

## Southeast Asian states take yuan revaluation in stride

AFP, Singapore

Southeast Asian economies have emerged unscathed two weeks after China revalued the yuan, thanks largely to Beijing's calibrated move of allowing only a modest appreciation, analysts said.

Key regional currencies have strengthened against the US dollar in line with the yuan, but initial fears of disruptions in the region's financial systems have not materialised.

Analysts said the impact was exactly as China had intended: please the United States by allowing the yuan to appreciate while also making sure the increase was not drastic enough to shake up the financial landscape.

"Given that the initial move was

fairly modest, we don't expect to see much significant impact in the near term," regional economist Song Seng Wun, of GK Goh brokerage, told AFP.

"At the end of the day, it is all about China needing to move (the yuan) but without really having to move too much.

"They want to ensure that the impact on domestic businesses and trading partners will be minimal. They did not want to create sharp risks and destabilise economic activities."

Washington had put intense pressure on China to allow the yuan to seek its true level, saying it was grossly undervalued, making Chinese exports unfairly cheaper in the global market.

After months of speculation, China on July 21 freed the yuan from an 11-year-old peg to the US dollar in favor of a trade-weighted basket of currencies.

Monetary authorities allowed the yuan to appreciate 2.1 percent to 8.11 to the dollar but kept details of the currency basket unclear to protect it against speculators.

The new managed float for the yuan can in theory allow for a 0.3 percent daily shift in either direction to what the market deems fair value.

While pressure for a stronger yuan has not disappeared, China has made it clear it will set the pace of any further revaluation, analysts said.

Henderson Global Investors said in a report the impact of China's move may be small for the near

term, but in the longer term it could erode support for the dollar because the Chinese government had been previously supporting the US unit.

"With the floating peg exchange rate structure, there will be less support from the Chinese government in this scenario which leaves the dollar more vulnerable if it begins to slide," the report said.

Perhaps the most notable impact of China's move was Malaysia's decision - also on the same day - to unhinge the ringgit's peg to the dollar imposed by maverick Prime Minister Mahathir Mohamad at the height of the 1997 Asian financial crisis to battle speculators.

By late Friday, the ringgit was at 3.7464 to the dollar, up 1.4 percent since the peg was scrapped.



PHOTO: STAR

Bangladesh Bank Governor Dr Salehuddin Ahmed poses for photographs with the participants of a training course titled 'Econometric Principles and Data Analysis' conducted by University of Information Technology and Science at a function in Dhaka Saturday.



PHOTO: JAMUNA BANK

Arifur Rahman, chairman of the Board of Directors of Jamuna Bank Ltd, along with directors and M Nazrul Islam, managing director, poses for photographs at the bank's second Branch Managers' Conference-2005 recently in Dhaka.

## Country lacks ICT experts

Says BB governor

### STAR BUSINESS REPORT

Despite much hype about the development of information and communication technology for the last few years, there is still a shortage of ICT experts in the country, said Bangladesh Bank governor.

Information is pretty useless if it is not managed and disseminated properly, he said.

Salehuddin Ahmed was speaking at a certificate awarding ceremony of University of Information Technology and Science (UITS) in Dhaka on Saturday.

He gave away certificates to 16 bank officials who completed the eight-session course on econometric principles and data analysis, conducted by UITS.

Among the participants, 12 were from BB research department.

PHP Group Chairman Mohamed Mizanur Rahman and UITS Vice Chancellor A Majeed Khan was also present at the ceremony.



PHOTO: THE DHAKA MERCANTILE CO-OPERATIVE BANK

The 35th branch of The Dhaka Mercantile Co-operative Bank Ltd was inaugurated in Rajshahi recently. Rajshahi City Mayor Mijanur Rahman Minu inaugurated the branch at a function with Chairman of the bank Abu Zafar Chowdhury in the chair. Other local dignitaries were also present at the inauguration.



PHOTO: MERCANTILE BANK

M Nurul Islam, additional managing director, and Ahmedul Haque, vice president of Mercantile Bank Ltd, pose for photographs along with the participants of a training on "Credit Management" in Dhaka recently. A group of 19 officers of the bank attended the course organised by the bank's training institute.

## CURRENCY

Following is Sunday's (August 7, 2005) forex trading statement by Standard Chartered Bank

TT/OD	Sell		Buy		
	BC	Currency	TT Clean	OD Sight Doc	OD Transfer
67.2200	67.2500	USD	66.0500	66.0280	65.9840
84.5023	84.5400	EUR	80.5876	80.5607	80.5070
120.6532	120.7070	GBP	116.4395	116.4007	116.3231
52.7408	52.7644	AUD	49.7092	49.6927	49.6595
0.6075	0.6078	JPY	0.5848	0.5846	0.5842
53.6729	53.6969	CHF	51.8283	51.8110	51.7765
8.8798	8.8838	SEK	8.2614	8.2587	8.2532
55.7334	55.7582	CAD	53.7823	53.7643	53.7285
8.6603	8.6641	HKD	8.4888	8.4860	8.4804
41.0504	41.0687	SGD	39.7532	39.7400	39.7135
18.4508	18.4590	AED	17.8379	17.8319	17.8200
18.0665	18.0746	SAR	17.4717	17.4659	17.4542
11.6111	11.6163	DKK	10.5115	10.5080	10.5010
226.7132	226.8166	KWD	224.9580	224.9580	224.9580

### Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
43.455	59.68	100.65	41.145	6.3943	0.7405	3.75

### Local Interbank FX Trading

Local interbank FX market was subdued on Saturday. Demand for dollar remained high in the market.

### Local Money Market

Money market was active on Sunday. Call money rate was unchanged and ranged between 7.00 and 8.00 percent.

### International Market

International market was closed on

Sunday due to weekend. Before closing, the dollar strengthened across the board on Friday, lifted by stronger-than-expected US jobs data that reinforced expectations that the Federal Reserve would keep raising interest rates at a measured pace this year. A total of 207,000 new non-farm payroll jobs were created in July, beating economists' median forecast of 183,000.

## SHIPPING

### Chittagong Port

Berthing position and performance of vessels as on 7/8/2005

Berth no.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/1	Pagan	GI(Log)	Yang	Mta	5/8	9/8	404
J/2	Guo Shun	Tsp(P)	Chin	Fortune	23/7	12/8	249
J/4	Gold Friday	C. Clink	Lumut	Bsl	29/7	12/8	1710
J/5	Salos	GI(Y,peas)	Vanc	Litmond	18/7	12/8	368
J/6	Jeannie-III	Slag (P)	Kashi	Litmond	28/7	10/8	2900
J/7	Kota Tegap	Cont	Sing	Pil (Bd)	6/8	8/8	180
J/8	Jin Shan	Tsp (Fert)	Sing	Unique	23/7	11/8	192
J/9	Jin Cheng	GI	Sing	Cosco	1/8	10/8	807
J/10	Long An	GI (St. C)	Mume	Kaplat	4/8	7/8	3075
J/11	Africa Star	Cont	P. Kel	Everbest	3/8	8/8	--
J/12	Banga Borti	Cont	Sing	Bdship	6/8	8/8	278
J/13	Dawei	Cont	Sing	Pml	6/8	9/8	108

### Vessels due at outer anchorage

Name of vessels	Date of arrival	L. port call	Local agent	Type of cargo	Loading ports
Sea Crown	7/8	Thai	Royal	GI (soda Feld)	Spar In Bulk
Carista-II	7/8	Belwa	Able	GI (Ductile Iron Pipe)	Cont Sing
Marisa Green	7/8	P.Kel	Everbest	Cont	Sing
Radwan	7/8	C. Town	Rship	Demolition	
Tug Fairplay XIV	7/8	C. Town	Rship	Towing D/V.	Radwan
C. Champ	7/8	Nant	Usl	C. Clink Uni/Pre	
Power	7/8	Viza	Move	Slag	Star/Ake
Continent-4	7/8	P. Band	Cla	5000 GI (S. Ast)	
Mandalay	10/8	P. Kel	Pml	Cont	P. Kel
Kota Berjaya	8/8	Sing	Pil(Bd)	Cont	Sing
Xpress Manaslu	8/8	P. Kel	Rsl	Cont	Sing
Cec Copenhagen	9/8	--	Pssl	Cont	Sing
Orient Independence	10/8	Sing	Pssl	Cont	Col
Eastern Star	9/8	Sin	Pml	Cont	Sing
Blue Link	9/8	--	Nol	Cont	Sing

### Tanker due

Tabtim	10/8	Dumai	SncI	Cpol(RM/3)
Siam Bhavas	10/8	P. Kel	Aml	Cpol(RM/3)
Hartamas	12/8	Dumai	Mtcl	Cpol(RM/3)
Smooth Sea	10/8	Lumut	Mtcl	Cpol

### Vessels at Kutubdia

Name of vessels	Cargo call	Last port	Local agent	Date of arrival
F. Jahan	C. Clink	Krabi	BrsI	5/8

### Vessels at outer anchorage

#### Vessels ready

Oel Freedom	Cont	Sing	Pssl	6/8
Banglar Shikha	Cont	P. Kel	Bsc	6/8
Siam Sathapom	Cpol	Mala	Usl	7/8
Platinam Emerald	Cont	Col	Everbest	7/8

#### Vessels not ready

Maris	Sugar	Santos	Litmond	13/7
Brave Royal	C. Clink	Krabi	BrsI	3/8
Grand Ocean-1	Mop(P)	Niko	Litmond	4/8
Drain Naree	Wheat(P)	Sing	Park	5/8
Stevens Pearl	GI (P. Mat)	--	Lutful	R/A (5/8)
Liberty Star	Slug	Viza	Nwsl	7/8

#### Vessels awaiting employment/instruction

Bumi Jaya	--	Visa	Unicom	19/11
Banglar Shourabh	--	--	Bsc	R/A (6/8)

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

## STOCK