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BUSINESS

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# Growth in China economy set to slow

ANN/ CHINA DAILY

Growth in China's economy may slow next year due to macroeconomic controls which are curbing investment and exports, a government report said on December 22.

The economy is likely to expand 9.8 percent in 2007, down from the 10.5-percent forecast by the central bank, said a report by the central bank's research unit posted on the state-run China Securities Journal.

The Consumer Price Index, an indicator of inflation, may climb two percent in the coming 12 months fueled by rising costs of food, which accounts for about one-third of the total index. The figure is higher than the central government's forecast of 1.4 percent for the whole of this year.

"A milder expansion in money supply will help ease inflation

pressures on the economy," said Tang Xu, head of the research unit and the report's lead author.

"The combination of interest hike and higher reserve requirement ratios this year have proved itself to be effective in stabilizing prices."

Meanwhile, gains in producer prices would continue to moderate in 2007 as China soaks up overcapacity due to several years of an investment boom. Factory-gate inflation, however, is still feeling upward pressure as land costs increase in the coming year.

The trade surplus will start to narrow in the second half of next year as China works to optimize its export mix.

Exports may slow starting from June while imports may accelerate, powered by surging domestic consumer spending and the appre-

ciation of yuan, the report said.

The country's gross domestic product climbed 10.4 percent year on year in the third quarter, after jumping 11.3 percent in the previous three months, the National Bureau of Statistics said in October.

The central government has raised interest rates, increased reserved requirement and tightened land control to make it harder to get approval for projects.

Investment in factories, roads and real estate jumped 26.6 percent year on year to 7.93 trillion yuan (US\$1.01 trillion) in the first 11 months.

Spending on real estate, which makes up nearly one fourth of total investment, gained 24 percent to 1.64 trillion yuan through November after rising 24.1 percent in the first 10 months.

## Japan's 2006, a year of growth

AFP, Tokyo

Japan's economy continued its revival in 2006 but the year was also marked by unease over social inequalities.

After more than seven years of growth-sapping deflation, the world's second largest economy recorded rising consumer prices, allowing the central bank in July to end its unorthodox policy of offering virtually free credit.

In November, Japan marked its longest economic expansion since 1945 with 58 straight months of growth.

Many Japanese companies are also reporting record earnings, with Toyota Motor Corp. on track to top ailing General Motors next year as the world's largest automaker.

But for many Japanese, the glowing statistics have brought little cheer to their daily lives.

A March poll found that an overwhelming 81 percent worried about widening inequalities as Japan -- whose post-war motto was "100 million people, all middle class" -- embraces Western-style free-market capitalism.

"The most significant thing about the current recovery is that clearly not everybody is taking part in the whole process. Everybody is suddenly very concerned about the disparities, the poverty issue, the working poor," said Noriko Hama, a macroeconomics professor at Doshisha University in Kyoto.

The entire nation took part in the rapid growth from the ashes of World War II, leading to a boom in consumer spending, which is strikingly lagging in the current expansion, she said.

"Japanese companies really for the first time have almost no choice but to take part in global competition. They no longer can afford to behave as if they were the public sector: leaving nobody behind, carrying everybody on board," she said.



PHOTO: AFTAB AUTOMOBILES

The 26th annual general meeting (AGM) of Aftab Automobiles Ltd was held on Thursday in Dhaka. Chairman of the company Shafiul Islam presided over the AGM, which declared a 20pc cash dividend for the year that ended on August 31, 2006.



PHOTO: HSBC

Steve Banner, chief executive officer of HSBC Bangladesh, inaugurates a business development office of the bank in Chittagong Export Processing Zone recently. Ashraf Abdullah Yussuf, executive chairman of Bangladesh Export Processing Zones Authority (Bepza), and senior officials of the bank, among others, are seen.

## CURRENCY

Following is Sunday's (December 24, 2006) forex trading statement by Standard Chartered Bank.					
Sell		Buy			
TT/OD	BC	Currency	TT Clean	OD Sight/Doc	OD Transfer
70.2700	70.3000	USD	69.0000	68.9770	68.9310
93.8667	93.9067	EUR	89.4102	89.3804	89.3208
139.0784	139.1378	GBP	133.6668	133.6222	133.5331
56.2652	56.2892	AUD	53.0403	53.0226	52.9873
0.6034	0.6036	JPY	0.5762	0.5760	0.5756
58.1465	58.1713	CHF	56.0748	56.0561	56.0187
10.2419	10.2463	SEK	9.4702	9.4671	9.4607
61.2428	61.2690	CAD	59.0046	58.9849	58.9456
9.0448	9.0487	HKD	8.8605	8.8575	8.8516
46.0878	46.1074	SGD	44.5535	44.5386	44.5089
19.2954	19.3036	AED	18.6471	18.6409	18.6285
18.8857	18.8938	SAR	18.2525	18.2464	18.2343
12.9389	12.9444	DKK	11.6418	11.6380	11.6302
239.6812	239.7857	KWD	236.9310	236.9310	236.9310

Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor kroner	NZ dollar	Malaysian ringgit
44.38	60.925	107.53	36.260	6.2385	0.7000	3.53

SHIPPING

### Chittagong Port

Berthing position and performance of vessels as on 24/12/2006

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/2+3	Sarim	Sugar	Kohsi	Litmond	25/11	25/12	--
J/4	Dolphin-II	GI (St. Bil)	Viza	Sunshine	23/12	27/12	637
J/5	Yaad-e-mohammed	Rice (g)	Kaki	Cla	18/12	27/12	1950
J/9	OEL Enterprise	Cont	Col	PSSL	21/12	27/12	--
J/10	Cape Henry	Cont	Sing	APL	17/12	25/12	86
J/11	Pac Palawan	Cont	Sing	CEL	20/12	26/12	124
J/12	Phu Tan	Cont	Sing	PSSL	21/12	27/12	108
J/13	Martha Russ	Cont	Sing	QCSL	21/12	26/12	194
CCT/1	Yongxing	Cont	Col	PSSL	19/12	25/12	392
CCT/2	QC Pintail	Cont	Col	QCSL	19/12	25/12	261
CCT/3	Ja Vesla	Cont	Sing	Vega	19/12	26/12	94

#### Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Glory	24/12	Flori	Rship	Scraping	--
Shan Hai	22/12	Braz	USL	Raw Sugar	--
Coastal Express	24/12	Chenn	BSCA	Cot	L/para
Banga Biraj	25/12	Sing	Bdship	Cont	Sing
QC Teal	24/12	Col	QCSL	Cont	Col
Dawei	27/12	Yangon	Everett	GI (st.c)	3 Units
Santa Suria	24/12	Yangoon	AMBL	GI (r. Log)	--
Banga Bonik	26/12	Col	Baridhi	Cont	Col
FV Khantichai-3	26/12	Thai	Unique	F/rawler	--
Eva	25/12	--	Seacom	Mop	--
Kota Petani	25/12	Sing	Pil(Bd)	Cont	Sing
Vinashin Mariner	27/12	Sing	PSSL	Cont	Sing
QC Vision	26/12	Sin	APL	Cont	Sing

#### Tanker due

Al Badiyah	25/12	Kuwa	MSTPL	HSD/SKO	--
Al Barakat-1	26/12	Sing	MTCL	CPO	--
Hellas Endurance	28/12	Kuwa	MSTPL	HSD/MS	--
Sigma	1/1/2007	Jebel	Uniglobal	Crude Oil	--

#### Vessels at Kutubdia

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

Wira Keris	--	--	IBSA	R/A (23/12)
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#### Vessels at outer anchorage

##### Vessels ready

Josco View	Cont	P. Kel	RSL	20/12
QC Wisdom	Cont	Col	QCSL	18/12
Banga Borti	Cont	P. Kel	Baridhi	21/12
Rhone Borg	Cont	P. Kel	QCSL	22/12
Zhe Hai-315	Cont	Sing	Vega	22/12
Xpress Manaslu	Cont	Col	Seacon	22/12
Gao Cheng	Cont	Sing	PML	23/12
OEL Freedom	Cont	P. Kel	PSSL	23/12
Kota Cahaya	Cont	Sing	Pil(Bd)	23/12

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



PHOTO: PRIME BANK

M Shahjahan Bhuiyan, managing director of Prime Bank Ltd, receives on behalf of the bank the first prize of ICAB National Award-2005 for Best Published Accounts and Reports (banking category) from Salehuddin Ahmed, governor of Bangladesh Bank, at a function on Friday. Faruq Ahmed Siddiqi, chairman of Securities and Exchange Commission (SEC), and ASM Nayeem, president of the Institute of Chartered Accountants of Bangladesh (ICAB), were also present.

## STOCK