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TK 25,000



### DCC budget to be announced Saturday

The budget of Dhaka City Corporation for fiscal 1998-99 will be announced at noon on Saturday, reports UNB.

DCC Mayor Mohammad Hanif will announce the budget at the auditorium of Nagar Bhaban, said a press release.

### Grameen Phone to provide services to Ctg by June

CHITTAGONG, June 17: Grameen Phone will provide expanded network and services to the port city Chittagong by the end of this month, reports BSS.

Addressing a press briefing at its Agrabad office Snorre Danielsen, Project Coordinator (Sales and Marketing) of the Grameen Phone said initially it will extend services to around 1,000 customers through some 19 tower bases, already installed in the city.

Over 40 customers will be able to talk over mobile phone from even one tower at a time, Danielsen said.

Adding that after Chittagong Grameen Phone will extend its services to Khulna and Sylhet.

Arild Klokkerhaug, Project Coordinator, Chittagong who took the journalists around the exchange of the Grameen Phone, set up at the century-old railway building at Bathali said, "We are striving hard to ensure better telecommunication facilities to the customers at a reasonable cost."

"We hope that our network will be expanded to the rural areas in the very near future," he added.

### Mango production suffers setback in Netrakona

NETRAKONA, Jun 17: Production of mango in the district and other parts of North Bengal suffered a setback this year causing price hike of different varieties in the market, reports UNB.

Local producers said there is about 50 per cent production fall this year. They said the district produce a huge quantity of mango every year and supply it to other parts of the country after meeting the local demand.

But this year's production shortfall caused higher price of different varieties in the local market as well as markets in other parts of the country.

A large number of mango trees are being used as firewood at the brick-fields and tobacco factories every year delaying the government ban. Besides, the poverty-stricken poor people in the rural areas compel to sell trees to maintain their families.

In the 1970s, Bangladesh was one of the main mango producing countries but its production has come down sharply in the recent years due to lack of patronisation by the government.

### Indian shares soar

BOMBAY, June 17: Indian shares soared by 6.6 per cent midway into trade today after the capital markets regulator imposed measures to curb speculation and volatility in the market, brokers said, reports AFP.

The 30 share Bombay Stock Exchange sensitive index was up by 209.76 points or 6.6 per cent to 3,370.84 points.

The index had closed on Tuesday at 3,161.08, up by 0.25 per cent, recovering after a six per cent fall early in the day.

The Securities and Exchange Board of India (SEBI) on Tuesday banned 'short sales' in a bid to curb speculation that has been blamed for the volatility in the bourses in the past couple of weeks.

Stockbroker Gaurav Sangvi said the ban on short sales has led to a temporary change in sentiment, which has now become positive.

"There is a lot of domestic investors and traders buying while domestic institutions as well as foreign portfolio investors are still on the sidelines watching the index soar."

### Renata declares dividend

Shareholders of Renata Limited has approved a cash dividend of 20 per cent and one bonus share for every 10 existing shares for the year 1997.

The approval was given at the 25th annual general meeting of the company held at a local hotel yesterday.

The Chairman of the company SH Kabir presided over the meeting, says a press release.

The meeting was apprised that the turnover of the company at Tk 448.8 million represents a growth of 25.83 over that of 1996 and it earned a after tax profit of Tk 18.19 million, as against loss of Tk 24.40 million, i.e. a turn around of Tk 42.60 million.

SH Kabir apprised the shareholders of the major changes made in the way of company's operation and step taken to translate those changes to increase total corporate productivity.

## Top brokers may be involved SEC to probe trading in Mark stocks

By M Shamsur Rahman

Suspecting manipulation and insider trading, the Securities and Exchange Commission (SEC) has formed a two-member committee to investigate into share trading of Mark Bangladesh Shilpa and Engineering Ltd. a shoe manufacturing company.

The Monitoring and Surveillance wing of the SEC, while going through books and accounts of brokers and dealers, found "some unusual activity" in the

transactions of the company's shares.

SEC sources said the officials found "large volume of transactions of Mark Bangladesh shares" while going through books and records of Khurshid Alam & Co, Banco Trans World (BD) Ltd and few other brokers.

The shares were mainly traded at the end of 1997 and in the beginning of 1998, the sources said. The company de-

clared a 11 per cent dividend on December 29, 1997.

He said the SEC had been conducting an internal investigation for the last three months. "And based on our preliminary findings, we feel that there were some irregularities. We are suspecting manipulation and insider trading."

SEC Deputy Director Shuvro Kanti Chowdhury and Corporate Accountant Khairul Anam Khan will jointly inquire into

the affairs and records of the concerned brokers and dealers. They have been asked to submit a report in a month.

In a press statement yesterday the SEC said, "In exercise of its power the SEC formed an inquiry committee to ascertain as to whether there were any trade/price manipulation, insider trading, irregularities and violation of relevant provision of the securities law."

## PM asks officials to help boost export

Prime Minister Sheikh Hasina yesterday asked the officials of the Commerce Ministry to help increased export in volume and items to boost the economy, reports UNB.

"Now we are attaching importance to promotion of trade and commerce in our diplomacy," she said while reviewing the activities of the Commerce and Industries ministries at the Secretariat.

She also asked the officials to keep in mind that trade and commerce play a vital role in the free market economy.

Hasina also instructed the Bangladesh missions abroad to promote economic relations and said the activities of the Export Promotion Bureau (EPB) should be made more effective.

"Our missions abroad should be provided with complete information about the products of the country to increase export volume."

The Prime Minister suggested that more attractive trade fairs be arranged in different countries for promoting export.

She said now the world is laying emphasis on trade and commerce at the present context of free market economy.

"After forming the government we faced problems created in the past, and with the effort of present government those were solved," she said referring to the problems of GSP and shrimp export.

Hasina said the image of Bangladesh has been brightened abroad. Bangladesh is now considered as a potential country. "Now we are getting tangible response for foreign investment."

She said there will be a tremendous competition in trade among the countries of the globe in the coming century

and hoped that Bangladesh will be able to face the challenge. This could be possible through hard work and devotion of concerned personnel.

The Prime Minister asked the officials to ensure that the prices of essential commodities such as rice, salt, edible oil, pulses are kept within the reach of the common people.

She emphasised the need for protecting the interest of the consumers and taking appropriate measures against the hoarders.

Earlier, Commerce and Industries Minister Tofail Ahmed listed the activities of the ministry. He said the GSP problem was created in 1992 and was solved by the present government. As a result, Bangladesh has received 30 per cent of the GSP facilities.

The Commerce Minister said Bangladesh is now fifth largest

exporter of garments to European Union and sixth largest to USA.

"Our export volume has increased by 16.75 per cent over the last year. It will further increase in last two months of the current fiscal," he said.

Tofail said Bangladesh will be able to exceed the export earnings of projected US dollar 5.2 billion and reach dollar eight billion in the current fiscal. Trade deficit with other countries is also decreasing gradually, he said.

Commerce and Industries Secretary Syed Alamgir Farooq Chowdhury said export earnings are able to meet 62 per cent of country's import expenditure.

The meeting was also attended by Principal Secretary to the Prime Minister Dr SA Samad, Finance Secretary Dr Akbar Ali Khan and other high officials of the ministry.

## Myanmar keen to expand trade with Bangladesh

Deputy Prime Minister of Myanmar Maj Gen Kyaw Than has expressed his country's keen interest in expanding bilateral trade with Bangladesh and joint venture investment in private sector, reports UNB.

Gen Kyaw on Monday was welcoming a Bangladesh trade delegation now visiting Myanmar, according to a message received here on Tuesday.

The 13-member delegation, led by Dhaka Chamber of Commerce and Industry (DCCI) President R Maksud Khan, had also talks with Union of Myanmar Chamber of Commerce and Industry (UMCCI).

Kyaw Than, who is in charge of Commerce Ministry, said the Myanmar government has already decided to enhance the existing limit of border trade to

US\$ 10,000 from US\$ 2,500. Cooperation is needed from Bangladesh government to make it effective, he added.

The Minister hoped that Bangladesh-Myanmar border trade would grow faster as in the case of Myanmar and China. He also welcomed investment in agro-based and sea food industries.

Bangladesh Ambassador to Myanmar Jahangir Saadat was present at the meeting.

Presenting a detailed picture of trade and investment opportunities in Bangladesh, DCCI President said Myanmar's vast mineral resources can feed well the Bangladesh's manufacturing industries, specially cement clinker factories.

He pointed to the opportunities of joint collaboration in hydro-electricity generation

between the two countries.

Maksud said joint pulp industry can be set up under joint venture as backward linkage for Bangladesh's paper mills using the huge forest resources of Myanmar, mainly bamboo and cane, as raw materials.

He listed jute bags, urea, pharmaceutical products and toiletries as export items from Bangladesh to Myanmar, while Bangladesh can import rice, pulses, marine products, livestock and sugar at competitive price.

UMCCI President U Khin Maung said the present "limited" border trade leaves a scope for a very long transaction and called for support from both the governments to enhance the trade volume.

## It venture clinker units proposed

CHITTAGONG, June 17: A trade delegation of Chittagong Chamber of Commerce and Industry (CCCI) which recently visited four South East Asian countries, have proposed setting up of joint venture clinker industries in Rakhain province in Myanmar which has a huge deposit of limestone.

President of CCCI Kamal Uddin Ahmed, who led the delegation, told a press conference at the Chamber on Tuesday that the Myanmar government

evincing interest in the proposal to tap the deposit for its export on clinkers. A team will be sent to Myanmar next month for a feasibility study, he said.

The delegation visited Myanmar, Thailand, Singapore and South Korea during its 10-day tour from June 3, he said.

During its visit to South Korea, the delegation urged entrepreneurs there to relocate their 'sick or sunset industries' to Chittagong to enjoy a favourable investment climate, Kamal said.

Another delegation will be sent to South Korea shortly to campaign in this regard, he added. South Korean entrepreneurs submitted investment profiles for setting up 74 industries in Bangladesh in the past one year, he informed.

"There are prospects for more investment from Singapore and Korea."

The Chittagong Chamber has planned to open a business cell at its office to render service to investors in case of any problem.

## Tokyo stocks mixed Dollar falls sharply against yen

TOKYO, June 17: Speculation that the United States might join in efforts to prevent a free fall by Japan's currency sent the US dollar sharply lower against the yen on Wednesday. Tokyo stock prices closed mixed, reports AP.

The dollar bought 142.00 yen in late afternoon, down 3.14 yen from 145.14 yen late Tuesday in Tokyo and also below its late New York rate of 143.47 yen overnight.

Traders locked in profits on the dollar following reports

that US Deputy Treasury Secretary Lawrence Summers would make an emergency trip to Tokyo on Thursday to discuss Japan's stagnant economy and sagging yen.

The dollar rebounded slightly at midday on buying by Japanese funds, before falling again in late afternoon as investors rushed to dump overbought dollar positions ahead of Summers' anticipated visit.

In Washington, US Treasury Secretary Robert Rubin said the United States continues to

worry about the weak yen.

"It's been of enormous concern to us," Rubin said. "We have been very actively involved in talking to Japan for the past 18 months, publicly and privately, about weakness in the economy."

Concern that the falling yen could throw other Asian countries into further economic turmoil has also led Asian officials to urge Japan to stabilize its economy.

Market participants expect Summers will prod Japan to step up efforts to boost economic growth and accelerate the write-off of problem loans at Japanese banks.

Some traders also speculated that US and Japanese officials may be considering some kind of joint action, such as yen-buying intervention in currency markets, to boost the ailing currency.

The dollar ranged between 141.65 yen and 144.10 yen in Wednesday's trading.

On the Tokyo Stock Exchange, prices started sharply higher on the yen's rise against the dollar and higher futures prices. But most of the early gains were wiped out as the dollar began to regain ground against the yen.

The 225 issue Nikkei Stock Average fell 5.00 points, or 0.03 per cent, closing at 14,715.38. On Tuesday, the Nikkei average had fallen 104.79 points, or 0.71 per cent.

### Demand for tea improves at Ctg auction

CHITTAGONG June 17: The weekly tea sale held here yesterday marked improvement in demand following more support from both export and internal buyers, reports BSS.

According to market sources, Poland, Russian and CIS lent a good support while Afghanistan was also quite active, there was interest from Pakistani buyers.

Internal buyers were more active this week.

Bold brokers met with a good enquiry but generally declined by Tk 3/- to Tk 5/- while large brokers were also a good market and eased by Tk 2/- to Tk 3/- medium and small brokers met with an improved enquiry but mostly sold at a drop of Tk 2/- to Tk 3/- with a few select lines of medium brokers of ten dearer following competition.

A total of 1,8350 chests, 2,705 tons sacks, 223 chests of old season were an offer and met with an improved demand at mostly firm to dearer rates. All better liquoring types sold well at mostly dearer rates advancing by Tk 1/- to Tk 3/- following competition.

Medium types sold around last levels while plain varieties eased by up to Tk 5/- with some withdrawals, major blenders and bazar lent quite useful support particularly for the better liquoring types.

In all, 16735 chests, 7410 jute sacks were on offer in the sale.

### Indonesian currency plunges

JAKARTA, June 17: Indonesia's fragile currency plunged more than nine per cent on Wednesday. Jeopardizing efforts by the International Monetary Fund to haul the Southeast Asian Nation's shattered economy out of a year long crisis, reports AP.

The drop came as a big blow to the government of President BJ Habibie, which has pushed an agenda of democratic reform since the ouster last month of the authoritarian leader Suharto.

A drastic weakening of the currency could also worsen rising inflation and mass unemployment problems which helped spark riots and protests leading to Suharto's downfall after 32 years in power.

Some shopkeepers in Jakarta, the Indonesian capital, shuttered their stores, fearing that the fall of the rupiah could spur more price increases and ensuring street violence.

The Indonesian currency closed in Jakarta trading at 16,700 rupiah against the US dollar, down from 15,150 rupiah a day earlier.

Dealers said local banks were rushing to snap up dollars to pay off debt arrears. They predicted more demand for dollars to finance Indonesian imports of basic commodities, including medicine.

"With such a thin market and one-way trading, the only direction for the dollar is upward," said Pardi Kenidy, chief of the treasury department of Bank Buana Indonesia, a private bank.

## Kibria to consider suggestions on tax proposals

Finance Minister Shah AMS Kibria yesterday said the proposed budget has reflected the views of business community to protect local industry and support export-oriented sectors,

reports UNB. "But there are contrasted views within the same community, and it is not possible to satisfy all," he said, while exchanging views with the business community leaders at FBCCI conference room this noon.

Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) President Yussuf Abdullah Harun chaired the session.

The Finance Minister agreed to meet them again on June 27 at Hotel Sonargon at 11 am, as the function was forced to cut short due to power failure.

"I'll consider all of your proposals as carefully as I can, and discuss all the issues with concerned people," he assured the business leaders regarding their proposals and suggestions on tax proposals in the new budget.

Kibria said the new budget has proposed massive steps to simplify the tax administration to reduce harassment and ease the tax collection procedure, as raised by Chamber leaders during pre-budget discussions.

"Tax settlements have been made final, although it may reduce revenue income. We have done it in such a way that a culture of paying tax develops," Kibria said.

Such wide ranging reform measures were never taken in the last 20 years, he said.

FBCCI President Yussuf Abdullah Harun said the business people hailed the positive aspects of the budget for 1998-99 fiscal, but some proposals of its demand reconsideration.

Harun thanked the government for assuring a special support for rehabilitating the sick industries, but he said the implementation procedures should be eased.



Reconditioned vehicle importers and dealers staged a sit-in in front of the FBCCI Bhaban protesting the proposed reduction in depreciation and duty hike on old vehicles in the 1998-99 budget as Finance Minister Shah AMS Kibria met the business leaders inside the chamber building yesterday. —Star photo

## GCC states agree to cut oil production

RIYADH, June 17: The six Gulf states whose economies are dependent on oil agreed here yesterday to cut their production by 415,000 barrels per day from July 1 in an effort to stem the slump in world prices, reports AP.

The output reduction agreed included the 225,000 BPD cut promised by Saudi Arabia at a meeting with Mexico and Venezuela in Amsterdam on June 4, the oil ministers of the Gulf Cooperation Council said in a statement.

Kuwait and the United Arab Emirates each agreed to cut their output by 75,000 BPD, the statement said. Oman agreed to cut its production by 20,000 BPD.

The ministers also acknowledged the reduction decided by Qatar, the statement said. Qatar announced on Sunday that it would cut its output by 20,000 BPD from July 1.

The sixth GCC member Bahrain, whose production is just 40,000 BPD is to make no reduction in its output.

The total cuts agreed by the GCC countries now amount to 1,025,000 BPD since the Riyadh accord in March, the GCC oil ministers statement said.

At a secret meeting here on March 22, Mexico, Saudi Arabia and Venezuela agreed to cut their production by 0.5 million BPD and called for a worldwide output reduction of 1.6 million to two million BPD.

The cuts decided at the last meeting of OPEC have not been implemented in their entirety

which has led to the continued presence of reserve supplies on the market and pressure on prices, the GCC oil ministers said.

"The 11-member oil cartel agreed on March 30 to cut its output by 1.245 million BPD. It is to meet again on June 24 to discuss ways to stabilize prices."

### Exchange Rates

The following are the Janata Bank's dealing rate (BD Tk for one unit of Foreign Currency) to public as on 17/6/98:

Name of Currency	TT & O D	Buying	
		OD Sight	OD Transfer
US Dlr	46 1500	45 9612	45 8484
GB Pou	75 8525	75 5336	75 3481
D Mark	25 5212	25 4139	25 3514
FR Franc	7 6149	7 5828	7 5642
JP Yen	0 3192	0 3178	0 3170
C Dlr	31 2228	31 0915	31 0152
S Franc	30 6680	30 5391	30 4641

### Exchange Rates

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

Name of Currency	T.T. & O.D.	Buying	
		Selling	Buying
US DLR	46 7000	46 5000	46 5000
G.B.P.	76 5600	74 5600	74 5600
S.Rival	12 2500	11 9500	11 9500
U.A.E. Dh	12 3500	12 0000	12 0000
K.T.W.D.I	150 0000	145 0000	145 0000

### Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to clients.

Currency	Selling TT & OD		Buying TT & Clean		Buying BC		Buying OD Sight		Buying TT & OD	
	TT	OD	TT	Clean	TT	BC	TT	OD	TT	OD
USD	46.5050	46.1100	46.5450	45.9570	45.8850	45.8850	45.8850	45.8850	45.8850	45.8850
GBP	77.1146	75.9524	77.1909	75.7004	75.5818	75.5818	75.5818	75.5818	75.5818	75.5818
DEM	25.9312	25.5424	25.9535	25.4694	25.4295	25.4295	25.4295	25.4295	25.4295	25.4295
JPY	0.3245	0.3193	0.3247	0.3182	0.3177	0.3177	0.3177	0.3177	0.3177	0.3177
FRF	7.7324	7.5727	7.7991	7.5475	7.5357	7.5357	7.5357	7.5357	7.5357	7.5357
SAR	12.4308	12.2581	12.4415	12.2174	12.1983	12.1983	12.1983	12.1983	12.1983	12.1983
MYR	11.4431	11.3181	11.4530	11.2805	11.2628	11.2628	11.2628	11.2628	11.2628	11.2628
AED	12.6969	12.5193	12.7078	12.4778	12.4583	12.4583	12.4583	12.4583		