

Star BUSINESS

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Rato fears risk of 'disorderly adjustment' in global economy

AFP, Washington

IMF chief Rodrigo Rato said Tuesday the world economy remains robust with the United States set for a "soft landing" and China extending its breakneck expansion.

But there remains the risk of a "disorderly adjustment" in the global economy, with Asian currency rates still too rigid and oil prices remaining volatile, the International Monetary Fund managing director said.

Addressing a New Year press conference, Rato said also the IMF was progressing with plans to make the six-decade-old Fund more relevant to its fast-changing membership.

"After four consecutive years of

strong growth, we expect that global growth will remain solid in 2007, approaching five percent for the year," Rato said. The IMF official forecast predicts global growth this year of 4.9 percent.

"I believe we are facing a soft landing in the US," he said, with the world's largest economy cooling after years of rapid growth.

"Economic recovery in Europe has broadened, and growth in Japan is broadly on track after an earlier soft patch."

Falling energy prices will support the global economy, Rato noted, "although we might see volatility in oil prices down the road."

China is set for another year of growth above 10 percent, the IMF chief said, while urging Beijing to set

take more measures to rein in unproductive investment.

Rato reaffirmed that China should open up its financial markets and currency regime more, "to allow market forces to determine prices and allocations of resources in the Chinese economy more freely."

East Asian economies in general are highly competitive and do not need their "heavy reliance" on managed exchange rates, the IMF chief said.

As China and other Asian countries have run up massive trade surpluses on the back of export-led growth, deficits in the United States have been mounting to record levels.

That has created concern that the world economy is dangerously out of kilter, prompting Rato to set

up a new surveillance mechanism for major nations to discuss how to redress the imbalances under IMF auspices.

He declined to give details about how the multilateral consultations are progressing, but said he would report back in public at the IMF and World Bank's annual meetings in April.

The meetings will also see Rato elaborate on steps being taken by the IMF to address criticism that it is becoming irrelevant to developing countries.

With no major crises to manage, and many nations fearful of the Fund's free-market policy prescriptions, the IMF has been deprived of regular income from lending repayments and now faces a financial crunch of its own.



PHOTO: SRISTY HOMETEX
Sristy Hometex Ltd, an exporter of Home Textile products, took part in 'Messe Heimtextil Fair 2007' in Frankfurt, Germany from January 10-13. In the picture G Saha, managing director, and Protima Chakraborty, marketing manager of Sristy Hometex, show Sristy-made home decoration products to British buyer Chris Worral, managing director of Crowson Group, at the stall of Sristy at the fair.

SHIPPING

Chittagong Port

Berthing position and Performance of Vessels as on 17/01/2007.

Berth No.	Name of Vessels	Cargo Call	L. Port Agent	Local Arrival	Dt of	Leaving	Import Disch.
J/1	Tug Solid-1	Ball Clay	Kuch	DNS	5/1	19/1	--
J/2	Hoang Son	GI(Log)	Yang	Gla	13/1	17/1	2111
J/3+2	Hawk-1	Wheat(P)	Ukra	USL	5/1	24/1	2427
J/4	Banglar Doot	--	Sant	SSST	1/1	17/1	--
J/8	Cape Henry	Cont	Sing	APL	5/1	19/1	297
J/9	Jin Cheng (Liner)	GI	Inch	Cosco	14/1	19/1	2337
J/10	Banga Bodor	Cont	P. Kel	Baridhi	3/1	17/1	--
J/11	Pac Palawan	Cont	Pasi	CEL	6/1	18/1	88
J/12	Kota Ratna	Cont	Sing	PIL(Bd)	3/1	17/1	--
J/13	Qc Pintail	Cont	Col	QCSL	5/1	17/1	58
CCT/1	Precious River	Cont	P. Kel	Vega	5/1	19/1	235

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of Loading cargo ports
Maritime Peace	17/1	Niko	Seacom	Mop --
Mare Hibemum	17/1	PXel	Seacom	Cont Sing
Rio Lawrence	17/1	Ptp	QCSL	Cont Ptp
Ocean	17/1	Viet	Ahz	Scraping --
Vt Light	17/1	Sfax	SSST	TSP
Maritime Chiangmai	20/1	Tarf	BSL	C. Clink --
Jon Jin-2	18/1	Fang	Unique	Fert Tsp/Dap/S Ash
Caraka Jaya Niaga-III-32	18/1	Yang	Mutual	--
Csav California	18/1	CBO	PSSL	Cont Col
Phoenix	19/1	Ptp	PSSL	Cont Sing
Banga Biraj	18/1	Sing	Bdship	Cont Sing
Markovo	18/1	Long	PSL	Bcic

Tanker due

Kadriah-ii	17/1	Sing	ECNL	Naphtha
Gulf Ahmadi	17/1	Kuwa	MSTPL	HSD/Ms-
Victory Prima	20/1	Sing	Ustme	CPO(RmB)
Southern Orchis	20/1	Viza	Jardine	L. Oil(DOJ/7)-
Pacific Crystal	22/1	Kuwa	MSTPL	HSD/JP-1

Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Outside Port Limit:				
Wira Keris	--	--	IBSA	R/A (4/1)
Pacific Champion	Pro. Equip	--	IBSA	R/A (12/1)
Sea Drill-6	Pro. Equip	--	IBSA	8/1
Gulf Drill-9	Pro. Equip	--	IBSA	3/1
Cs Topper	--	--	IBSA	R/A (11/1)
Pacific Steel	--	--	IBSA	R/A (16/1)
Zenovia	Wheat(P)	Novo	Mutual	12/1
Spar Cetus	Raw Sugar	Sing	Rainbow	14/1
Simba	Crude Oil	Jebel	Uniglobal	1/1
Barang Jyoti	C. Oil	--	HSC	R/A (16/1)
Sarim	C. Clink	Mala	Litmond	16/1

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

STOCK

Hyundai union agrees to end strike

AP, Seoul

Hyundai Motor Co.'s union decided to end a strike Wednesday after the company agreed to pay full bonus payments, officials said, resolving one of the latest obstacles facing South Korea's largest automaker.

Hyundai agreed to pay the remainder of an agreed bonus of 1 1/2 months, but only after workers meet production goals to make up for losses incurred from strikes last year and the latest walkouts, according to a deal signed between company and union officials.

Union spokesman Song Hi-sok said the employees will end the partial strikes that began Monday and return to work immediately Wednesday night.

Local Market

FX: Local inter-bank FX market was active on Wednesday. The demand for USD remained stable and there was a steady volume of cross currency transactions. The USD remained unchanged against Bangladeshi taka.

Money Market

Money market was active on Wednesday. Call money rate remained

unchanged and ranged between 6.50 and 7.00 percent.

International Market

The yen slid to a 13-month low against the dollar on Wednesday as an array of media reports said the Bank of Japan was likely to hold interest rates steady this week, dousing widespread expectations for an increase. The euro held steady against the dollar.