a top ruling party leader -- who lost his Council seat last May when the SEC barred company directors from DSE membership. Alam backed the Quddus faction in the last election.

Khwaja Quddus, who has influenced DSE proceedings for many years now and still commands a considerable vote bank, has one of the past chairmen in his group. Kazi Ferzor Rashid, also a former minister under General Ershad, is favourite to win a Council seat and tipped by many to become chairman to fill in a leadership vacuum.

Quddus and other such heavyweights as Khurshid Alam and Imtiyaz Husain, all former chairmen, are not contesting, but have actively been involved in the power play.

Six out of 34 who originally filed nominations withdrew, leaving 28 vying for the policy-making Council seats.

The contestants are: Aminul Islam Khan, Azizur Rahman,

MG Azam Chowdhury, MA Murnain, Kazi Ferzor Rashid, Jahangir Kabir Chowdhury, Ahsanul Islam, Mohammad Rakibur Rahman, Dewan Sohel Afzal, Syed Mahabub Moshed, MA Haq Hawlader, Hasan Farouque Khan, Syed Tareq Mohammad Ali, Anu Jaigirdar, Abdul Haq, Shahid Khan, Mohammad Anwar Hossain, AKM Shamsuddin, Khawaja Golam Rasul, AMM Iqbal Ali, Khurshid Azam, Lalul Nahar Ikrar, MA Qalum, Ahmed Iqbal Hasan, M Enayetur Rahman, Shahidullah Shaymal and Faisal Kabir Chowdhury.

Those who backed out were Begum Khorshida Ferdous, Habib Abdul Mostaq, Faqru Islam, Jamil Ahmed Khan, Jamilur Rahman, Al Maruf Khan has withdrawn their names.

Signs of intervention from government functionaries became clear last May when Imtiyaz Husain, the then chairman, was shown the door. Husain continued as a councillor, but six of the nine members were replaced.

The new arrangements put

the relatively-low profile M A Huq Hawlader as head of what has come to be known as the hot-bed of wheeling-dealing. The Hawlader-led Council has however achieved little to boast of in the past six months. One of the key failures was on the computerisation front, which drew flak from the regulators.

Last month, the SEC warned of legal action if its automation programme was delayed any further and slapped a deadline on DSE to be ready for online trading by March next year.

The stock market surge in the early nineties made the DSE an incredibly-prolific money-spinning machine, and these leading stock dealers became powerful operators.

Their might was however displayed more to win favours for themselves. Lately, they forced the National Board of Revenue to swallow its plan to put stockbrokers in a special category of tax payers.

The latest incident that has eroded their arrogance to an extent is the temporary suspension of the brokerage licence of Hemayet Uddin Ahmed, a mar-

ket veteran and DSE chairman in 1986. Market sources say the SEC move "has really scared the brokers", most of whom, rightly or wrongly, hardly enjoy any good reputation.

While they were busy scheming plans, the market kept falling to lows.

On December 2, the DSE index plunged to 711.13 points, the lowest in 28 months. A slight recovery, which also went through ups and downs, was recorded until yesterday, with the benchmark index reaching 756.56.

But the recovery has not been reflected in transaction of shares, only 302,480 of which changed hands yesterday, again lowest since November 9 when only 295,411 were traded.

The 11 days of business this month have had only 441,331 shares transacted a day on an average.

The market's failure to turn around since the November 1996 crashwave sent shudders down the investors' nerves has been due to many factors, first of all a severe erosion of confidence.

CSE elects five new directors

Star Business Report

Five directors of the Chittagong Stock Exchange have been elected uncontested ahead of the annual general meeting.

The meeting is scheduled to be held on December 26, a CSE news release said yesterday.

ORA Rasul Nizam, Managing Director of National Brokers Ltd, Nurul Qayyum Khan, Managing Director of Unity Shares Ltd, Mostaqur Rahman, Managing Director of MRM Securities Ltd, MKM Mohiuddin, Managing Director of MKM Securities, and Fariduddin Ahmed Chowdhury, Managing Director of Kishwar Security Investment Ltd, will replace the retiring directors.

India's tea exports may hit target

NEW DELHI, Dec 14: India's tea exports will touch the targeted 180 million kilograms (396 million pounds) in 1997. Tea Board Chairman SS Ahuja said Saturday, reports AFP.

The exports would rise from the 154 million kilograms (338 million pounds) of 1996 following fresh inroads into Russia, Britain, Iran, Canada, Japan and the United States, Ahuja said.

The Press Trust of India (PTI) said Pakistan had also ordered 2.5 million kilograms (5.5 million pounds) of tea, and that Islamabad "would act as a springboard to gain access to other central Asian countries."

Ahuja said India hoped to produce 1,000 million kilograms (2,200 million pounds) of tea by the turn of the century.

India is the world's largest producer and consumer of tea.

Rupiah plunges against dollar

JAKARTA, Dec 14: Indonesian rupiah plunged against the US dollar at the spot market on Friday by 640 points from Thursday's closing at rp 4,510/rp 4,540, reports Antara.

The Indonesian currency reached its lowest level of rp 5,250 in the afternoon as a result of pressures since the opening session.

The pressure on the rupiah partly occurred because of the plunge of regional currencies, a dealer said.

Market dealers started panic-buying in the afternoon upon hearing news about the cancellation of President Soeharto's planned visit to Malaysia to attend the ASEAN summit upon presidential doctors' advice.

AMCL-PRAN declares 20pc dividend

Star Business Report

AMCL-PRAN has declared a 20-per cent dividend for its shareholders.

The company announced the declaration at its 12th annual general meeting held at a city hotel yesterday.

The meeting presided over by the Chairman of the company Lt. Col (Retd) Mahtabuddin Ahmed was also attended by, among others, Maj. Gen. (Retd) Amjad Khan Chowdhury and Ahsan Khan Chowdhury, Managing Director and Deputy Managing Director of the company respectively.

The company's dividend of this year marks a 33 per cent rise over the previous year's.

Exchange Rates

The following are the Senali Bank's dealing rates (BD Tk for one unit of Foreign Currency) to public as on 14th Dec '97.

Buying

Name of Currency	TT Clean	OD Sight	OD Export Bills
US Dr	45,2800	45,1100	45,0100
GB Pound	74,3880	74,1087	73,9444
D. Mark	25,3466	25,2514	25,1985
F. Franc	7,5701	7,5417	7,5250
C.Dlr	31,7234	31,6043	31,5343
S. Franc	31,3416	31,2240	31,1547
JP Yen	0,3441	0,3428	0,3420

Selling

Name of Currency	T.T. & O.D.	B.C.
US Dollar	45,6595	45,6990
GB Pound	75,6226	75,6881
D. Mark	25,8304	25,8528
F. Franc	7,7142	7,7208
C.Dollar	32,3223	32,3501
S. Franc	31,9442	31,9718
JP. Yen	0,3541	0,3544

Buying

	TT 45,2800	45,1100	45,0100
GB Pound	74,3880	74,1087	73,9444
D. Mark	25,3466	25,2514	25,1985
F. Franc	7,5701	7,5417	7,5250
C.Dlr	31,7234	31,6043	31,5343
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Selling