

US getting tougher on Chinese currency

AP, Washington

Two years of quiet diplomacy by the Bush administration did not persuade China to change its currency system. So the United States now is turning up the volume, even enlisting the help of financial heavyweights such as Federal Reserve chairman Alan Greenspan.

Since 1994, the Chinese have pegged their currency, the yuan, to the US dollar in a narrow range in which 8.28 yuan will buy \$1.

American manufacturers say this system has undervalued the yuan by as much as 40 percent. The weaker yuan makes Chinese goods cheaper in the United States and American products pricier in China.

The administration has hoped that its diplomatic efforts since 2003 would convince Beijing that it should allow market forces to set the yuan's value. U.S. officials also have said they understand China

needed time to prepare for such a switch.

But the administration suddenly toughened its rhetoric last month. Treasury Secretary John Snow let it be known the United States now feels that China has made all the preparations necessary and could switch immediately to a flexible exchange rate.

In support, Greenspan told a congressional committee that China's current system represented an increasing threat, including higher inflation, to the Chinese economy. Also making that point

are economists at the International Monetary Fund and the World Bank.

Explaining the shift in tactics, critics of the go-slow approach cite the political fallout from the U.S. trade deficit. It hit a record \$617 billion last year, including a \$162 billion deficit just with China, the highest ever with a single country.

Trade experts believe that imbalance with China could top \$240 billion this year because American manufacturers of textiles and other products are facing a flood of Chinese imports.



Mahbubul Haq Choudhury, deputy general manager (DGM) of Overseas Banking Division of Janata Bank, and Jin Wan Kwon, DGM of South Korea-based Woori Bank's Dhaka branch, sign a remittance agreement on Sunday in Dhaka. The deal will help increase flow of remittance from South Korea.



Shabbir Ahmed, deputy managing director of National Housing Finance and Investments Ltd, and Sayed Nazrul Biddut, chairman of Building Development and Design Ltd (BDDL), sign a memorandum of understanding (MoU) on behalf of their companies recently in Dhaka. Under the MoU, the BDDL clients will receive faster and superior customer services from National Housing in getting housing loans up to 70 percent of their apartment purchase prices.



Md Habibur Rahman, executive vice president of Islami Bank Bangladesh Ltd, and MA Jabbar, managing director of Matin Spinning Mills Ltd, sign an agreement on behalf of their companies on Wednesday in Dhaka. Under the deal, Islami Bank will invest Tk 1095 million in Matin Spinning to set up a hundred percent export-oriented spinning project in Gazipur.



Marina Yasmin Chowdhury, a former director of Prime Bank Ltd, cuts a cake to mark the 10th anniversary of the bank on Thursday. Chairman of the bank Azam J Chowdhury and Chairman of the bank's executive committee Qazi Saleemul Haq, among others, were present at the function.

Oil prices rise

AFP, London

World oil prices rose Monday as traders worried about possible supply shortages amid anticipated higher levels of demand for gasoline ahead of the peak driving season starting in the United States later this month, dealers said.

New York's main contract, light sweet crude for delivery in June, added 20 cents to 50.97 dollars per barrel in electronic deals.

In London on Thursday, the price of Brent North Sea crude oil for delivery in June gained nine cents to 51.05 dollars per barrel.

"Support for oil prices is coming from a feeling that oil stocks may not be high enough for the peak demand season in the US later in the year, and concern that much of the crude oil stocks are made up of sour crude, which yields less gasoline," analysts at the Sueden brokerage firm said.

The market focus was shifting to gasoline -- or petrol -- as many Americans prepared to take to their cars for the summer vacations traditionally beginning on the US Memorial Day holiday on May 30.

Investors were also betting on a decrease in gasoline reserves when the Department of Energy (DoE) releases its weekly inventory report Wednesday.

"I think we could see a slight drawdown in gasoline stocks this week," said Mark Pervan, a commodities analyst with Daiwa Securities in Melbourne.

CURRENCY

Following is Monday's (May 9, 2005) forex trading statement by Standard Chartered Bank

Table with columns: Sell, Buy, Currency, TT/OD, BC, TT Clean, OD Sight Doc, OD Transfer. Lists various currencies like USD, EUR, GBP, JPY, CHF, HKD, SGD, AED, SAR, DKK, KWD.

Exchange rates of some currencies against US dollar

Table with columns: Indian rupee, Pak rupee, Lankan rupee, Thai baht, US kroner, NZ dollar, Malaysian ringgit. Shows exchange rates for various currencies.

Local Interbank FX Trading

Most of the deals ranged between 10.00 and 20.00 percent. International Market The dollar hit a three-week high against the euro and sterling on Monday, drawing support from last week's surprisingly strong US jobs data that calmed some concerns about US economy.

Local Money Market Money market was active on Saturday. Call money rate was almost unchanged

SHIPPING

Chittagong Port

Table with columns: Berth No., Name of vessels, Cargo, L Port call, Local agent, Dtof arrival, Leaving, Import Diach. Lists shipping arrivals and departures.

Vessels due at outer anchorage

Table with columns: Name of vessels, Date of arrival, L port call, Local agent, Type of cargo, Loading ports. Lists vessels at outer anchorage.

Tanker due

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists tankers due.

Vessels at Kutubdia

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists vessels at Kutubdia.

Outside Port Limit

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists vessels outside port limit.

Vessels at outer anchorage

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists vessels at outer anchorage.

Vessels ready

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists vessels ready.

Vessels not ready

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists vessels not ready.

Vessels awaiting employment/instruction

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists vessels awaiting employment.

Vessels not entering

Table with columns: Name of vessels, Cargo, Last port call, Local agent, Date of arrival. Lists vessels not entering.

STOCK

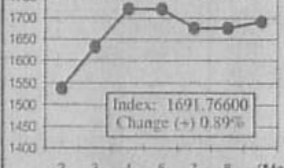
TODAY'S TRADED ISSUES MAY 09, 2005 (ONLY DSE)

Large table listing traded issues on the Dhaka Stock Exchange (DSE) for May 9, 2005. Columns include Company, FV/MV, Price, Turnover, etc.

Day's Market - May 09, 2005

Table showing market indicators: General Share Price Index, Total Turnover (Taka), Total Number of Contract, etc.

7 days DSE 20 Index



Non Traded Issues

Table listing non-traded issues with columns for Company, DSE, CSE, Last Price, etc.

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