

Ctg Stock Exchange Bullish trend continues

CHITTAGONG, Oct 4: Trading at the Chittagong Stock Exchange maintained a bullish trend for the second straight day today with the gainers dominating the losers, reports APB.

Turnover in terms of both volume and value also rose today compared to that of the previous trading day.

CSE All Ordinaries Price Index increased by 4.27 points or 1.63 per cent to close at 265.78 today from 261.51 points on Saturday.

A total of 78 issues were transacted on the bourse. Of those, 55 issues gained, 20 declined and three remained unchanged.

Some 4,598,391 shares and debentures valued at Tk 167.50 million changed hands against 4,050,212 shares valued at Tk 128.50 million on the previous day.

Market capitalisation also inched up to Tk 47.03 billion from Tk 46.31 billion on Wednesday.

Anti-corruption cell seeks Indian corporate advice to face graft

NEW DELHI, Oct 4: In a radical move, India's apex anti-corruption cell has asked the corporate sector to list the problems it faces from unscrupulous bureaucrats and suggest measures to treat the malaise.

Newly appointed Central Vigilance Commissioner Nagarajan Vittal has asked India's three main business chambers to reveal their problems in dealing with bureaucracy and suggest remedies.

Vittal is the first head of the recently constituted official anti-corruption watchdog, Central Vigilance Commission (CVC). The three umbrella organisations are Federation of Indian Chambers of Commerce and Industry (FICCI), Associated Chambers of Commerce and Industry (ASSOCHAM) and Confederation of Indian Industry (CII).

"The inputs from this sector would help us in shaping a policy against corruption," Vittal told India Abroad News Service. The letters sent by the CVC to these corporate bodies on September 25 were accompanied by a list of 23 questions.

"We have requested them to send the reply in one month so that we can formulate a definite policy at the earliest," Vittal said. "But they might take time as the letter is not obligatory."

The letter also seeks advice on how the CVC can make working in the corporate sector more transparent and how voluntary organisations can be encouraged to keep dealings in their organisations above board.

"It is very important to know the view of both 'givers and takers' involved in corruption," Vittal said.

He has sent out a separate letter to government departments seeking out specific problems and solutions. Vittal also wants to know if putting up a rogues gallery, showing the names of corrupt officers with their photographs and the magnitude of each would help contain the problem.

The note has been sent to all the secretaries of the government, vigilance officers and public-sector undertakings.

Recently, addressing a gathering of management students and would-be leaders of the corporate sector, Vittal had said that 40 per cent of the amounts shown in electricity bills represented what the consumers pay on account of power theft.

"Time has come when these facts should be publicised among the people," he said. Soon after his appointment Vittal had told IANS in an interview that the CVC would act as an "antibiotic" and completely eradicate the disease of corruption from public life.

Lanka to improve instructors in jewelry sector

COLOMBO, Oct 4: Sri Lanka will upgrade the skills of instructors in the gem and jewelry sectors to enhance the training capacity of craftsmen engaged in these two specialized areas, reports Xinhua.

According to sources from the ministry of vocational training today planning activities undertaken and extensive dialogue established with the industry had identified new training needs for these sectors.

There was also an urgent need for more stone setters, casters, mass polishers and designers for the export oriented jewelry manufacturing trade, the sources said.

Immediate steps will be taken to change the traditional training courses to suit the highest demands of the gem and jewelry sectors.

In order to fill these shortage steps are being taken to use the services of skilled labourers who are presently engaged in the industrial sector as short term trainers.

The jewelry school in Colombo will be provided with additional equipment including modularized short term training in stone setting casting and polishing.

Arrangements have been made to set up jewelry training units in other parts of the country as well.

Sri Lanka was referred to as an 'Island of gem' and historical evidence showed the gems were an important product of trade during early times.

The export earnings of gems in the country last year reached 207.6 million US dollars.

'No return to Soviet-style currency controls' Russia will remain open to foreign investment: PM

MOSCOW, Oct 4: Prime Minister Yevgeny Primakov said yesterday Russia's crisis-ridden economy would remain open to foreign investment and ruled out any return to Soviet-style currency controls, reports Reuters.

As Primakov gave his assurances to major foreign investors in the White House, the government's headquarters in central Moscow, several hundred protesters gathered outside to demand President Boris Yeltsin's resignation over the crisis.

The demonstrators, waving red flags and communist banners, were also marking the fifth anniversary of Yeltsin's suppression of a revolt by the Soviet-era Russian parliament.

However, a group of coal miners who have been picketing the White House since June 11 over unpaid wages announced they would end their protests on Monday to allow the new government to focus on the country's problems including rampant corruption.

The miners, mostly from the far north and Siberia have been living rough in tents and other makeshift accommodation. Primakov's new cabinet, a loose coalition dominated by moderate leftists and non-party professionals, has still to

hammer out an anti-crisis economic programme acceptable to both Russia's communist-dominated parliament and global creditors.

Russian media have buzzed with speculation in recent days that the programme might include a ban on the circulation of dollars, in which many Russians hold their saving.

"These ravings disseminated by the mass media about the government preparing to ban dollar circulation and reverse privatisation do not correspond to reality," Primakov told the investors in televised remarks at the start of his meeting.

He said Moscow would take steps to prevent capital flight, which he believes has badly sapped Russia's ability to pull out of its decade-long recession.

"We need an inflow of capital into the real sector of the economy," Primakov told the investors, who included representatives of major companies such as French car maker Renault and US giants Procter and Gamble and Coca-Cola.

"We shall continue the privatisation of state property... but it will be carried out just to top up the budget... it will be carried out with a view to growth in output, investment, efficiency... so that it serves the

people's interests."

Primakov, confirmed in his post by parliament three weeks ago, has been critical of foreigners drawn only to short-term speculation in the high-yielding, short-term debt market.

Yeltsin sacked the government of Primakov's predecessor, Sargei Kiriyenko, after it announced a restructuring of the GKO domestic debt market, an effective devaluation of the rouble and a temporary default on some foreign debt repayments.

The 67-year-old Kremlin chief has been gravely weakened by the latest economic crisis and is not expected to seek a fresh term of office at the next election, due in 2000.

Prominent politicians are already starting to position themselves for their race, among them the powerful Moscow Mayor Yuri Luzhkov, who on Saturday said he was ready to lead a new centre-left movement to tackle Russia's crisis.

Luzhkov has made clear he will run for the presidency if no other "suitable" candidate appears. Other declared contenders include Liberal Grigory Yavlinsky, ultra-nationalist Vladimir Zhirinovskiy and

former prime minister Viktor Chernomyrdin.

Itar-Tass news agency said foreign investors told Primakov that Russia must simplify taxes, facilitate the movement of goods and reform its debt-laden banking system.

Central bank governor Viktor Gerashchenko and Finance Minister Mikhail Zadornov were due to hold talks with the International Monetary Fund later on Saturday in Washington.

Russia is counting on loans worth 2.5 billion dollars from international sources to help stabilise its finance, Zadornov said on Friday the loan figure was already factored into the government's draft budget for the fourth quarter of 1998.

Yeltsin's hard-pressed farmers, deferring debts owed by producers and agro-industrial enterprises to the federal budget in 1998 by five years. Farmers have been hit this year by a poor harvest.

Primakov also held telephone talks with officials in Russia's troubled north caucasus region. Earlier on Saturday the body of a Russian representative in breakaway Chechnya, Akmal Saidov, was discovered, four days after he was abducted.

Rich nations urge Russia to stick to monetary restraint

WASHINGTON, Oct 4: Finance Ministers from the Group of Seven leading industrial countries called on Russia Saturday to stick to monetary restraint to avoid inflation and a further weakening of the rouble, reports AFP.

In their final communique, the finance ministers of Britain, Canada, France, Germany, Italy, Japan and the United States also urged Russia to restructure its banking system.

"We agreed on the importance of monetary restraint and fiscal adjustment, nothing the serious risk of inflation and further exchange rate weakening if revenue collections are inadequate and government expenditures are financed through central bank money creation," the G7 said.

The finance ministers held a 50-minute meeting with Russian Finance Minister Mikhail Zadornov and central bank Governor Viktor Gerashchenko who asked for a 2.5-billion-dollar emergency loan to stabilise the country's financial situation.

The loan would help cover a 3.5-billion-dollar shortfall in the fourth-quarter budget, with the remaining one billion dollars to be raised through tax collection and other measures, Zadornov said.

Meanwhile, an International Monetary Fund team will go to Moscow on October 13 to discuss a Russian proposal for a 2.5 billion-dollar emergency loan to keep the government afloat to the end of the year.

Wall Street stocks tumble on investor jitters

NEW YORK, Oct 4: Blue-chip stocks on Wall Street tumbled this week on continued investor jitters over global economic and financial problems and fears of lackluster US corporate quarterly results, reports AFP.

The results are set to be released starting in mid-October. The Dow Jones industrial average of 30 leading stocks — Wall Street's main barometer — closed Friday at 7,784.69, down 244.08 points, or 3.04 per cent for the week.

It managed to crawl above the 7,530-point level — the Dow's lowest mark since August 31 — that it had reached during trading early Friday. The Nasdaq electronic exchange lost 7.9 per cent of its value to close Friday at 1,614.98.

Analysts attributed the Dow's mini-surge to cover-buying and rumours of another drop in key US interest rates following the next meeting of the US federal reserve bank set for November 17.

Expectations of a rate cut were fueled by the latest US jobless figures.

The US economy created 69,000 jobs in September, when the unemployment rate inched up to 4.6 per cent from 4.5 per cent in August, the Labour Department reported Friday.

Exchange Rates

Table with columns: Currency, Selling TT & OD, Buying TT Clean, Selling BC, Buying OD Sight, Buying TT & OD. Rows include USD, GBP, DEM, JPY, FRF, SAR, MYR, AED, KWD, QAR.

Table with columns: TT Doc, 30 Days, 60 Days, 90 Days, 120 Days, 180 Days. Rows include 46.8112, 46.5191, 46.1282, 45.7373, 45.3463, 44.5545.

Table with columns: Buying, Selling, Currency, 1 Month, 3 Months, 6 Months, 9 Months, 12 Months. Rows include Cash, TC.

Table with columns: Indian Rupee, Pak Rupee, Thai Baht, Malaysia Ringgit, Indonesia Rupiah, Korean Won. Rows include 42.29, 54.05, 39.40, 3.8000, 10650, 1386.5.

AMEX notes on Sunday's market USD/BDT market was very sluggish on Sunday due to weekend closure of most international centres.

USD/BDT market was very sluggish on Sunday due to weekend closure of most international centres. The Bangladesh Taka opened firmer against the dollar at 47.24/47.2550 per dollar and USD/BDT mostly traded within range of 47.24/47.2500.

Call money market was stable on Sunday. Call rates opened at 6.75%-7.00% but gradually came down to 6.00%. Most of the deals were done between 6.50 - 6.75%.

In New York on Friday, the dollar ended higher, shaking off pressure from overseas stocks when US shares rebounded and hopes grew that the big economies would take bold steps to quell international market turmoil.

The Dow Jones was first negative and then positive, which gave the investors confidence to cover their shorts. Dollar/mark extended its four-day slide to 1.6276 — a 20 months low-overnight. The dollar ended at 1.6450/60 marks, up from 1.6355/65 at the open. It was closed at 135.45/55 yen, compared to 134.07/17 at the open and a bottom at 133.10 overnight.

The dollar is expected to come under pressure against the yen after the United States and Japan expressed concerns about the excessive weakness of the yen. This statement was made by Tokyo dealers on Sunday following the Group of Seven (G7) meeting in Washington on Saturday.

Both the United States and Japan agreed to continue cooperating in foreign exchange markets. In New York, the majors closed on Friday against the USD at 1.6450/60 DEM, 135.45/55 JPY, 5.5178/88 FRF, 1.3550/60 CHF, and GBP at 1.7005/10 USD.

Shipping Intelligence

Table with columns: Berth position and performance of vessels as on 4-10-98. Rows include Berth No, Name of vessels, Cargo, L port call, Local agent, Date of arrival, Leaving.

Table with columns: Name of vessels, Date of arrival, L port call, Local agent, Cargo, Loading port. Rows include Zarina-1, Eastwood, Banglar Mori 22/9.

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Rows include Spros, Banglar Shourabh.

Table with columns: Ready on, Dock Sulp, BABB, Seacom, 22/9. Rows include Tia Estela, Malikka Naree.

Table with columns: Name of vessels, Cargo, Local agent, Date of arrival. Rows include Karya Sentosa, Rong Jang.

Table with columns: Name of vessels, Cargo, Local agent, Date of arrival. Rows include Cosmotron, Jin Shan Bao.

Table with columns: Name of vessels, Cargo, Local agent, Date of arrival. Rows include Pan Yard, Stresa.

Table with columns: Name of vessels, Cargo, Local agent, Date of arrival. Rows include Sea World, Petta Pongawa.

S Arabia for viable steps to arrest fall in global oil prices

RIYADH, Oct 4: Saudi Arabia, the world's leading producer of crude oil said yesterday that production cuts had helped boost faltering oil prices but are not a viable long-term solution, says AFP.

Saudi Oil Minister Ali Ben Ibrahim al-Nuaimi said that an agreement by both OPEC and non-OPEC producing nations to cut oil production was being '85 per cent' respected but stressed other answers to the problem of slumping crude prices needs to be found.

"We must hold to the oil-producing nations' commitment to reduce production... and see how the market develops, because a permanent reduction is not a good solution," he said in an interview with the Saudi newspaper Al-Riyadh.

"We've succeeded in stopping the plummeting price, but the question is how we can raise it again," he said, adding that the goal was to reach a stable and acceptable price of between 17 and 18 dollars per barrel.

"If we maintain cooperation between the main oil producers, I believe that prices will increase and stabilise at a level we want," he said.

The kingdom, which holds a quarter of the world's oil reserves, has been rocked by a drastic shortfall in oil revenues as prices in recent months have reached a 10-year low of around 10 dollars a barrel.

The shortfall has left it unable to finance investments in its energy sector. OPEC nations agreed at the end of June to cut back production by 1.365 million barrels a day (BPD), bringing the total cutbacks pledged since March to 2.6 million BPD.

Nuaimi also said that Saudi Arabia is in the midst of discussions with various US firms on oil development both in the kingdom and abroad, as well as talks with China on refineries to process Saudi crude.

Another report from Venice says, the member states of the Organisation of Petroleum Exporting Countries (OPEC) and the world's oil companies should cooperate more, OPEC Secretary Rilwanu Lukman said at a conference Saturday.

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The US economy created 69,000 jobs in September, when the unemployment rate inched up to 4.6 per cent from 4.5 per cent in August, the Labour Department reported Friday.

The report was markedly weaker than expected, and reflected a contraction in manufacturing and construction, according to the Labour Department.

Statements by Federal Reserve Chairman Alan Greenspan on Thursday accentuated trader concern about global economic turmoil.

London bourse closes lower

Meanwhile, the London stock exchange was swept lower by the global equities avalanche this week, as traders feared a severe downturn in the banking sector and even the onset of recession around the world, reports AFP.

The FT-SE 100 index of leading shares fell by 310.6 points, or 6.33 per cent, to 4,750.4 points.

The market has fallen by 23 per cent since the records reached on July 20.

Delay in project implementation

Indian ministers get an earful from American investors

WASHINGTON, Oct 4: American investors frustrated by delays in getting their projects off the ground in India have vented their ire at visiting Indian ministers and senior officials here.

Indian Information and Broadcasting and Communications Minister Sushma Swara and Industry Minister Sikander Bakht got an earful from the investors, particularly those who have put in millions of dollars in India's power sector.

Speakers at a panel discussion on 'India Infrastructure Summit', at the eighth annual World Economic Development Congress, attended by Swara, Bakht, and several senior Indian bureaucrats, complained that for all its talk about wanting to attract foreign direct investment in the infrastructure sector, especially in power and telecommunications, India was not playing fair by even those already in India.

Among those having problems with India's foreign investment climate is Sam Pitroda, chairman of WorldTel, who said the Department of Telecommunications (DOT),

which he once headed, 'lives in the dark ages'.

Ken Oberg, managing director, China Light and Power International, which is partnering Cogentrix in developing a power plant in Karnataka, bitterly complained how the project is still to get going after six long years and was bogged in litigation.

"Six years of development and we are still about one year from close," he said, warning that this kind of delay is "simply not sustainable."

"We can go to another country. We don't have to be in India," he threatened. When a project is worth over a billion dollars, "one or two years is to be expected, but five or six years is simply untenable," he asserted.

unable to do so. India needed more professional management in the key infrastructure sectors, he said. "You need more unbundling of the power sector and telecom by separating distribution and transmission," he said, suggesting that this could be done by bringing in more professional management into distribution.

Mark Reidy, chairman, South Asia Practice, and partner of Thelen, Reid & Priest, whose clients include several American investors doing business in India, said if India keeps changing the rules as it has been doing, power companies would start pulling out because they would find it more viable to invest domestically where the power market was once again opening up.

Reidy, one of six US members of the Private Sector Working Group, U.S.-India Sub-commission, appointed by the State Department, said unless India played fair by those already in India and used them as "emissaries," the word would be out that India was too protected a market to invest.

Harinder Kohli, senior Operations Advisor at the World Bank said he could not understand how a country like Thailand with all its current economic problems could take decisions regarding large infrastructure projects while India is