

## Hong Kong, China sign landmark free trade deal

REUTERS, Hong Kong

Hong Kong and China signed a landmark free trade agreement yesterday, aimed at boosting the Asian financial centre's ailing economy but which some say could further erode its political and economic autonomy.

"The agreement has given fresh momentum to Hong Kong's economic restructuring, new competitive advantages, and has also enhanced the relationship between Hong Kong and the mainland," Hong Kong's Chief Executive Tung Che-hwa told the audience of government officials and tycoons at the signing.

Chinese Premier Wen Jiabao said 273 kinds of Hong-Kong origin

goods would enjoy zero tariffs in the mainland market from January 2004 and that thousands of others would enjoy zero tariffs in 2006.

The Closer Economic Partnership Arrangement (CEPA), which many see as a precursor to more aid from Beijing, will eliminate mainland import tariffs on many goods made in the territory and is expected to save its exporters billions of Hong Kong dollars.

Further details will be released later on Sunday.

The agreement is also expected to give Hong Kong firms, especially service industries such as banks and accountancy firms, greater access to China's rapidly growing market.

Analysts say expansion of the

service sector is key to Hong Kong's competitive survival as it cannot beat China and many of its Asian neighbours on land and labour costs.

CEPA is China's first free trade deal and covers a range of items and industries. Business groups say it could provide a blueprint for talks between Beijing and Southeast Asian nations on forging the largest free trade zone in the world.

Last year, Hong Kong domestic exports to China amounted to HK\$ 41.4 billion (US\$ 5.3 billion), just below HK\$ 41.9 billion to the United States, Hong Kong's largest domestic export market.

Signed by Chinese Vice-Minister of Commerce An Min and Hong Kong's Financial Secretary Antony

Leung, the pact is widely seen as a gift from China to Hong Kong, aimed at restoring the city's once-vaunted but now battered business confidence.

However, some officials and economists say it offers relatively marginal economic benefits in the short term. "We should not be too optimistic about the benefits," HK Commerce Secretary Henry Tang said recently.

Other measures, such as a revaluation of the Chinese yuan currency and allowing qualified domestic institutional investors (QDII) to buy shares listed in Hong Kong, would likely eclipse the potential benefits of CEPA to Hong Kong, say analysts.



PHOTO: NATIONAL HOUSING

**M Matuil Islam, chairman of the National Housing Finance and Investments Limited, speaks as chief guest at the inauguration of a seminar on 'Artha Rin Adalat-Ain-2003' organised by the company in Dhaka on Tuesday.**



PHOTO: HSBC

**Md AAI Mamun, manager (Compliance and Control) of HSBC in Bangladesh, addresses a workshop on prevention of money laundering in Barisal recently. Md Harun-Ur-Rashid Chowdhury and Chowdhury Mohiudul Haq, general managers of Bangladesh Bank in Dhaka and Barisal respectively, were also present at the workshop, which was organised by the central bank and the HSBC.**



PHOTO: PEOPLES INS

**Mohammad Mizanur Rahman, chairman of Peoples Insurance Company Limited, speaks at the 18th annual general meeting of the company held in Dhaka on Thursday.**



PHOTO: EASTERN BANK LTD

**Shamshia I Mutasim, head of HRD of Eastern Bank Ltd (EBL), and Tanvir Rahman, sales director of M Rahman and Co Ltd, sign a deal on behalf of their organisations in Dhaka recently. EBL MD K Mahmood Sattar was also present.**

### JB starts forex dealings in Jessore

Managing Director of Janata Bank Murshid Kuli Khan inaugurated foreign exchange operation at the bank's Noapara Branch in Jessore on Wednesday.

Oliar Rahaman, chairman of Noapara municipality, and MU Farooki, general manager of Janata Bank's Khulna divisional office, were also present, says a press release.

### Eastern Bank, M Rahman & Co sign deal

Eastern Bank Ltd signed a contract with M Rahman and Co Ltd recently for 'emergency power generators' supply.

Under the deal, M Rahman and Co will supply nineteen FG Wilson diesel generators for all branches of the bank in Bangladesh, says a press release.

Shamshia I Mutasim, head of human resources of Eastern Bank Ltd, and Tanvir Rahman, sales director of M Rahman and Co Ltd, signed the agreement on behalf of their organisations.

Managing Director and CEO of Eastern Bank K Mahmood Sattar was also present.

## CURRENCY

Following is yesterday's forex trading statement by Standard Chartered Bank

Selling	Currency	Buying	TT Clean	OD Sight/Doc	OD Transfer
TT/OD	BC	TT Clean	57.8700	57.7000	57.6310
58.8000	58.8500	USD	65.2600	65.0683	65.0192
68.1904	68.2483	EUR	94.6290	94.3511	94.2209
97.9138	97.9970	GBP	37.9280	37.8166	37.7022
40.0663	40.1004	AUD	0.4791	0.4776	0.4770
0.4958	0.4962	JPY	42.5296	42.4047	42.3352
43.9232	43.9606	CHF	6.8852	6.8650	6.8625
7.3043	7.3106	SEK	42.5546	42.4296	42.4444
43.9495	43.9868	CAD	7.4118	7.3900	7.3812
7.5483	7.5548	HKD	32.7653	32.6690	32.6299
33.6346	33.6632	SGD	15.6283	15.5824	15.5637
16.1321	16.1458	AED	15.3091	15.2642	15.2459
15.7975	15.8110	SAR			

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringit
46.455	57.7	97.075	41.995	7.2538	0.5825	3.80

Local Interbank FX Trading:

The local interbank foreign exchange market was subdued yesterday as the international market was closed. USD/BDT remained steady in the local interbank forex market.

Local Money Market

Demand for overnight borrowing remained moderate. Call money rate eased slightly and ranged between 2.25 and 2.50 per cent compared with 2.50 and 3.00 per cent.

International Market

International market was closed on Sunday. The dollar achieved limited gains against yen and sterling, but weakened against the euro. Euro

held slightly above a six-week low touched early in the session on Friday. The euro gained slightly against the dollar and yen, but surged higher against sterling after a report showed that Britain's economy expanded at its weakest pace in 11 years in the first quarter. Data showed UK GDP rose only 0.1 per cent in the first quarter, lower than the previous estimate of 0.2 per cent. The dollar fell 0.16 per cent against the swiss franc. At the closing of New York on Friday, euro was at 1.1432/37 GBP at 1.6489/95 and yen at 119.62/67 against the dollar.

## SHIPPING

### Chittagong port

Berth position and performance of vessels as on 29/6/2003

Berth No	Name of vessels	Cargo	L Port call	Local agent	Date of arrival	Leaving	Import disch
J/1	Funiu Shan	GI	Sing	Prog	19/6	29/6	1516
J/3	Midas	C Clink	Ind	SSA	21/6	6/7	1465
J/4	Amanat Shah	Rice (P)	Mumb	CLA	28/5	2/7	321
J/5	Tien Mu	WT/Lentils	Sing	Mutual	22/6	10/7	488
J/6	Banglar Mamata	GI	Pipa	Royal	19/6	2/7	1058
J/7	Levantracht	GI	Sing	MSA	13/6	6/7	442
J/8	Hellin	GI	P Kel	TMMML	17/6	2/7	364
J/9	Erna Oldendorf	Peas (WT/P)	Sing	Mutual	8/6	4/7	385
J/10	CSBC Nyon Ho	Sug (WT/P)	Kaki	SSTL	8/6	5/7	X
J/13	Kota Cahaya	Cont	Sing	Pil (Bd)	27/6	30/6	402/87+760
CCT/1	Ban A Borat	Cont	Sing	Bdship	26/6	30/6	452/50+560
CCT/2	New Sea Star	Cont	P Kel	QCSL	26/6	29/6	389/447
RM/14	Banglar Kallol	Repair	-	BSC	22/6	6/6	
RM/15	Sonali	Repair	Kand	OWSL	25/5	2/7	330016900/5100

### Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port call	Local agent	Cargo	Loading port
Banglar Shikha (Cont)22/6	29/6	Sing	BSC	Cont	L/Sing
Empress(48)24/6	29/6	Sing	Everett	Gi (St.C)	20 Units
Yayasan Tujuh	29/6	Mala	Seacom	Gi	
Bosowa Sembilan	30/6	-	PSAL	Clink (Dia)	
Chieftain-II	30/6	Lumut	OLM	C. Clink(Star/Unique)	
Kota Naga (Cont)16/6	30/6	Sing	Pil (Bd)	Cont	L/Mong
Kota Berjaya	2/7	Sing	Pil (Bd)	Cont	L/Sing
QC Honour (Cont)18/6	30/6	P Kel	QCSL	Cont	L/Sing
Banga Bijoy (Cont)17/6	29/6	Col	Baridhi	Cont	L/Col
Apl Tulip (Cont)21/6	30/6	Sin	Nol	Conting	L/Sing
Banga Barta (Cont)14/6	1/7	-	Baridhi	Cont	L/Col
QC Lark (CCont)21/6	1/7	P Kel	QCSL	Cont	L/P/Kel
Banga Biroi (Cont)14/6	1/7	P Kel	Bdship	Cont	L/Sing

### Tanker due

Jaladcot	30/6	Mina	Atia	HSD	RM/5/DOJ
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### Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
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### Vessels at outer anchorage

#### Vessels ready

George	C.Clink	Tarj	BSC	22/6
Induruwa Valley	Rice/P-	Tuti	Able	28/6
Prasadya Dwitya	F. Oil	Sing	CTPL	28/6
Chariot	CDSO	Argen	AMBL	26/6
Gui Jiang	Tsp(Bag)	Qinz	Unique	29/6

#### Vessels not ready

Banga Bodor(Cont)	Repair	--	Bdship	R/A(18/6)
Bosowa Delapan	Wheat(P)	Viza	Total	18/6

#### Vessels Awaiting Instruction

Banglar Shourabh	-	-	BSC	R/A (23/6)
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#### Vessels not entering

Trader	C Clink	CEBU	ANCL	7/5
Blue Sea	C Clink	Bring	PSAL	31/5
Oranda	C Clink	Krabi	ASLL	1/6
Pearl of Bahrain	C Clink	Kohsi	Uniship	17/6
Darya Shubh	C Clink	Mund	PCL	20/6
New Hope-II	C Clink	Lumut	Move	23/6
Alkimos	GTSP/IMP	Aust	CNCL	2/6

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

## STOCK