

China urges US Congress to back down from trade bill

AFP, Beijing

China urged the US Congress on Thursday to back away from a planned bill that could lead to tariffs on its exports, while pledging further reforms that would address concerns about an undervalued yuan.

High-powered US Senators on Wednesday unveiled a tough new attempt to punish China and other countries with "misaligned" currencies, but Chinese foreign ministry spokesman Qin Gang insisted such tactics would hurt trade ties.

"We hope the US Congress can view the importance of healthy Sino-US economic and trade relations from a strategic perspective and properly handle frictions... by not trying to solve the issues with pressure," Qin said.

"China has adopted a managed floating RMB (yuan) exchange rate regime and we have already begun reforms of the RMB exchange regime. The reform is ongoing."

"We hope that US side can recognise this in an objective manner."

Premier Wen Jiabao also said in comments published on Thursday that monetary policies would be "moderately tightened".

The bill was unveiled after the US Treasury released a semi-annual

report that stopped short of branding China a "currency manipulator", much to the disgust of some of the legislation's proponents.

However the report said China's tightly controlled exchange rates had led to a variety of economic problems including a massive build-up in currency reserves that posed global risks.

Qin on Thursday refused to address Washington's decision not to brand China a currency manipulator or the criticisms in the report. When asked about the Treasury report, he referred only to China's policies on the yuan.

He also declined to turn up the temperature on prospects of "tit-for-tat" measures if the congressional bill passes and China is slapped with sanctions, after saying on Tuesday that Beijing "would respond in kind" to such measures.

"I already elaborated on our position earlier this week," Qin said.

Critics of the Chinese monetary policy in Washington argue the yuan is undervalued by as much as 40 percent, making Chinese exports unfairly cheap.

They argue that the low currency value is responsible for the loss of millions of US manufacturing jobs and a US trade deficit with China that hit 232.5 billion dollars last year,

according to Washington's figures. But China has repeatedly insisted it will not be bullied into any drastic changes in its monetary policy that could have an adverse impact on its domestic economy.

China manages its currency against a basket of currencies. But it maintains that, after ending the yuan's peg to the US dollar in 2005, its currency has appreciated at a steady pace.

The value of the yuan hit a record high of 7.6258 to the US dollar on Thursday, up 0.69 percent from Monday's rate of 7.6785 to the dollar.

China's official Xinhua news agency highlighted that the yuan had now appreciated by more than 7.5 percent since the peg was removed in July 2005.

However critics in Washington were given further ammunition this week when China released data showing its trade surplus had surged nearly 73 percent in May from a year earlier to 22.45 billion dollars.

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It expressed concern over the proposed increases in customs duties on industrial raw materials, saying the duty structure would threaten local industries and encourage imports.

BUDGET REACTION Int'l Business Forum demands policy supports for social, services sectors

International Business Forum of Bangladesh has demanded additional allocations and policy supports for developing social and services sectors to achieve the projected 7 percent growth, which it says is achievable.

International Business Forum also suggests reduction in duties on import of hospital and medical equipment to help the health services improve and check influx of people seeking healthcare abroad, says a press release.

In its reaction to the proposed budget for 2007-08, the forum said the government needs to have a long-term plan to encourage investment in the tourism sector, which offers tremendous potential.

"As an alternative, the government can immediately identify the potential tourist spots and outsource those in private sector through BOT agreement," the forum said in a statement, signed by its President Mahmudul Islam Chowdhury.

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PHOTO: UNION CAPITAL
Union Capital Ltd conducted the lottery for allotment of public shares on Tuesday in the capital. The company offered 75 lakh shares worth Tk 10 each through IPO. Senior officials of the company were also present.



PHOTO: ICB ASSET MANAGEMENT
Dina Ahsan, chief executive officer of ICB Asset Management Company Ltd (ICB AMCL), and Mohammed Habibus Samad, managing director and CEO of Central Depository Bangladesh Ltd, sign an agreement in Dhaka recently. The agreement will facilitate automated trading activities of ICB AMCL First Mutual Fund, scheduled to start simultaneously on both the bourses from next week.

CURRENCY

Following is Thursday's (June 14, 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	40.88 1.68
Euro	93.46	89.09	Pak rupee	60.60 1.13
Pound	137.43	132.56	Lankan rupee	110.95 0.62
Australian dollar	59.24	55.64	Thai baht	34.66 1.98
Japanese yen	0.58	0.55	Swedish kroner	9.25
Swiss franc	56.42	53.43	Canadian dollar	65.91 63.04
Swedish kroner	10.36	9.25	Hong Kong dollar	8.86 8.69
Canadian dollar	65.91	63.04	Singapore dollar	45.82 44.02
Hong Kong dollar	8.86	8.69	UAE dirham	18.95 18.38
Singapore dollar	45.82	44.02	Saudi riyal	18.56 18.00
UAE dirham	18.95	18.38	Danish kroner	12.92 11.65
Saudi riyal	18.56	18.00	Kuwaiti dinar	236.35 234.59
Danish kroner	12.92	11.65		
Kuwaiti dinar	236.35	234.59		

*All currencies are quoted against BDT

* Rates may vary based on nature of transaction

* The forward rates are indicative only and fixed dated.

Local Market

FX: Local inter-bank FX market was active on Thursday as the banks prepared to close for the weekend. The demand for USD was stable, and the volume of cross currency transactions remained steady. The USD remained almost

unchanged against the Bangladeshi Taka.

Money Market

Money market was active on Thursday. Call money rates fell slightly and most of the deals ranged between 6.60-6.75 percent compared to 7.00-7.50 per cent the previous day.

Signing Ceremony



PHOTO: CONCORD COMMUNICATION

Mobile phone operator Grameenphone Ltd and Ananda Bhuban, an amusement park of Concord Entertainment Company Ltd, recently entered into an agreement under which Grameenphone subscribers will get various promotional facilities at the amusement park, and both the sides will jointly organise different types of cultural programmes. Sajjad Alam, head of Chittagong Division of Grameenphone, and Shahriar Kamal, deputy managing director of Concord Group, signed the deal at a function.

STOCK



SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 14/6/2007

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt Of arrival	Leaving	Import disch
J/2	Jin Cheng (liner)	Gr	Inch	Cosco	30/5	16/6	1957
J/4	Asraf-e-mostafa	Rice(p)	Kaki	Cla	8/6	17/6	1229
J/6	Hansa London	Cont	Sing	Psl	13/6	17/6	165
J/7	Ju Yong Guan	Gr	Chin	Cosco	10/6	19/6	1739
J/8	Hun Jiang (liner)	Gr	Ping	Cosco	12/6	24/6	862
J/9	Cap Bonavista	Cont	P. Kel	Bdship	12/6	17/6	229
J/10	Csav California	Cont	P. Kel	Psl	10/6	14/6	-
J/12	Wisdom	Cont	Sing	Ap	10/6	14/6	-
J/13	Oel Freedom	Cont	P. Kel	Psl	9/6	14/6	72
CCT/1+2	Eagle Pioneer	Cont	Sing	Ct	11/6	16/6	-
CCT/3+2	Rhonborg	Cont	P. Kel	Qsl	10/6	14/6	--

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Martha Russ	14/6	Sin	Qsl	Cont	Sing
Banga Biraj	14/6	Sing	Bdship	Cont	Sing
Xpress Manaslu	15/6	Col	Seacon	Cont	Col
Bangler Mookh	18/6	Yang	Pml	Gil(log)	71777 Pcs
Liban Car	15/6	Sing	Nyk	Vehi	-
Bogasary Empat	15/6	Indo	Jaycee	C. Clink	-
Orchid Sky	15/6	Para	Rainbow	R. Sugar	15000 Wt
Dong Phong	16/6	Sing	Jf	Gil(hc)	1100 Paper
Unity-1	16/6	Chin	Sunmon	C. Clink	-
Ioannis K	15/6	Can	Mutual	Wheat	--
Arya Payam	16/6	Braz	Usl	R. Sugar	--
Eagle Progress	17/6	Pki	Everbest	Cont	Sing
Eagle Prestige	17/6	Pki	Qsl	Cont	Sing
Josco View	17/6	P.kel	Rsl	Cont	Sing
Kota Rukun	18/6	Sing	Pil(bd)	Cont	Sing/mgl

Tanker due

Jag Viraj	14/6	Viza	Mbl	Ammonia	K/a
Vernal Grace	15/6	Pada	Rainbow	Cpo(m/3)	--
Overseas Primar	15/6	-	Psl	Hsd	Doj/6
Pacific Sound	17/6	Dumai	Esl	Cpo(m/3)	--
Al Deerah	17/6	Kuwa	Mstpl	Hsd/jp-	--
Khadijah	19/6	Bewl	Mtl	Cpo(m/8/3)	--
Tabtim	19/6	Indo	Jnship	Cpo(m/3)	--

Vessels at Kutubdia

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

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