

Investors to get prior information about sales of sponsors' shares

Star Business Report

In order to protect investors' interest, the Dhaka Stock Exchange (DSE) is bringing a change in its listing rules. With the change in the rules, investors will get prior information about sales of sponsors' shares.

If any company sponsor or director wants to sell shares, he will have to inform the bourse at least four days earlier. Then the exchange will inform the general investors of the number of shares to be off-loaded by the sponsors.

Therefore, the investors would get the first chance to sell-off their stakes and make an early exit," the DSE Chairman Rakibur Rahman told a group of newsmen at a press briefing yesterday.

In '96, many sponsors and directors sold their holdings after prices of shares started ris-

ing abnormally. If the investors knew earlier, they could sell-off prior to the sponsors' off-loading," the chairman said.

DSE senior vice chairman, CEO and secretary were also present at the briefing.

On-line trading from August 10

Regarding automation, Rakibur Rahman said that automation process was going on in full swing and they expect to begin formal trading under the new system on August 10, this year.

The DSE, which had been failing to meet the regulator's again and again, received Tk 8.4 crore soft loan from the government to complete its automation. The automation project is expected to cost Tk 11 crore.

The chairman said the "acceptance testing" began on July 5 and will continue till July 12 and training and mock trading would begin on July 13 which will continue till August 7 before starting formal on-line trading on August 10.

He said the DSE system has both local area network (LAN) as well as wide area network (WAN). "Investors from anywhere in the country would be able to transact shares through DSE automation system."

He, however, said that the investors, from only Dhaka might participate on the first day of automated trading. The others from different cities will be incorporated into the system once they set up offices in the other districts on which many brokerage firms are already working on.

The chairman also said that the Securities and Exchange Commission (SEC) would be able to monitor DSE's activities through a computer screen.

About the present state of the market the DSE chief said they were confused about the position of the index.

The government, on its part, has given maximum incentives for the development of the market. "And we thank the finance minister and others for providing such incentives," he said. "We are trying to find out if there were anything more we could do for the betterment of the market."

He also pointed out that the market was showing signs of improvement in May and June and suddenly the investors started going away. "I don't know what prompted them to leave the market."

Dhaka-Yangon investors agree to set up spl zone

The representatives of private sector investors of Bangladesh and Myanmar have agreed to establish 'special processing zone' at Teknaf under Cox's Bazar district where industries will be set up based on raw materials available in Myanmar, reports BSS.

They sought initiative from the governments of both the countries in this regard, according to the President of Dhaka Chamber of Commerce and Industry (DCCI) R Maksud Khan.

The business promotion delegation of DCCI which visited Myanmar recently had discussion with Myanmar industrialists and businessmen regarding expansion of trade and investment between two countries.

The two sides have agreed on several specific issues for expansion of bilateral trade and investment and made recommendations to their respective governments for implementation.

The DCCI president who led 13-member delegation to Myanmar told BSS that the investors of two countries have

agreed to set up the special processing zone as a joint venture arrangement based on Myanmar raw materials.

They have vast reserve of forests — bamboo and soft timber for paper and pulp — and mineral resources like limestone and clinker for the cement industries, he added, and said the finished products from the zone will be exported abroad including Myanmar to the benefit of both the countries.

We are waiting for a decision from the governments in this regard," he maintained.

Maksud Khan mentioned the backwardness of Myanmar regarding export trade because of sanctions imposed on the country.

Bangladesh can avail the opportunity since the Myanmar investors have come forward to participate, he said.

A counter purchase agreement (CPA) may be signed between the private sector of the two countries. A credit line also can be opened in line with the arrangements existing in case of trade between Bangladesh and CIS countries.

Exchange Rates

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

Currency	Selling TT & OD	Buying TT Clean	Selling EC	Buying OD Sight	Buying TT & OD
USD	47.3050	46.9100	47.3450	46.7570	46.6850
GBP	77.7458	76.5808	77.8115	76.3308	76.2133
DEM	26.1759	25.8002	26.1980	25.7161	25.6765
JPY	0.3424	0.3370	0.3427	0.3359	0.3354
FRF	7.8642	7.6448	7.8709	7.6199	7.6081
SAR	12.6464	12.4731	12.6571	12.4324	12.4133
MYR	11.3111	11.2494	11.3537	11.2127	11.1954
AED	12.9150	12.7362	12.9259	12.6947	12.6751
KWD	159.3834	148.0278	159.5182	147.5450	147.3178
QAR	13.0324	12.8492	13.0434	12.8073	12.7876

Bill buying rates:

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
46.8112	46.5191	46.1282	45.7373	45.3463	44.9554

US dollar London Interbank Offered Rate (LIBOR) as of July 5, 1998

Buying	Selling	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
46.8850	47.3050	USD	5.6625	5.6675	5.75	5.7825	5.8125
46.8850	47.3050	GBP	7.875	7.875	7.875	7.875	8.0

Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
42.550/46.420/41.220/41.220	46.420/41.220/41.220/41.220	41.220/41.220/41.220/41.220	41.220/41.220/41.220/41.220	14950/13300/15150	1335

Amex notes on Wednesday market

The local interbank foreign exchange market was very gloomy. There was adequate supply of USD to meet the demand of the market. The average trading rate was between 47.05 and 47.15.

The call money market was comparatively dull because there was adequate liquidity in the market to keep the call rates low.

The call rates slipped to as low as 5.75 per cent and stayed in the 5.75 per cent to 6.5 per cent level.

In the international market, earlier US dollar/yen was very volatile with the market expectation on permanent tax cuts, which would strengthen the yen. In European trading, the dollar gained against the yen after the PM's remarks in a news conference in Nagoya were too vague to predict how much the tax reforms would pack for the economy. He said that he hoped to implement the tax cuts next year as part of a permanent overhaul of the taxation system. But his comments failed to clarify certain key questions like the scale of the tax cuts, how the expected revenue gap would be funded etc. All these factors influenced the greenback to be up against the yen. The German mark was soft against the dollar in Europe after the ECB (European Central Bank) President said that European economy showed steady growth with low inflation.

At 1840 local time, in the international market the USD traded at 1.8177/82 DEM, 139.56/66 JPY, 6.0935/45 FRF, 1.5270/80 CHF, and GBP at 1.6366/74 USD.

Kibria tells workshop Micro-credit not only solution to poverty

Finance Minister SAMS Kibria yesterday said micro-credit programme of non-government organisations (NGOs) is far from meeting the high expectation of alleviating rural poverty, reports UNB.

"Micro-credit is not the only solution to poverty... I have heard a strong criticism about micro-credits in rural areas. Many of the borrowers have been ruined because of high rate of interest," Kibria told a workshop in the city in the morning.

He said: "I don't believe that micro-credit will alleviate poverty because of its complexity. It needs an extensive approach to reach the goal."

The three-day workshop on "Poverty and Finance in Bangladesh: Emerging Institutional Issues on Micro Finance" was jointly organised at IDB Bhaban by Institute for Development Policy Analysis and Advocacy (IDPAA) at Proshika, Palli Karma-Sahayak Foundation (PKFSF) and DFID-UK and UNDP.

British High Commissioner in Dhaka David C Walker and PKFSF Chairman Dr Mohammed Faroukuddin were present as special guests. Proshika president Dr Quazi

Faruque Ahmed chaired the opening session.

Finance Minister said micro-credit programme did not have any major impact on national economy and was far from achieving its goal of poverty alleviation. A large number of small and marginal farmers are left out of the micro-credit programme, he said.

Kibria said the programme of micro-credit is focused on providing credit to the poorest of the poor farmers. "But between the affluent and the poorest farmers, there remains a remarkable number of farmers who are deprived of the credit facilities."

He stressed the need for introducing the modern technology to increase production, and thus raise income generation capacity. "Unless production is increased, income will not increase. As a result, poverty eradication drive will not be successful," he added.

Referring to the dramatic change in rural economy in various sectors like dairy, poultry and fishery, he said it was possible because of introduction of new technology and expansion of infrastructure.

Kibria appreciated the activities of NGOs regarding health, EPI, environment and non-formal education. "You have to listen to the poorest of the poor before introducing the micro-credit. Theoretical and practical approach are completely different."

He urged the participants at the workshop to work out more balanced, mature and pragmatic and sustainable steps to make the micro-credit programme a versatile one.

Quoting from Bangladesh Development Report of UNDP, David C Walker said the country's progress in human development over the past four to five years seemed to have lagged behind its progress in gross domestic product.

The growth has not commensurately benefited the poorest section of the society, he added.

Per capita income growth has increased, but this growth of income remains very skewed. Walker said adding that over the 10 years to 1992-93 income distribution scarcely changed.

During the 10 years, according to the UNDP report top 5 per cent of the population received

'Grameen makes progress in its leasing programme'

Star Business Report

Grameen Bank has made a remarkable progress in its new venture, leasing programme, and expansion of which could foster industrialisation process in rural Bangladesh, revealed a recent study conducted by a US-based scholar.

"By increasing the size of the lease amount Grameen could foster rural industrialisation which will be an effective tool to alleviate poverty," said Asif Ud Dowlia, Associate Professor of Economics at St. Mary's College, Maryland.

Presenting the study paper titled "Micro-leasing: Grameen Experience" at a seminar held at Women Voluntary Association auditorium on Monday, Dowlia noted that rural industry established through this leasing programme would create stable source of employment and check migration of population to the urban areas.

Describing the China experience in this connection, Dowlia further said that rural industrialisation could also be an effective engine of growth.

The seminar organised by Centre for Development Research Bangladesh was also addressed by its Chairman, Dr Mizanur Rahman Shelly and

Rahim Boksh Talukdar, a teacher of Dhaka University Business Administration.

Dowlia said that the programme expanded thirteen-fold in three years and through which poor men and women became owners of power tiller, power loom, shallow machine and even computers.

According to the study, Grameen has so far leased 8,411 items in 111 different categories disbursing Tk 23.76 crore. The programme has enabled 96 male and 118 female members to own assets and create excitement among them.

The overall repayment rate was very high — 98 per cent in terms of value and 97.6 per cent in terms of number of lease contracts, the study said.

Dowlia mentioned another area of success of this programme which was enabling poor women to have access to medium term loans.

"Grameen Bank was a pioneer in opening up women's access to credit and through the leasing programme, the bank is continuing that tradition," he said suggesting that the bank expand and diversify the leasing product.

Developing states urge big nations to open up trade

UNITED NATIONS, July 8: Developing countries at a United Nations forum yesterday urged their industrialised counterparts to open up their markets to imports and stimulate growth in small nations, reports Reuters.

While (world trade) negotiations in services and investments gained increased momentum, areas of major export interest for developing countries, namely textiles and agriculture, remain highly protected," Brazil's UN Ambassador Celso Amorim told a meeting of the UN Economic and Social Council (ECOSOC).

"In the United States alone, they (trade barriers) range from high tariffs and tariff quotas for textiles and agricultural products to peak tariffs for footwear, orange juice and sugar," Amorim told a panel on market access in a global economy.

He spoke on the second day of a high-level segment of the council's July session that includes ministers from various countries as well as financial experts and analysts.

2 world-class private sector container terminals in three years likely

CHITTAGONG, July 8: The country will witness an unprecedented development in the port sector when two world class private sector container terminals in Dhaka and Chittagong will be developed with an estimated cost of five hundred million US dollars equivalent to around Taka 2400 crore during the next three years (1998-2001).

Talking to BSS senior officials of the Stevedoring Services of America (SSA) Bangladesh Ltd, a joint venture company, said the construction work of an ocean container terminal in Chittagong and an inland container terminal in Dhaka is expected to begin in November this year, and likely go into operation by the end of the year 2001.

The proposed ocean terminal will be built at Patenga, Chittagong, on 211 acres of land at an estimated cost of Taka 350 million US dollars while the other inland container terminal at Pangoan near Dhaka will be constructed on some 89 acres of land at a cost of 150 million US dollars, the sources said.

The terminals having an integrated shuttle barge services

will generate direct or indirect employment opportunity for as many as 15,000 people and also contribute around Taka 25 to 30 crore toward government revenue per year, the sources said.

Being implemented by SSA Bangladesh Limited in large scale private sector investment in the country, the projects were approved by the government as it envisaged growing demand and expansion of the efficiency of the port to cope with global competitive market, the sources said.

The project, approved by the Council Committee on Economic Affairs headed by the finance minister was already acclaimed by the business community including the Federation of Bangladesh Chambers of Commerce and Industry, Bangladesh Garment Manufacturers and Exporters Association and port users expressing their hope that it will be of enormous help to the entire business community.

The sources further said a three-member implementation committee comprising finance, shipping and commerce was also constituted to oversee the quick implementation of the

project.

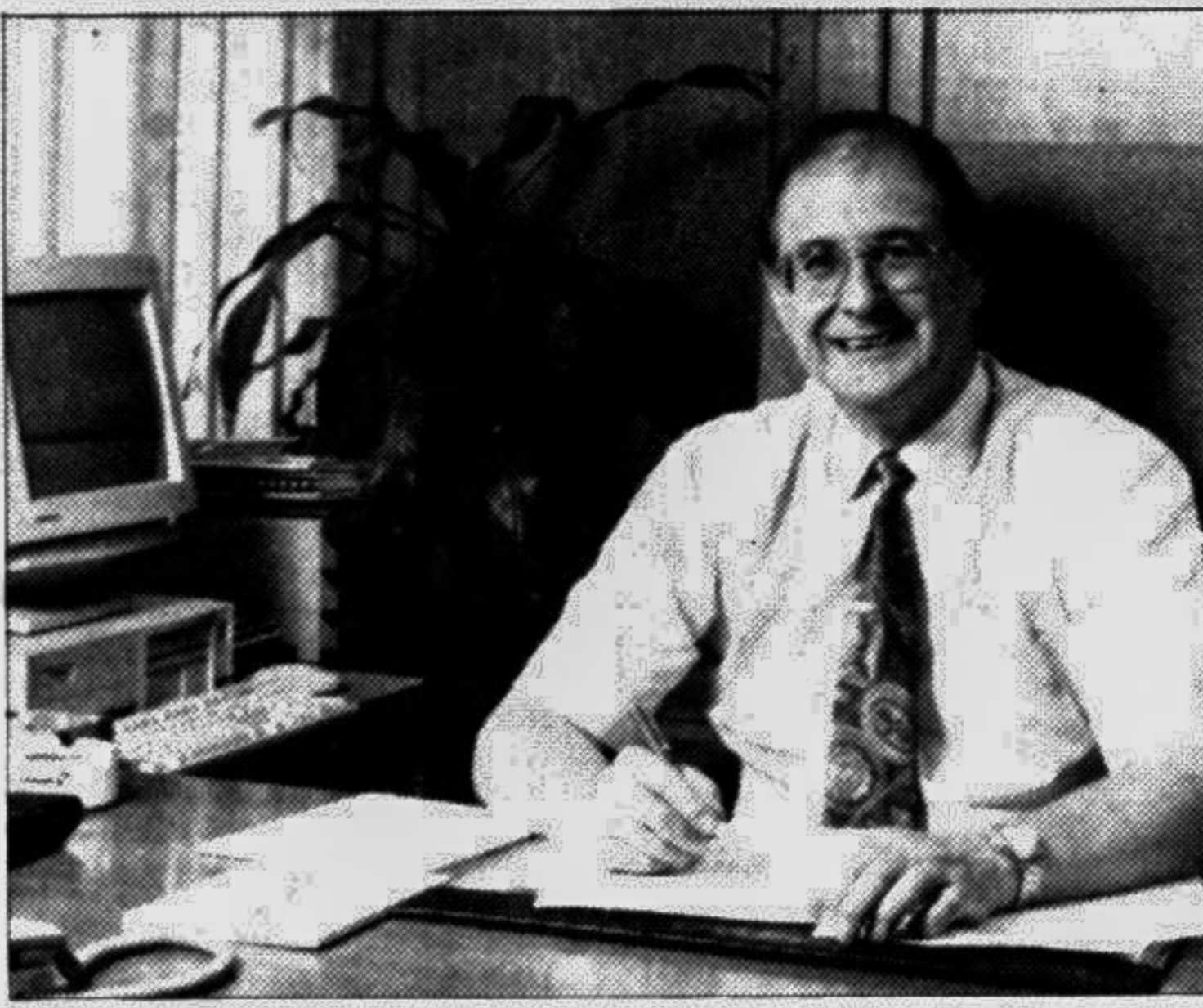
The 1070 metre long terminal, to be built at Patenga with accommodation of three feeder vessels and five barges, will have around three lakhs TEUs handling capacity while present container handling capacity of Chittagong Port is about 1.92 lakh TEUs, the sources said.

Procurement of land which are plain and without habitation now on the verge of completion while necessary clearances from Chittagong Development Authority, Board of Investment and Ministry of Shipping have already been available to construct the port, the sources said.

Stevedoring Services of America, a multi-national company, with long experience is now running about 150 terminals throughout the world.

The workers and other staff will be appointed in the proposed terminals after imparting modern training and skill abroad.

SSA Bangladesh Limited, a joint venture company having equal share will run the terminals through private management.



Additional investment proves strong commitment of Nestle to Bangladesh, says Nick Miller.

Nestle invests Tk 68.5cr more in Bangladesh

Nick Miller, Managing Director of Nestle Bangladesh Limited, yesterday announced that Nestle's S A Switzerland, was increasing its capital contribution in the company and had made US\$14.5 million (Taka 68.5 crore) additional investment in Bangladesh.

"This will strengthen the financial base of Nestle Bangladesh Limited, and provide a platform for future expansion," said the firm in a press statement.

Notification of this increase in capital is underway with the Board of Investment, the Registrar of Joint-Stock Companies and the Securities and Exchange Commission, it said.

WB okays \$300m for Indian children

NEW DELHI, July 8: The World Bank has approved 300 million dollars for an Indian child care project, the first such approval since several countries imposed sanctions following nuclear tests, a government statement said, reports AFP.

The statement said the third phase of the Integrated Child Development Services project, launched 23 years ago for poor children would cover five states.

"The World Bank assistance has provided an instrument in augmenting the resources of the government and to accelerate coverage of the project to the needy population of the country," it said.

India conducted its nuclear explosions in May, sparking tit-for-tat tests by arch rival Pakistan. Those tests provoked condemnation and selective sanctions led by the United States and Japan.

The US has blocked loans to India worth around 2.5 billion dollars annually, except for humanitarian aid.

Asian stock markets close higher

HONG KONG, July 8: Asian stock markets closed slightly higher on Wednesday, with share prices in Tokyo up as investors pinned hopes on a possible government announcement of permanent tax cuts, reports AFP.

Tokyo's 225-issue Nikkei Stock Average rose 114.69 points, closing at 16,530.97. On Tuesday the Nikkei index rose 65.83 points, or 0.40 per cent, to 16,416.28.

Analysts said investors were hoping for a possible announcement from Prime Minister Ryutaro Hashimoto on permanent tax cuts while campaigning in Nagoya.

In Seoul, share prices closed slightly higher on recent lower interest rates and a rise in the yen against the dollar.

The benchmark Korea Composite Stock Price Index ended at 318.79 points, up 1.29 points from Tuesday's 317.50. Volume was active at 85.4 million shares.

Elsewhere: KUALA LUMPUR: Malaysian shares finished sharply lower on continued worries over the country's weak currency and its economic problems. The Composite Index was down 12.27 points, or 2.6 per cent, closing at 455.28.

BANGKOK: Thai stock prices ended marginally higher, as investors waited to see the outcome of government plans to ease tight liquidity in the economy. The Stock Exchange of Thailand index gained 1.15 points to end at 273.43, from Tuesday's close of 272.28 points.

JAKARTA: A rush of profit-taking caused share prices to close lower, as local investors cashed in on short term gains. The JSX index ended down 10.965 points, to 472.980.

HONG KONG: Stocks closed higher, with investors scooping up shares as local interbank rates eased slightly, along with a stable Japanese currency. The benchmark Hang Seng Index

rose 185 points, or 2.2 per cent, to 8,629.18.

SINGAPORE: Shares in Singapore closed lower as a much-anticipated speech by the Japanese prime minister failed to spur last-minute buying. The Straits Times Industrial Index closed 7.40 points, or 0.7 per cent, lower at 1107.78.

TAIPEI: Taipei shares ended higher as investor sentiment was buoyed by favourable preliminary June sales reports from computer and Internet-related companies. The market's Weighted Stock Price Index closed up 90.85 points, or 1.15 per cent, to 7,936.82 points, a six-week high.

Dispute with Pak gov Hubco seeks international arbitration

ISLAMABAD, July 8: Pakistan's largest privately owned power company on Wednesday sought international arbitration in its protracted dispute with the Pakistan government, reports AP.

The government-owned Water and Power Development Company owes Hub Power Company (Hubco) millions of dollars for power already purchased. The government has refused to pay despite a court order.

Hubco says the government has reneged on a power purchasing agreement.

"In the interest of both parties and with a view to settling the dispute quickly the company has commenced arbitration proceedings in the International Court of Arbitration, International Chamber of Commerce," said a statement issued by the company.

Power company officials says they still are ready "and willing to enter into substantive discussions" with the government to settle the dispute.

Prime Minister Nawaz Sharif's government is in the midst of a feud with several privately run power companies in Pakistan.

The power companies deny paying any bribes and have offered to enter into negotiations with the government.

Workers protest in Indonesia

JAKARTA, July 8: About 200 workers protested at the labour ministry on Wednesday to demand higher wages and complain that military handling of their rallies has been heavy-handed, reports AP.

The protest by workers from several factories in Jakarta was peaceful.

Indonesia is suffering its worst economic crisis in decades, and millions of people are struggling to find enough money to buy food.

President B J Habibie has pledged democratic reform in the wake of the resignation of his predecessor, Suharto.

Shipping Intelligence

CHITTAGONG PORT

Berth position and performance of vessels as on 08.07.98

Berth No	Name of vessels	Cargo	L port call	Local agent	Date of arrival	Leaving
J/1	Josie	Rice(G)	Kaki	USTC	28/4	9/7
J/2	Zillina	G	Sing	AASS	28/6	14/7
J/3	Sarabaya Express	Cement	Herin	MHSSL	6/6	10/7
J/3	Kinabalen Enambelas	G	Maya	CL	4/7	18/7
J/4	Rong Jiang	Rice(G)	Kaki	OWSL	15/5	15/7
J/5	Sete Star	G	Sing	Cross	1/7	10/7
J/6	Lu Shan	Sugar(G)	Hong	Seacom	9/6	16/7
J/7	Yong Jiang	G	S.Hai	Bdship	27/6	15/7
J/8	George	Sugar(G)	Sing	Seacom	20/6	15/7
J/9	Kurnia Sejati	Rice(G)	Kaki	OT	17/6	11/7
J/10	Clatagan	G	Sing	Seaglory	13/6	14/7
J/11	Banglar Shikha	Cont	Sing	BSC	5/7	10/7
J/12	Sa Bright	Cont	Sing	PH(BD)	1/7	8/7
J/13	Delight Glory	Cement	Bang	PSAL	20/6	13/7
CCT/1	Sin Hai	Cont	Sing	QCSL	2/7	8/7
CCT/2	Diligence Cont	Sing	QCSL	4/7	10/7	
CCT/3	Da Fa	Cont	Sing	Barlight	3/7	8/7
RM/14	Ryomyong	Cement	Sing	Delmure	21/5	15/7
CCJ	Elang-III	Cement	Kar	USTC	20/6	13/7
TSP	Martina	Repair	Cont	Cross	R/A	10/7
RM/3	Oraphin-3	P Oil	P.Gud	Seacom	5/7	8/7
RM/4	Vivi	CDSO	Durb	Rainbow	27/6	9/7
RM/6	Wald Al Agouz	Cement	Rada	RML	R/A	8/7
DDJ	Banglar Shourabh	C Oil	BSC	BSC	R/A	8/7
DD	Banglar Jyoti	Repair	BSC	BSC	R/A	10/7
DDJ/1	Tanary Star	Idle	Para	PSAL	8/5/95	-
RM/8	Pride of the South	Cement	Sing	RSA	R/A	10/7
RM/9	Banglar Doot 29/6	Repair	Sing	RSA	24/6	13/7

VESSLES DUE AT OUTER ANCHORAGE

Name of vessels	Date of arrival	L port call	Local agent	Cargo	Loading port
Ahuja 25/6	8/7	Sing	Baridhi	Cont	Col
Able Fuller	8/7	Sing	Prog	GHI(Veh)	-
Adhiguna Nugraha-1	8/7	Tanj	Ipl	Cement	-
Andhika Adikarya	9/7	Kaon	Prog	G	-
Eka Lestari	9/7	-	USTC	Rice(G)	-
Adhiguna Jaya-1	10/7	-	USTC	Rice(G)	-
Qc Teal 25/6	11/7	Sing	QCSL	Cont	Sing
Qc Pintal	9/7	Sing	QCSL	Cont	Sing
Elang-II	9/7	Sing	PSAL	Cont	Sing
Manaslu 23/6	12/7	Col	Baridhi	Cont	Col
Kota Berjaya 30/6	11/7	Sing	PH(BD)	Cont	Sing
Pelopor	10/7	Sing	MHSSL	Cement	-
Arktis Sea	10/7	Sing	Sunshine	G	-
Mild Lan 8/7	11/7	Sing	Nol	Cont	Sing
Soconl Wind	12/7	Sing	Ustc	Rice(G)	-
M.Regina 28/6	11/7	Sing	PH(BD)	Cont	Sing
Kota Cahaya 2/7	13/7	Sing	PH(BD)	Cont	Sing
Prosrich 5/7	13/7	Sing	QCSL	Cont	Sing
Xpress Nilgiri 6/7	13/7	Sing	Rsl	Cont	Sing
Nuptse 6/7	14/7	Sing	Rsl	Cont	Sing
Dragon Jaya 6/7	18/7	Sing	Nol	Cont	Sing
Banga Biraj 6/7	18/7	Sing	Bdship	Cont	Sing
Banglar Moni 6/7	20/7	Sing	BSC	Cont	Sing
Xpress Padma 6/7	26/7	Sing	Rsl	Cont	Sing

TANKER DUE:

Global Jupiter	9/7	TSL	CPO
----------------	-----	-----	-----

VESSLES AT KUTUBDIA

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Laut Tide	-	-	B.Bay	R/A
Kuzass	C.Oil	Jebe	BSL	-

VESSLES READY:

Dong Fah	G	Sing	Seaglory	5/7
Banglar Mamata	G	Male	BSC	8/7
Pengutne	G	Yang	SMSL	5/7
Taipung Star	Cont	Sing	AML	7/7
Handy Lily	Wheat(G)	Sing	Ancient	7/7
Hai Xiong	Sing	Sing	PH(BD)	7/7
Amethyst River	HSD/SkoMs	Sing	MSTPL	4/7

VESSLES AWAITING INSTRUCTION:

Banglar Asha	-	-	BSC	R/A
Banglar Kiron	-	-	BSC	R/A
Banglar Kakoli	-	-	BSC	R/A
Banglar Kallol	Repair	Mong	BSC	2/7
Tempest	Cement	Cont	HSL	R/A
Tug De Ping	-	Col	-	3/7
Delta Star	-	-	RSA	R/A

VESSLES NOT ENTERING:

Mu dan Shan	-	-	Bright	R/A
Brownwood Glory	Scraping	Mala	Sinni	21/6
Lima	Scraping	Rott	Oil	29/6
Vega-T	-	-	Litmond	R/A(12/6)

MOVEMENT OF VESSELS FOR 09.07.98

Outgoing	Incoming	Shifting
J/1 Josie	Doj B.Shourabh	Doj A River to Em-5/6
J/4 Rong Jiang	J/3 B.Mamata	J/13 D.Glory to J/1
RM-3 Vivi	Dong Fah	J/2 S Express to TSP
TSP Martian	J/12 Hai Xiong	-
-	J/13 Qc Pintal	-

The above are the shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.