

Star

BUSINESS

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# Global growth may continue at similar pace in 2007

**AFP, Basel, Switzerland**

Top central bankers believe world economic growth will continue this year at a similar pace to the encouraging levels achieved in 2006, European Central Bank chief Jean-Claude Trichet said on Monday.

Economic growth this year should reach "the same level as 2006 or maybe a little bit lower, but not much," Trichet said after he chaired a regular meeting of the G10 group of top central bank governors in Basel.

"To sum up our sentiment, we see (that) global growth continues to be encouraging," he told journalists.

He declined to give a figure for growth in 2007. Global economic expansion came to 5.1 percent last year, according to the International Monetary Fund.

Trichet added a note of caution about the threat of protectionism if global trade talks collapse, warning that "it would be very damaging" to growth.

The World Trade Organisation suspended stuttering negotiations on a new round of free trade arrangements covering agriculture, industrial goods and services last year because of deadlock among its 149 members.

Senior officials believe 2007 could be a make or break year for the negotiations and have called for more concessions from the world's trading powers, the United States and the European Union, as well as emerging nations such as India and Brazil.

Senior EU and US trade officials are meeting in Washington on Monday to discuss the trade deadlock.

At their last meeting in November 2006, the G10 central bankers predicted dynamic economic growth but called for vigilance against the threat of inflation caused by a possible resurgence in oil prices.

Trichet said Monday that traditional threats to growth from high oil and commodity prices as well as global imbalances also remained, but the probability of their occurrence was now "low".

Emerging nations should continue to carry world growth in 2007, but European economies are likely to take a growing share of the burden, according to the ECB chief.

Trichet said there were signs of a "very clear pick up" in investment in Europe.

## US deficit cut to address global imbalances

### Say experts

**XINHUA, Washington**

Multilateral efforts by all major economies are required to address global imbalances, but the first step rests on the United States to take credible measures to reduce its fiscal deficit, experts said.

When people speak of "global imbalances" in the international economic system, they are referring to the large current account deficit of the United States, and the corresponding large surpluses in a few economies, mainly in emerging Asia, said Roderigo de Rato, managing director of the International Monetary Fund.

The current account is the broadest measure of US trade because it tracks not only the flow of goods and services across borders but also investment flows. The deficit is equivalent to a debt owed by the United States to the rest of the world.

In the first half of the 1990s, the US current account deficits averaged 1 percent of gross domestic product (GDP). But since the mid-1990s, the deficits have increased, rising to an estimated 5.5 percent of the GDP in 2004.

For the first three quarters of 2006, the deficit totaled 655.9 billion dollars, putting it on the track for a new record for a full year, according to the government data. The previous record was set in 2005 at 791.5 billion dollars.

Many economists fear that such a large deficit, which effectively reflects the gap between what the country consumes and what it produces, is unsustainable in the long run.

With spending growth outpacing income, Americans' personal savings rate, savings as a percentage of after-tax income, declined to negative 1.0 percent in November 2006, marking the 20th consecutive monthly negative rate.



PHOTO: UNITREND  
Senior officials of Berger Paints (BD) Ltd pose for photographs with the dealers of the company on the occasion of 'Berger Dealers' Meet' held recently in China.

CURRENCY

Following is Tuesday's (January 9, 2007) forex trading statement by Standard Chartered Bank

Major currency exchange rates

	BC Sell	TT Buy
US dollar	70.93	69.48
Euro	93.89	89.03
Pound	139.31	133.22
Australian dollar	56.91	52.94
Japanese yen	0.61	0.58
Swiss franc	58.34	55.12
Swedish kroner	10.61	9.54
Canadian dollar	61.64	58.63
Hong Kong dollar	9.12	8.89
Singapore dollar	47.28	45.13
UAE dirham	19.47	18.77
Saudi riyal	19.06	18.38
Danish kroner	12.97	11.65
Kuwaiti dinar	242.01	238.56

Exchange rate of some currencies

	Per USD	BDT per Currency
Indian rupee	44.30	1.58
Pak rupee	60.95	1.15
Lankan rupee	108.75	0.65
Thai baht	35.89	1.96
Malaysian ringgit	3.51	20.02

USD forward rate against BDT

	Buy	Sell
1M	69.58	71.05
2M	69.70	71.26
3M	69.85	71.49
6M	70.30	72.22

Local Market

**FX:** Local inter-bank FX market was active on Tuesday. The demand for USD remained stable and the volume of cross currency transaction was steady. The USD rose marginally against Bangladeshi taka.

**Money Market**  
Money market was active on Tuesday. Call money rate remained unchanged and ranged between 6.50 and 7.00 per cent.

**International Market**  
The dollar lost ground against the euro on Tuesday, moving away from recent six-week highs, due to a sense that gains sparked by last week's surprisingly strong non-farm payrolls data may have been overdone. But the greenback stayed on higher ground against the yen as investors realised a rise in Japanese interest rates, perhaps as early as next week, would not shake the currency's low-yielding status enough to stem its use as a funding source for currencies with a higher return. The euro was up 0.14 per cent on the day, well away from six-week lows hit on Monday. The dollar was up a third of a per cent against the yen, while the euro gained 0.4 per cent against the yen, extending its rebound from a one-month low marked in the previous session. The high-yielding pound and New Zealand dollar further trimmed last week's sharp losses against the yen. The Australian dollar also benefitted against the dollar and the yen from a modest rise in retail sales that kept alive speculation the Reserve Bank of Australia could boost rates this year.



PHOTO: GRAMEENPHONE  
Md Nurul Alam, deputy company secretary of GlaxoSmithKline Bangladesh Ltd, a multinational pharmaceutical company, and Mir Rashedul Hossain, deputy head of Corporate Sales of Grameenphone (GP) Ltd, pose for photographs at an agreement signing ceremony recently. As per the deal, GP will provide complete communication facilities under its 'Business Solutions' package for the pharmaceutical company.

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 9/1/2007

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/1	Ping Jiang	Gl	Chin	Cosco	30/12	9/1	2069
J/8	Vinashin Mariner	Cont	Sing	PSSL	27/12	9/1	--
J/9	Dali	Cont	Col	Seacom	31/12	12/1	--
J/10	CSAV California	Cont	Col	PSSL	27/12	11/1	257
J/11	Banga Borat	Cont	Sing	Bdship	16/12	11/1	--
J/12	Kota Rakayet	Cont	Sing	Pil(Bd)	30/12	12/1	--
J/13	Kota Rakun	Cont	Sing	Pil(Bd)	31/12	9/1	207
CCT/1	Rio Lawrence	Cont	Ptp	QCSL	28/12	9/1	--
CCT/2+3	Eagle Pioneer	Cont	Sing	Ct	29/12	13/1	--

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Luo Qing	9/1	Shanghai	Cosco	TSP	50 Gi
Oriental River	9/1	P.Kel	Prog	GI(SL.Pa)	--
Zhe Hai-315	10/1	Sing	Vega	Cont	Sing
Brave Royal	10/1	Kant	BRSL	C. Clink	--
OEL Freedom	10/1	Sing	PSSL	Cont	L/Sing
KS Harmony	10/1	Kohsi	ANCL	C. Clink	--
Survazs	10/1	--	Seacom	Urea	--
Sakura	11/1	Ctg	OTL	Scraping	--
F. Jahan	11/1	Visa	BRSL	Slag	Royal
Kota Cahaya	12/1	Sing	Pil(Bd)	Cont	Sing
Xpress Manaslu	12/1	Col	Seacon	Cont	Col
Cape Bonavista	12/1	P.Kel	Bdship	Cont	P. Kel
Pacific King	12/1	Zhan	Uniglobal	Fert	--

Tanker due

Bw Havsol	11/1	Viza	MBL	Ammonia	K(A)
Al Kuwaitiah	10/1	Kuwa	MSTPL	HSD	--
Borak	14/1	Hald	FSA	Bitumen	--
Al Barakat-1	12/1	Sing	MTCKL	CPO	--
Eternity	13/1	Kuwa	MSTPL	HSD/JP-1	--

Vessels at Kutubdia

Name of vessels	Cargo call	Last Port	Local agent	Date of arrival
Outside port limit				
Wirra Keris	--	--	Ibsa	R/A(4/1)
Pacific Champion	Pro. Equip	--	Ibsa	3/1/2007
Gulf Drill-9	Pro. Equip	--	Ibsa	3/1
CS Topper	Supply V/L	--	Ibsa	8/1
Sea Drill-6	Pro. Equip	--	Ibsa	8/1
Pacific Steel	Pro. Equip	--	Ibsa	8/1

Vessels at outer anchorage

Vessels ready

Kota Berjaya	Cont	Sing	Pil(Bd)	29/12
Malaysia Star-1	Cont	Tanj	QCSL	31/12
Sea Master One	Cont	Sing	PML	1/1/7
Pacific Express	Cont	Sing	Pil(Bd)	1/1
Banga Borak	Cont	Sing	Bdship	1/1
Eastern Star	Cont	Sing	PML	2/1

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

# STOCK