

US slaps quotas on Chinese textile imports

AFP, Washington

The United States on Friday ordered quotas to curb a flood of Chinese textile imports, a move likely to sharply escalate trade tensions with the Asian giant.

Under pressure to preserve jobs, the US government's Committee for the Implementation of Textile Agreements (CITA) said it was re-imposing a quota on three categories of Chinese textiles.

"Today's action by CITA demonstrates this administration's commitment to levelling the playing field for US industry by enforcing our trade

agreements," Commerce Secretary Carlos Gutierrez said in a statement.

"We will consult with the Chinese to find a solution that will permit the orderly development of trade in a quota-free environment," he said.

The US government will now request formal consultations with Beijing, officials said.

But the quota will be imposed regardless by the end of May, and will last at least for the rest of this year if the consultations do not resolve the matter.

The three categories of Chinese textiles are cotton knit shirts and

blouses, cotton trousers, and cotton- and man-made fibre underwear.

CITA is acting partly on its own initiative, and partly in response to complaints from US textile manufacturers that Chinese imports have shot up since global quotas that regulated the trade were scrapped on January 1.

After joining the World Trade Organisation in 2001, China agreed to let WTO members restrict its exports of clothing and textiles through 2008 if a sudden surge in shipments threatened to disrupt their markets.

Under the WTO accession accord, Washington may limit growth in Chinese imports to 7.5 percent through 2008.

The action comes just six weeks after the US government launched a probe into the main categories of Chinese textile goods that have surged since the 31-year-old global quota system ended.

The US investigation has coincided with a parallel probe by the European Union into nine categories of Chinese textile imports which may lead to restrictions being enforced.



PHOTO: NATIONAL HOUSING FINANCE AND INVESTMENT M Haider Chowdhury, chairman of National Housing Finance and Investment Ltd, presides over the company's 6th annual general meeting on Thursday in Dhaka. At the AGM, the company declared a nine percent dividend for its shareholders.



PHOTO: MASHREQBANK Shahed Jamil, general manager of Mashreqbank Bangladesh, hands over a prize to a raffle draw winner under a programme titled 'Clients Night 2005' organised by the bank at BDR Darbar Hall in Dhaka recently.



PHOTO: WINTEL Faisal Alim, managing director of Wintel Ltd, and Saeed Raja, director of Mobiz Pvt Ltd, authorised reseller of Thomson, sign an agreement on behalf of their companies recently. Under the deal, Wintel will distribute Thomson brand mobile phone and electronic products in Bangladesh.

China threatens retaliation over US textile restrictions

AFP, Beijing

China Saturday slammed US textile restrictions on Chinese exports, saying the move was a serious threat to the multi-lateral trading system and reserved the right to retaliate.

"The global textile system has just entered its fourth month and the US side has implemented restrictions on Chinese textiles based on short-term and inaccurate statistics," Commerce Minister spokesman Chong Quan.

"This is beyond a doubt an extremely bad precedent and will seriously harm the multi-lateral trading system," he said in a statement on the ministry's website.

"The Chinese government reserves the right to take further measures within the WTO framework."

The United States on Friday ordered quotas to curb a flood of Chinese textile imports, four months after a global textile quota system was abandoned as part of efforts by the World Trade Organization to expand trade liberalization.

Dollar hits 7-month highs against euro

AFP, New York

The dollar rose to a seven-month high against the euro and pushed above 107 yen Friday, as a weak consumer sentiment report failed to dampen the upbeat outlook among traders for the US economy.

The euro fell to 1.2622 dollars at 2100 GMT, down from 1.2676 late Thursday in New York. At one point, the single currency fell as low as 1.2606, the lowest since last October.

The dollar rose to 107.29 yen from 106.82 on Thursday.

The resurgent greenback shrugged off the University of Michigan's latest survey showing US consumer sentiment eroded again in May, with its main index falling to 85.3 from 87.7 in April. The reading is the lowest since March 2003 and below forecasts for a number of around 88.2.

Analysts said the dollar was still

benefiting from other recent data that sparked a wave of dollar buying - starting with jobs figures last Friday, continuing with trade figures earlier this week and culminating in very firm retail sales data Thursday.

"The narrower US trade deficit will have alleviated some of the structural worries for the dollar, and with many now focused on the cyclical issues, the recent strong US data has been very beneficial to the dollar," said Mark Austin at HSBC.

The dollar broke through a string of technical barriers against the euro, leading to further gains ahead of the weekend.

The US currency was also thought to be benefiting from the liquidation of short-dollar positions by hedge funds, which could need cash to make margin requirements, according to Refco currency analyst Mike Malpede.

CURRENCY

Following is Saturday's (May 14, 2005) forex trading statement by Standard Chartered Bank

Sell		Buy			
TT/OD	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
64.0700	64.1000	USD	63.1250	63.1040	63.0619
81.9776	82.0160	EUR	78.7484	78.7222	78.6697
119.6699	119.7260	GBP	115.8849	115.8462	115.7690
49.8401	49.8634	AUD	47.0849	47.0692	47.0379
0.6043	0.6045	JPY	0.5827	0.5825	0.5821
52.7846	52.8094	CHF	51.0803	51.0632	51.0292
9.7675	8.7716	SEK	8.1634	8.1607	8.1552
51.0518	51.0757	CAD	49.4323	49.4158	49.3828
8.2265	8.2304	HKD	8.0849	8.0822	8.0768
39.0290	39.0473	SGD	37.8993	37.8866	38.8614
17.5862	17.5944	AED	17.0479	17.0422	17.0309
17.2217	17.2298	SAR	16.6993	16.6937	16.6826
11.3495	11.3548	DKK	10.2773	10.2738	10.2670

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
43.43	59.51	99.875	39.630	6.4263	0.7614	3.80

Local Interbank FX Trading Local interbank FX market was subdued on Saturday as the international market was closed. Dollar ended almost unchanged against Bangladesh taka.

Local Money Market Money market was active on Saturday. Call money rate was almost unchanged and most of the deals ranged between 10.00 and 20.00 per cent.

International Market International market was closed on Saturday. The dollar climbed to fresh multi-month highs against the major currencies on Friday, extending its

gains following a string of surprisingly strong US economic data over the past week. Above consensus April job creation and retail sales and a narrower-than-expected trade deficit in March have fueled waves of dollar buying in recent session. The dollar hit a seven-month high against the euro and Canadian dollar on Friday, a six-month high against sterling, a four-month high against the Australian dollar and a three-month peak against the Swiss franc.

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ReadyCash Raffle Draw Winners

The latest ReadyCash Raffle draw was held at ReadyCash Bangladesh office at Dhanmondi in Dhaka yesterday, says a press release.

Prizes	Name of Winners	Card No
Pallabi Computers Free Internet Browsing	A Y Abdul Hoque	5047980010034545
Florence Food Free Gift Box	Md Ali Shams	5047980010034530
Rainbow Chinese Free Lunch/Dinner	Sayed Shamsul Islam	5047980010034591
Monorom Free Gift Box	Md Jamil Bakth Dipu	5047980010034590
Kamal General Store free Gift Box	Mozammel Hoque	5047980010034565

Winners can collect their prizes from the Executive, Promotion of ReadyCash within 30 days of this news circulation by producing their ReadyCash card transaction vouchers. ReadyCash encourages its cardholders to read The Daily Star and the Daily Prothom Alo on every Sunday or call our Customer Service at: 8123850, 8130497, 8125294-7.



PHOTO: MUTUAL TRUST BANK Officials of Mutual Trust Bank pose for photographs with the participants of a training session titled 'Orientation Course on Banking' on Tuesday in Dhaka.

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