

Star BUSINESS

E-mail: business@thedadlystar.net

Markets plunge across Asia

AP, Tokyo

Markets in Asia and Europe fell again Monday, extending their slide into a second week as investors worried about a possible global slowdown dumped stocks that had surged in recent weeks.

Also sparking jitters was the yen's jump to a three-month high against the dollar as investors reversed so-called yen-carry trades. A decline in this trading practice, which involves borrowing money at Japan's ultra-low interest rates to invest in higher-yielding assets elsewhere, could hurt global liquidity.

In Tokyo, the Nikkei 225 index fell for a fifth day, tumbling 575.68 points, or 3.34 percent, to 16,642.25 points, dragged down by major exporters such as Canon Inc., Sony Corp. and Toyota Motor Corp., whose earnings are eroded by a stronger yen. Since reaching a nearly seven-year high last Monday, the Nikkei index has slid 8.64 percent.

Markets in Hong Kong,

Australia, the Philippines, Malaysia, India and South Korea all fell sharply Monday, continuing their declines from last week, when a 9 percent plunge in Chinese stocks on Tuesday triggered cascading sell-offs on Wall Street and other global markets.

European markets also opened lower Monday, with Britain's benchmark FTSE 100 down 1.5 percent in early trading. France's CAC 40 sliding 1.8 percent and Germany's DAX sinking 2.1 percent.

"I don't know where the domino effect will stop," said Jose Vistian, research director at AB Capital Securities in Manila, Philippines, where the benchmark index sank 4.5 percent. "Emotions are the ones driving share prices right now."

"Everything takes a back seat relative to the sell-off that we are seeing. It's emotions," Vistian said. "You throw away technicals and fundamentals out the window. Emotions are the ones driving share prices right now."

Hong Kong's Hang Seng index

tumbled 4 percent to its lowest since mid-December. Australia's stock market, which had hit records last month fell for a fifth day, sinking 2.3 percent. South Korea's benchmark index dropped 2.7 percent and Indian stocks fell 4.2 percent.

Investors still seemed risk-averse after the previous week's turmoil.

"When there's such a big market move in such a short period of time, there's that element of surprise and confusion," said Teruhisa Ishikawa, section chief for investors information at Mizuho Investors Securities Co.

Funds and institutional investors tend to go on a selling binge to trim losses in reaction to such market moves, he said, adding that what was ahead was still unclear.

In China, the Shanghai Composite index fell a more modest 1.6 percent, but foreign-currency denominated "B" shares tumbled after officials denied rumors those stocks might be merged with the mainstream Chinese-currency "A" shares.

Paulson back in Asia amid market turmoil

AP, Tokyo

US Treasury Secretary Henry Paulson arrived in Japan Monday on the first leg of an Asian tour overshadowed by the recent turmoil on global financial markets.

It is Paulson's third official trip to Asia since the former Goldman Sachs chief executive became the top US economic pointman last July, and his first to Japan where he started his visit with a call on Prime Minister Shinzo Abe.

"We talked about the economy and economic reform," the US Treasury chief told reporters as he emerged from Abe's official residence, before heading off for dinner with Finance Minister Koji Omi.

Although Paulson's visit has been planned for some time, it has been given added impetus following recent volatility on world markets, with the dollar falling to a near three-month low against the yen Monday.

US, Japan not worried about stock falls

AP, Tokyo

Japan and the United States are not concerned about the recent sharp falls on global markets as the economic fundamentals remain strong, Japanese Finance Minister Koji Omi said Monday.

Omi spoke after dinner with US Treasury Secretary Henry Paulson, who was visiting the same day the benchmark Nikkei index slumped 3.34 percent, its fifth straight losing session.

"I am not concerned about it because market mechanisms are functioning," Omi told reporters.

"We agreed that the economic fundamentals are strong in Japan and the United States," Omi said.



PHOTO: BEPZA
Md Farhad Uddin, member (Investment Promotion) of Bangladesh Export Processing Zones Authority (Bepza), and Aruna Perera, deputy general manager of Kenpark (BD) Ltd, a British-Sri Lankan joint venture garment manufacturing company, exchange documents after signing a lease agreement on Thursday in Dhaka. Under the deal, the company will expand its production space in Chittagong EPZ with an investment of \$5.5 million. Ashraf Abdullah Yussuf, Bepza executive chairman, was also present.



PHOTO: DELTA LIFE INSURANCE
An extra-ordinary general meeting of Delta Life Insurance Company Ltd was held on Wednesday in Dhaka. Chairman of the company Syed Moazzem Hussain presided over the meeting, which adopted a resolution to increase the authorised capital of the company from Tk 5 crore to Tk 30 crore.

CURRENCY

Following is yesterday's (March 05, 2007) forex rate 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	92.57	87.89	Indian rupee	44.12	1.56
Pound	135.34	129.55	Pak rupee	60.71	1.13
Australian dollar	55.28	51.46	Lankan rupee	108.85	0.63
Japanese yen	0.61	0.58	Thai baht	33.20	2.07
Swiss franc	57.91	54.74	Malaysian ringgit	3.52	19.54
Swedish kroner	10.23	9.23	USD forward rate against BDT		
Canadian dollar	59.96	57.25			
Hong Kong dollar	8.90	8.69	Buy	Sell	
Singapore dollar	46.52	44.45	1M	68.15	69.52
UAE dirham	19.06	18.38	2M	68.27	69.73
Saudi riyal	18.65	18.00	3M	68.42	69.95
Danish kroner	12.80	11.50	6M	68.88	70.39
Kuwaiti dinar	236.60	233.72			

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 5/03/2007

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import Disch
J1	Yong You-8	Repairing	Hald	Seacon	26/2	7/3	
J2	Banglar Maya	G(I.S. Ash)	P Band	Bsc	21/2	7/3	234342
J3	Shwe Thara Phu	G(Y. Ma)	Yang	Tel	23/2	8/3	2248
J4	Xiang Jiang(Liner)	Gl	Para	Cosco	2/3	7/3	
J6	Cape Bonavista	Cont	P. Kel	Bdship	23/2	5/3	
J10	Oel Freedom	Cont	—	Pssi	R/A	5/3	
J11	Mare Hibernum	Cont	P. Kel	Seacon	26/2	8/3	192
J12	Phoenix	Cont	Col	Pssi	26/3	6/3	99
J13	Kissama	Cont	P. Kel	Vega	26/2	7/3	108

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
Protec	7/3	—	Olm	C. Clink	—
Moha Ansha	5/3	Krabi	Move	Gypsum	—
Hoang Son	7/3	Viza	Pml	Gl (Log)	—
Sea Master One	5/3	Sing	Pml	Cont	Sing
Coastal Express	5/3	Chenn	Bsc	Cont	L/viza
Santa Sunia	5/3	Kant	Anc	C. Clink	—
Sea Light	5/3	—	Total	Wheat	—
Banga Bodor	6/3	P.Kel	Bardhi	Cont	P.Kel
Cresta Blue	6/3	Sing	Bdship	Cont	Sing
Esham	6/3	Visa	Hsl	Gl(Stc)	—
CS Helena	7/3	Sing	Cel	Cont	Sing
Mir Damad	6/3	Kol	Pssi	Cont	Sing
			Bsc	Cont	L/viza

Tanker due

Al Sabiyah	5/3	Kuwa	Mstpl	Hsd
Rose	5/3	Jebel	Uniglobal	Crude Oil
Global Pallas	6/3	Indo	Esl	Cpo(RM/4)
Borak	5/3	Hald	Fsa	Bitumen(RM/3)

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 Drill-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	Pili(Bd)	22/2
Rio Lawrence	Cont	Ptp	Qsl	25/2
Kota Petani	Cont	Sing	Pili(Bd)	27/2
Gao Cheng	Cont	Sing	Pml	28/2
Phu Tai	Cont	Sing	Pssi	28/2
Bangla Shikha	Cont	P. Kel	Bsc	1/3
Banga Bijoy	Cont	Col	Bardhi	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