

## China edges closer to trade war with Europe, US over textiles

AFP, Beijing

China edged closer to a trade war with the European Union and United States Monday, scrapping export tariffs on a range of textile products while vowing to defend its legal trading rights.

The finance ministry said export tariffs on 81 categories of textile goods imposed since the beginning of the year will be abolished from June 1.

And in an abrupt about turn, it said a decision made on May 20 to raise export taxes on 74 textile and clothing products would be revoked.

The move follows decisions by the US and the EU to set new curbs on imports of Chinese-made textiles after a steep surge in shipments since the end of the global quota system on January 1.

So far, the US has slapped

import quotas on seven categories of Chinese textile goods while the EU has sought formal talks with Beijing over exports of flax yarn and t-shirts, bringing it a step closer to imposing limits.

Commerce Minister Bo Xilai made clear China would not cave in to the pressure.

"If the EU and US disregard the important measures and policies the Chinese government has taken and decide to impose restrictive measures over Chinese textile products, then as a response... we will also adjust our own policy," he said.

Bo said the restrictions by the EU and US had no basis, lacking hard evidence to back them up.

"In our opinion this move lacks grounding and is inaccurate," he said at a press conference, adding that they must first prove there has

been an increase in imports and then produce proof that this was disrupting the market.

"In my opinion, the EU and the US have not provided sufficient data and numbers," he said.

"The EU and US have taken actions in a short time, over a few months... In our opinion that is unreasonable and unscientific."

Since the decades-old global quota system was abolished, China has imposed duties of between two and four percent on 148 types of textile goods to limit the impact on its global trading partners.

But they appear to have had little impact with China's textiles exports jumping 29 percent overall in the first three months of the year, and pressure has been steadily building on Beijing to do more to stem the flood.

To appease concerns by the EU

and the US, China on May 20 said it would further raise export tariffs on 74 categories from June 1.

Following Monday's announcement, this will now not happen.

China has been growing increasingly frustrated at the EU and US pressure, saying they knew that the quota system would end under a 1995 agreement and had only themselves to blame for not being prepared.

"If developed countries had eliminated their textile quota restrictions step-by-step, the surge in Chinese textile exports to their markets this year would have been avoided," said Bo.

Beijing also argues that attempts by the EU and US to impose limits undercut the very principles of free trade being promoted by Washington and Brussels.



PHOTO: ANDES

Aneela Haque, chief executive officer of Andes Ltd, and Sandeep Gurwara, managing partner of Indian fashion event brand Bridal Asia, pose for photographs after signing an agreement recently in India. Under the deal, Andes in association with Bridal Asia will arrange bridal shows in the country every year with top designers from Bangladesh, India, Pakistan, Thailand, Sri Lanka and other countries.



PHOTO: BDBF

Officials of Bangladesh-Denmark Business Forum (BDBF) are seen at the second annual general meeting (AGM) of the forum in Dhaka on Thursday. Per Heisselberg, chairman of the forum, Tom Hansen, minister counsellor of the Royal Danish Embassy, and HT Imam, vice chairman of the forum, among others, attended the AGM.



PHOTO: BENCHMARK

Osman Morad, chief executive officer of Standard Chartered Bank, Bangladesh, formally inaugurates the bank's 25th ATM (automated teller machine) booth at Motalib Plaza at Hatirpool in Dhaka on Sunday. M Sajidur Rahman, head of Consumer Banking, and other senior officials are also seen in the picture.



PHOTO: RISING SPINNING MILLS

AKM Mosharraf Hossain, state minister for Energy and Mineral Resources, poses for photographs along with the officials of Rising Group and commercial banks at a syndicated term loan agreement signing ceremony in Dhaka on Thursday. Mercantile Bank Ltd, the agent bank, in collaboration with six other commercial banks has arranged a syndicated term loan for Tk 48 crore for Rising Spinning Mills Ltd, a concern of the Rising Group.

## EU rejects new Chinese charge in textiles row

AFP, Brussels

The European Union's executive commission rejected Monday Chinese claims that the bloc did not have evidence to justify its recent complaint about Chinese textiles imports.

"We have presented our data on a three-month period, the data regarding the state of the industry. We see there is irreparable damage and that is why we have launched a request for formal consultations," said commission spokeswoman Claude Veron-Reville.

Earlier Monday, Commerce Minister Bo Xilai had said that there was no hard evidence to back EU and US measures that could lead to limits on imports of Chinese textiles.

That came after the EU commission had said on Friday that it had made a request for formal talks at the World Trade Organisation (WTO) with Beijing over two types of textile imports from China, bringing the EU an important step closer to imposing limits.

## CURRENCY

Following is Monday's (May 30, 2005) forex trading statement by Standard Chartered Bank

TT/OD	BC	Currency	Buy		
			TT Clean	OD Sight/Doc	OD Transfer
64.3200	64.3500	USD	63.3150	63.2939	63.2517
81.5706	81.6087	EUR	78.5043	78.4781	78.4258
118.1365	118.1916	GBP	114.6698	114.6316	114.5551
49.8223	49.8455	AUD	47.4989	47.4831	47.4514
0.6048	0.6051	JPY	0.5830	0.5828	0.5824
52.8122	52.8369	CHF	50.8799	50.8630	50.8291
9.1508	9.1551	SEK	8.1961	8.1934	8.1879
51.7208	51.7449	CAD	49.9684	49.9518	49.9185
8.2776	8.2814	HKD	8.1320	8.1293	8.1239
39.1980	39.2163	SGD	37.0293	38.0166	37.9913
17.6543	17.6626	AED	17.0992	17.0935	17.0821
17.2885	17.2965	SAR	16.7496	16.7440	16.7328
11.3074	11.3127	DKK	10.2402	10.2368	10.2299
216.7549	216.8563	KWD	215.9949	215.9252	215.7859

### Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
43.45	59.55	99.965	40.320	6.3533	0.7639	3.80

Local interbank FX Trading Monday, Dollar ended almost unchanged against Bangladeshi taka. Local interbank FX market was active on

## SHIPPING

### Chittagong Port

Berthing position and performance of vessels as on 30/05/2005							
Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import Disch
J/1	Continent-4	GI(Log)	Yang	Cla	28/5	4/6	1056
J/2	Supreme	GI(St. Bl)	Viza	Mutual	29/5	2/6	534
J/3	Amar	Sugar	Bang	Unicom	7/5	30/5	--
J/4	Banga Lanka	GI	Col	Baridhi	25/5	31/5	816
J/5	Banglar Maya	Sugar	Braz	MBL	14/05	5/6	2146
J/6	Dawel (Liner)	GI	Yang	Everett	27/5	30/5	3312
J/7	Banglar Kakoli	Sugar	Santo	Mutual	8/5	7/6	2255
J/8	Jiao Cheng	GI	Inch	Cosco	24/5	30/5	2095
J/9	Kota Cahaya	Cont	Sing	Pil(Bd)	23/05	30/5	183
J/10	Xpress Nuptse	Cont	P. Kel	RSL	27/05	1/6	215
J/11	Oel Freedom	Cont	S. Vin	PSSL	26/05	31/5	225
J/12	Banga Borat	Cont	Sing	Bdship	26/05	30/5	92
CC/11	Banga Biraj	Cont	Sing	Bdship	28/5	1/6	234

### Vessels due at outer anchorage

Name of vessels	Date of arrival	L. port call	Local agent	Type of cargo	Loading ports
Maribor	30/5	Sing	ANCL	GI	10 Cng Bus
Al Muztuba	30/5	Yang	Cla	GI (Log)	--
Banga Bjoy	30/5	Col	Baridhi	Cont	Col
Pagan	2/6	Yang	MTA	Rice	450 Log
Qc Honour	1/5	P. Kel	QCSL	Cont	Sing
Marisa Green	1/6	P.Kel	Everbest	Cont	Sing
Oel Enterprise	1/6	--	PSSL	Cont	Sing
Banglar Mookh	1/6	Braz	USL	Sugar	--
Brave Royal	1/6	Krabi	BRSL	Clink	Royal/No
F. Jahan	2/6	Krabi	BRSL	Clink	Arw/Akij
Ocean Flourish	2/6	Maka	Jaycee	Clink	1100 Ctg
Kota Berjaya	2/6	Sing	Pil (Bd)	Cont	Sing
Xpress Resolve	4/6	--	Everbest	Cont	Col

### Tanker due

Name of vessels	Date of arrival	L. port call	Local agent	Bitumen
Salamat-3	31/5	Hald	Nishat	Bitumen
Al Deerah	1/6	Kuwa	MSTPL	HSD/Sko
Amor	2/6	Kuwa	MSTPL	HSD/Sko

### Vessels at Kutubdia

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Setouchi Surveyor	--	--	Mutual	R/A (25/5)
Gulf Bison	--	--	IBSA	R/A (30/5)
Seabulk Hercules	--	--	IBSA	R/A (29/5)
Loulat Oater	Crude Oil	Rast	USS	29/5
Banglar Jyoti	C. Oil	--	BSC	R/A

### Outside port limit

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Laju Seajatura	Cpol	Indo	MTCL	26/5
Platinam Emerald	Cont	Col	Everbest	27/5
Blue Link	Cont	Sing	Nol	28/5
Kota Singa	Cont	Sing	Pil(Bd)	28/5
Kota Raja	Cont	Sing	Pil (Bd)	29/5
Acoaxet Lady	Fuel Oil	Sing	CTCL	29/5
Qc Star	Cont	P. Kel	QCSL	30/5

### Vessels at outer anchorage

#### Vessels ready

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Great Mary	Sugar	Durb	USL	19/5
Rick Bank	Sugar	Santo	Mutual	29/5

#### Vessels awaiting employment / instruction

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Bumi Jaya	--	Visa	Unicom	10/11
Banglar Shourabh	--	--	BSC	R/A (22/5)
Jhon-P	--	--	Saraf	R/A (29/5)

The above are the shipping position and performance of vessels at Chittagong Port as per berthing sheet of CPA supplied by Family, Dhaka.

## STOCK