

Star BUSINESS

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US economy suddenly appears vulnerable

AFP, Washington

at a sluggish pace, in line with Federal Reserve forecasts.

But some say the picture is more shaky than it appeared a few weeks ago. And many are renewing forecasts for interest rate cuts by the Federal Reserve sometime this year to help pick up the pace of economic activity.

Manufacturing has been sluggish, highlighted by the 7.8 percent drop in durable goods orders last month.

And some say the US has yet to see the full effect of the housing downturn, reflected in the 19.1 percent slide in residential investment in the fourth quarter.

The end of the real estate boom has resulted in high failure rates among risky or "subprime" mortgages, given to borrowers with below-average credit ratings.

and some say this crisis could spill over.

"We are seeing cracks in this easy-money-now-not-so-easy environment," said Andrew Busch, analyst at BMO Nesbitt Burns.

He said 20 subprime lenders "have either shut down or been forced to shut down" and more failures are expected. While most major banks are not in the sector, a wave of failures could spread throughout the financial system, some warn.

Stephen Gallagher, economist at Societe Generale in New York, said the sub-prime lending pullback "is a mini crisis that raises questions about complacency in general."

"It has become a case of extreme illiquidity that tends to shake out weaker hands," he said.

Another concern is the rise in the Japanese yen, which could hurt the so-called "carry trade" that provides liquidity to the US and other markets.

These concerns have whipsawed global equity markets, which saw one of the worst weeks in years, sparked by a nine percent plunge in Shanghai's stock market on Tuesday.

"Hedge funds borrow yen at very low interest rates to fund US investments. When the yen strengthens, it makes the repayment of those loans more expensive," said Dick Green, analyst at Briefing.com.

"So, perhaps a rising yen will force some hedge funds to sell stocks to cover exchange rate losses. Perhaps."



PHOTO: PRAGATI LIFE INS.

Pragati Life Insurance Ltd introduced push-pull service to its policyholders. Chairman of the company Syed M Altaf Hussain inaugurated the service in Dhaka recently. Among others, Managing Director and Actuary M Shefaque Ahmed, Pragati Insurance Ltd Chairman Khalilur Rahman and Prime Bank Chairman Imam Anwar Hossain were also present.



PHOTO: RANGS

Rangs Electronics Ltd recently launched a sales campaign styled 'Googly Offer' ahead of the ICC Cricket World Cup 2007. Akbar Hussain, chairman and managing director of Rangs Group of Companies, Haruhito Tanigawa, managing director of ARM, Sony Singapore, and Trevor McDonald, general manager of Dhaka Sheraton Hotel, were present during the formal opening of the campaign.

CURRENCY

Following is Sunday's (March 4, 2007) forex trading statement by Standard Chartered Bank.

Major currency exchange rates		Exchange rate of some currencies		
BC Sell	TT Buy	Per USD	BDT per Currency	
US dollar	69.40	68.05		
Euro	93.20	88.25	Indian rupee	44.11 1.66
Pound	136.38	130.60	Pak rupee	60.71 1.13
Australian dollar	55.42	52.16	Lankan rupee	108.85 0.63
Japanese yen	0.61	0.58	Thai baht	33.63 2.04
Swiss franc	57.53	55.40	Malaysian ringgit	3.51 19.60
Swedish kroner	9.84	9.10	USD forward rate against BDT	
Canadian dollar	59.49	57.25	Buy	Sell
Hong Kong dollar	8.89	8.70		
Singapore dollar	45.97	44.37	1M	68.15 69.50
UAE dirham	19.05	18.38	2M	68.27 69.62
Saudi riyal	18.66	18.01	3M	68.42 69.80
Danish kroner	12.85	11.54	6M	68.62 70.40
Kuwaiti dinar	236.65	233.73		

Chittagong Port

Berthing position and performance of vessels as on 4/3/2007

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/2	Bangler Maya	Gl(S. Ash)	P. Band	BSC	21/2	7/3	342
J/3	Shwe Thara Phu	Gl(Y. Ma)	Yang	TCL	23/2	8/3	—
J/4	Xiang Jiang(Liner)	Gl	Para	Cosco	23/	7/3	20/37
J/6	Cape Bonavista	Cont	P. Kel	Bdship	23/2	5/3	1
J/8	Kota Cahaya	Cont	Sing	Pil(Bd)	23/2	5/3	68
J/10	OEL Freedom	Cont	Ptp	PSSL	R/A	5/3	—
J/11	Mare Hibernum	Cont	P. Kel	Seacon	26/2	7/3	68
J/12	Phoenix	Cont	Col	PSSL	26/3	6/3	161
J/13	Kissama	Cont	P. Kel	Vega	26/2	6/3	91
CCT/1	Ja Vesga	Cont	Sing	Vega	25/2	4/3	—
CCT/3	Yong You-8	Cont	Hald	Seacon	26/2	—	144

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Eagle Progress 5/3	P.Kel	Everbest	Cont	Sing	
Tina	4/3	Basu	Litmond	Urea(BCIC)	—
Protec	4/3	—	OLM	C. Clink	—
Moha Anosha	4/3	Krabi	Move	Gypsum	—
Csav California 5/3	Col	PSSL	Cont	Sing	
Martha Russ	4/3	Pkl	QCSL	Cont	Sing
Hoang Son	5/3	Viza	PML	Gl (Log)	—
Sea Master One	5/3	Sing	PML	Cont	Sing
Banga Borat	6/3	Sing	Bdship	Cont	Sing
Cresta Blue	6/3	Visa	HASI	G(SLC)	—
Eshan	6/3	Sing	CEL	Cont	Sing
Coastal Express	5/3	Chenn	Bsca	Cont	L/Viza

Tanker due

Al Sabiyah	5/3	Kuwa	MSTPL	HSD
Rose	5/3	Jebel	Uniglobal	Crude Oil
Global Pallas	5/3	Indo	ESL	CPO(RM4)

Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival

Outside port limit

Sea Drill-6 (Rig)	Pro. Equip	—	Ibsa	8/1
Gulf Dril-9 (Barge)	Pro. Equip	—	Ibsa	3/1
Pacific Steel	P. Equip	—	Ibsa	R/A (14/2)
Wira Keris	—	—	Ibsa	R/A(21/2)

Vessels at outer anchorage

Vessels ready

Pacific Express	Cont	Sing	Pil(Bd)	22/2
Precious River	Cont	Sing	Vega	22/2
Rio Lawrence	Cont	Ptp	QCSL	25/2
Zhe Hai-315	Cont	Sing	PML	27/2
Kota Petani	Cont	Sing	Pil(Bd)	27/2
Gao Cheng	Cont	Sing	PML	28/2
Phu Tan	Cont	Sing	PSSL	28/2
Banglar Shikha	Cont	P. Kel	BSC	1/3

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

STOCK