

Currency issues to dominate G7 finance meeting

AFP, Paris

Currency issues, particularly the falling value of the Japanese yen and the level of the Chinese yuan, are expected to dominate a meeting of G7 finance ministers in Washington on Friday.

The yen fell to its lowest value ever against the euro on Wednesday at 160.16 yen after the Bank of Japan kept opted to keep its key interest rates unchanged at 0.5 percent on Tuesday.

The weakening Japanese currency is causing consternation in European capitals, where finance chiefs are worried that the yen-euro exchange rate is penalising eurozone exporters.

The issue of the "carry trade," one of the reasons for the yen weakness, figured at the last meeting of the Group of Seven finance chiefs in Essen, Germany in early February.

The "carry trade" is based on the low level of Japanese interest rates, which encourages investors to borrow money cheaply in Japan and then invest in higher-yielding currencies such as the euro.

Japanese rates are currently at

0.50 percent compared with 3.75 percent in the eurozone and 5.25 percent in the United States.

Investors will wait for the final communique from the G7 ministers on Friday to see whether any reference is made to the "carry trade" or the level of the Japanese currency.

Japanese Finance Minister Koji Omi said last Friday that finance chiefs were likely to discuss currencies at their meeting but would not focus on the weakness of the yen.

"Discussion on exchange rates is likely to include the yen, the dollar, the euro and the yuan," he said.

But talks "will not particularly focus on the yen."

For Julian Jessop, an analyst with Capital Economics, whether the G7 mentions the yen or the "carry trade" is immaterial, reflecting a view that the forum has little influence over the foreign exchange market.

"G7 comments will not make any difference, especially as they are not backed by any hard action," he said.

Analysts remain divided as to whether the ministers will speak out about the yen's weakness.

"The Bank of Japan has at least

raised interest rates (last July and again in February) so I think this time it will be difficult for EU officials to ask the BoJ to raise one more time," Dresdner Bank strategist Kazuhiko Shibata said.

The United States is expected to drive efforts for comments on the Chinese yuan to be included in the final communique.

Even though a policy of pegging the yuan against the dollar was abandoned by Beijing in July 2005, the US continues to maintain that the Chinese currency is artificially undervalued, contributing to the imbalance of trade between the countries.

At the February meeting in Germany, the statement from ministers called explicitly on China to allow the yuan to appreciate.

The International Monetary Fund, which holds its bi-annual meeting with the World Bank in Washington this weekend, is also expected to call on more flexibility for the yuan in its economic outlook report published later Wednesday.

China will not take part in the meeting of finance ministers, a spokesman for the finance ministry said here Tuesday.

The Asian giant is not a member

of the G7, which groups Britain, Canada, France, Germany, Italy, Japan and the United States, but has frequently taken part in some of the discussions during the G7 sessions in the past.

Germany, which is chairing the G8, the G7 with Russia, is also expected to push its agenda for greater development of the bond market in developing countries and tighter regulation of hedge funds.

However, German efforts are likely to be undermined by the absence of Finance Minister Peer Steinbrueck who will be on holiday with his family in Namibia.

Steinbrueck, who has come under fire for his decision, is sending his number two in the finance ministry, Thomas Mirow, the finance ministry confirmed on Tuesday.

Hedge fund representatives were also expected to meet with deputy finance ministers at the G7 meeting to discuss ways to increase the transparency of the industry, the Financial Times reported on Wednesday.



PHOTO: TRIUNE (PTE) LTD

A M Mosaddique Ahmed, director (Marketing and Sales) of Biman Bangladesh Airlines, and Kazi Wahidul Alam, editor of The Bangladesh Monitor and chairman of Dhaka Travel Mart 2007, sign a memorandum of understanding (MoU) in Dhaka recently. Under the MoU, Biman has become premium partner and official carrier of the event. Dr M A Momen, managing director of Biman, was also present.



PHOTO: DHAKA BANK

Participants in a Dhaka Bank workshop on 'SME Lending' are seen with senior officials and resource personnel. Deputy Managing Director Mohammad Abu Musa and World Bank Consultant Michael Kortenbusch are also seen.



PHOTO: BANGLALINK

Mobile operator Banglalink recently opened a Banglalink Point at Royal Mor in Khulna to provide the region's customers with a better service. Banglalink regional team and local distributors are seen at the inauguration.

Citigroup to cut 17,000 jobs

AFP, New York

Global banking giant Citigroup will cut some 17,000 jobs as part of a major overhaul of its operations, the company announced on Wednesday.

The company, under pressure from leading shareholders to reduce costs, said the move was the result of a comprehensive review of expenses over three months.

"As a result of the structural changes identified in the review, Citi will eliminate approximately 17,000 positions," the company said in a statement.

It also said that more than 9,500 jobs will be transferred to "lower-cost locations" in the United States and abroad.

CURRENCY

Following is Wednesday's (April 11, 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	69.05	68.05	Indian rupee	42.62 1.61
Euro	94.10	89.86	Pak rupee	61.07 1.12
Pound	138.06	132.90	Lankan rupee	109.40 0.63
Australian dollar	58.34	54.74	Thai baht	34.98 1.96
Japanese yen	0.59	0.57	Malaysian ringgit	3.45 19.88
Swiss franc	57.67	54.79		
Swedish kronor	10.47	9.46		
Canadian dollar	61.25	58.72		
Hong Kong dollar	8.86	8.69		
Singapore dollar	46.54	44.69		
UAE dirham	18.96	18.38		
Saudi riyal	18.56	18.00		
Danish kroner	13.02	11.73		
Kuwaiti dinar	235.42	233.76		
* All currencies are quoted against BDT				
* Rates may vary based on nature of transaction				

USD forward rate against BDT		
	Buy	Sell
1M	68.14	69.16
2M	68.27	69.38
3M	68.42	69.60
6M	68.86	70.32
* The forward rates are indicative only and fixed dated.		

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 11/4/2007.

Berth No.	Name of Vessels	Cargo	L. Port call	Local agent	Dt of Arrival	Leaving	Import Disch.
J/3	Asrar-a-mostafa	Rice(p)	Kaki	Cla	01/4	13/4	712
J/4	Ju Yong Guan	Gl	S. Hai	Cosco	07/4	14/4	2059
J/6	Dolphin-II	Gl(St. Bll)	Viza	Sunshine	08/4	12/4	1935
J/7	Keng Tung	Gl	Yang	Everett	10/4	12/4	642
J/8	Oel Freedom	Cont	Sing	PSSL	09/4	14/4	256
J/9	Pacific Express	Cont	Sing	Pil(Bd)	04/4	12/4	71
J/10	Pac Aquila	Cont	Sing	Seacon	06/4	12/4	64
J/11	Martha Russ	Cont	Sing	QCSL	07/4	12/4	188
J/12	Kissama	Cont	P. Kel	Vega	06/4	12/4	102
CCT/1	Banga Biraj	Cont	Sing	Bdship	07/4	13/04	--
CCT/2	Cape Henry	Cont	Sing	APL	10/4	13/04	--

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Banga Bodor	11/4	Pkel	Baridhi	Cont	Sing
Amer	11/4	Sing	CEL	Cont	Sing
Atom	11/4	Vladi	Intraport	Scraping	--
Ikal	12/4	Damm	Litmond	Urea(Bcic)	--
Gao Cheng	12/4	Sing	PML	Cont	Sing
Rhoneborg	12/4	Ptp	QCSL	Cont	Sing
Cenk Kaptanoglu	12/4	P. Said	MBL	Mop (Badc)	--
Surplus	13/4	Ruwa	ASA	Urea(Bcic)	--
Precious River	12/4	Bangkok	Vega	Cont	Sing
Zhe Hai-315	12/4	Sing	PML	Cont	Sing
Mir Damad	12/4	Chenn	BSC	Cont	Kol
Csaw California	12/4	Chnn	PSSL	Cont	Col
Banga Bijoy	13/4	Col	Baridhi	Cont	Cbo
Tug Century Star-1	13/4	Viza	Mutual	Towing Barge:	Star-3002
Barge Star-3002	13/4	Viza	Mutual	Gl(St. Bll)	--
Oel Excellence	13/4	Mong	PSSL	Cont	L/Sing

Tanker due

Vernal Grace	11/4	Belwa	Rainbow	CPQ(RM/3)
Starling	13/4	Dumai	SNCL	CPQ(RM/4)
Al Deerah	16/4	Kuwa	MSTPL	--

Vessels at Kutubdia

Name of vessels	cargo	Last Port Call	Local agent	Date of arrival
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Vessels at outer anchorage

Vessels ready:

Pac Palawan	Cont	Pasi	CEL	10/4
Banglar Shikha	Cont	Sing	BSC	11/4
Bunga Mas-II	Cont	Sing	Pil(Bd)	08/4

Vessels not ready:

Odigitria	Wheat(p)	Novo	Mutual	06/4
Hiona	R. Sugar	Kosi	Park	06/4
Theodor	G. Slag	Viza	Saraf	07/4
Al Kuwaitiah	HSD	Kuwa	MSTPL	10/4

Vessels awaiting employment /instruction:

B. Sea	Ballast	Kaki	B. Enterprise	16/03
Borak	--	--	FSA	R/A (03/04)

Vessels not entering:

Hong Yun	Urea(Bcic)	Basu	Litmond	163
Prashva	C. Clink	Koshi	ANCL	044
F. Jahan	C. Clink	Zhou	BRSL	054
Natzutec	C. Clink	Kant	ANCL	084
Titan Mars	Scraping	Tanj	BRSL	084

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

STOCK