

G7 meet resolves differences but effect on dollar doubtful

AFP, Boca Raton, Florida

The world's leading economies, after a weekend meeting here, may now be in accord on an approach to currency markets, but their unity is unlikely to check a slide in the dollar that has lately alarmed Europe and Japan, analysts warn.

As investors and traders awaited the start of currency dealing this week, market watchers predicted that compromise language hammered out by Group of Seven policymakers will have little pronounced impact on the dollar, which has recently plunged to record lows against the yen and the European single currency.

Finance ministers and central bankers from Britain, Canada,

France, Germany, Italy, Japan and the United States crafted a statement Saturday that sought to assuage European anxiety about "excess volatility" on exchange markets while acknowledging US insistence that such markets remain "flexible."

"Excess volatility and disorderly movements in exchange rates are undesirable for economic growth," the key passage reads.

"We'll get back to the dollar drifting lower until we get some news or big data," Quinlan predicted, adding that markets will look for an improvement in US trade and current account figures before pushing the greenback higher.

He said the statement appeared

to offer a good compromise between the US position that free market forces should determine the value of a currency and Europe's contention that some form of action is needed to keep the dollar from sliding out of control.

"I'm encouraged in the sense that the US didn't strong-arm the Europeans. It sounds like they split the difference."

G7 ministers gathered here as fears mounted in the 12 nations using the euro and in Japan that Washington's apparent preference for a weaker dollar would cut into their export earnings and imperil economic recovery.

Joseph Quinlan, chief market strategist at Bank of America, said the Boca Raton statement did not provide markets "much to play on."

"We emphasize that more flexibility in exchange rates is desirable for major countries or economic areas that lack such flexibility to promote smooth and widespread adjustments in the financial system, based on market conditions."

For Sung Won Sohn, chief economist at Wells Fargo bank, "it

He said the statement appeared



PHOTO: AGRANI BANK

ASM Imdadul Haque, managing director of Agrani Bank, and Nik Hassan Nik Mohd Amin, executive vice-president-Corporate and Institutional Banking of Bhumiputra Commerce Bank, Malaysia, sign a remittance agreement on behalf of their organisations recently in Malaysia. Under the deal, Bhumiputra Commerce Bank will collect money from Malaysia and transfer the funds to Agrani Bank in telegraphic process.

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 09/02/2004

Berth	Import	Name of	Cargo	L. port	Local	Dt of Leaving	disch.
No. vessels		call	agent	arrival			
J/1	Ducky Sapphire	Gl(St. C)	Mumb	Bma	1/2	10/2	
J/2	Eleana	Sugar(P)	Durb	Bsl	25/1	15/2	1110
J/3	Meres Sajinda	Wheat(P)	Tuti	Rsa	5/2	10/2	364
J/4	Bangler Manata	Gl(Log)	Yang	Pml	6/2	15/2	
402	Ocean Pride	Gl(Maize/ Log	Yang	Psal	26/1	15/2	1094
J/6	Tai Ping	Gl(Peas)	Sing	Usl	30/1	13/2	1356
J/7	Wang Jae Sun	Sugar(P)	Sing	Usl	3/2	13/2	2142
J/8	Htone Ywa	B. Mplate	Yang	Total	3/2	11/2	
J/9	Paros	Gl (Y.peas) Vanc		Litmond	28/1	18/2	251
J/10	Banga Bijoy	Cont	Col	Bardhi	6/2	10/2	27
J/11	Budi Aman	Cont	Sing	Pit (Bd)	6/2	9/2	169
J/12	QC Dignity	Cont	P. Kel	Qcsl	6/2	11/2	439
J/13	Orient Freedom	Cont	Sing	Pssl	4/2	9/2	
Cct/1	Tug De Li & Zhong Ren-1501	--	Z. Zhou	Ows	7/2	10/2	
Cct/2	Mardios	Cont	P. Kel	Rsi	6/2	10/2	225
Cct/3	Bangler Shikha	Cont		Bsc	5/2	9/2	

Anchor Vessels due at outer anchorage Date: 9/2/2004

Name of vessels	Date of arrival	L. port	Local agent	Cargo	Load port
Blue Sea	9/2	Kaki	Ssa	Clink	Ctg
Dino	9/2	—	Rsship	Ballast	—
Orient Enterprise	10/2	Ptp	Pssi	Cont	Sing
Banga Borti	10/2	Sing	Bdship	Cont	Sing/P.
BBC Sealand	10/2	Sing	Mbl	Defense	
Inwa	10/2	Bang	Gpsl	Sugar(P)	
Kota Naga	10/2	Sing	Pil (Bd)	Cont	Sing
Mercs Komari	11/2	Kaki	Able	Sugar (P)	
Rio Negro	10/2	P. Kel	Qcsl	Cont	P. Kel
Long An	11/2	—	Rainbow	Gl (H.r.st)	Gl (St.e)
Bright Pescadores(Liner)	11/2	Yang	Everett	Gl (St.e)	—

Tanker due

Salamat-2	10/2	Sing	Olm	Bitumen(RM/3)
Al Deerah	10/2	Kuwa	Mstpl	Hsd (RM)

Vessels at Kutubdia

Name of vessels	Cargo	Last port	Local agent	Date of arrival
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Outside port limit

Dea Captain	—	—	Ibsa	R/A (6/2)
Afrodit	C. Oil	Jebe	Ssst	8/2
Bangler Shourabh	C. Oil	—	Bsc	R/A

Vessels at outer anchorage

Vessels ready

Xpress Resolve	Cont	Col	Everbest	6/2
Banga Borak	Cont	Sing	Bdship	6/2
Dongtai Fortune	Cont	Sing	Pil (Bd)	7/2

Pac Makassar

Pac Makassar	Cont	Hald	Pssl	8/2
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Vessels not ready

Theresa-II	Cpol	Dumai	Bma	8/2
Sea Luck-V	C.Clink	Tanj	Bsl	8/2

Vessels awaiting employment/instruction

Bang Biraj	—	—	Bdship	R/A (29/12)
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Vessels not entering

Fuan Cheng	Tsp	Clink	Tamp	Litmond
Iran Sadoughi	Clink	Tuba	Kouch	5/2
Prosperous Ocean	Clink	Asil	Mbl	6/2
Sinar Sejati	Clink	Kohsi	Move	7/2

Panagia-1	Clink	Mala	Move	8/2
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CURRENCY

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

Sell	Currency	Buy
TT/OD	BC	TT Clean OD Sight Doc OD Transfer
59.1500	59.2000	USD 58.2550 58.0839 58.0144
75.9604	76.0246	EUR 73.3838 73.1683 73.0807
110.3739	110.4672	GBP 107.2766 106.9615 106.8335
46.5392	46.5786	AUD 44.4078 44.2773 43.2244
0.5672	0.5677	JPY 0.5470 0.5454 0.5447
48.4717	48.5127	CHF 46.8363 46.6987 46.6428
8.2551	8.2620	SEK 7.6588 7.6363 7.6271
45.0049	45.0430	CAD 43.6204 43.4922 43.4402
7.6185	7.6249	HKD 7.4888 7.4668 7.4578
35.2104	35.2402	SGD 34.3708 34.2698 34.2288
16.2357	16.2495	AED 15.7327 15.6865 15.6677
15.8988	15.9123	SAR 15.4114 15.3661 15.3477

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Tharibath	Nor kroner
NZ dollar	Malaysian ringgit			

Local Interbank FX Trading

Local interbank market was active on Monday. US dollar became stronger against Bangladeshi taka due to increased demand for import.

Local Money Market

Money market was active. Call money rate was steady and remained unchanged at 5.00-6.00 percent.

International Market

The dollar hit a two-week low on the euro and an 11-year trough against sterling on Monday as the market decided a Group of Seven warning against "excess volatility" in exchange rates did not herald action to support the greenback. The dollar has come

under broad-based pressure on the view that the US current account deficit is unsustainable and the US administration is happy to see it fall to correct that imbalance and boost economic growth ahead of November's presidential election. Disappointing US jobs data reinforced expectations for lower US interest rates. Against the yen, the dollar was holding at 105.60 yen, just above a three-year low set last week. At 1630 hours on Monday, euro was at 1.2733/84, GBP was at 1.8575/79, yen was at 105.66/69 against US dollar.

This memorandum is issued by Standard Chartered Bank and is based on or derived from information generally available to the public from sources believed to be reliable. While all reasonable care has been taken in its preparation no responsibility or liability is accepted for errors of fact or any opinion expressed herein.

Clarification

The daily currency rates and commentary on market published on this page yesterday were of another date. A computer glitch caused the error. We