

China to curb speculative capital inflows, curtail export fraud

AFP, Beijing

China said Tuesday that it was set to tighten the monitoring of speculative capital inflows and the crackdown on fraudulent export transactions that disguise the movement of speculative funds.

The State Administration of Foreign Exchange, an arm of the central bank, said in a statement on its website that it has found "some problems" in commercial banks' foreign exchange dealings.

"Problems in the authenticity investigation of transactions involving foreign exchange have enabled speculative funds to enter China's stock and properties market, and thus affect China's marcoeconomic conditions," it said.

"Commercial banks themselves have sometimes not complied with procedures in dealing with foreign exchange transactions... and some data submitted by banks are not up to the regulator's requirements," said the administration.

In 2006, the administration punished 19 domestic and 10

foreign banks for similar violations, it added.

Last week the banking regulator reprimanded and fined eight domestic banks for lending 3.14 billion yuan (410 million dollars) to two state-run enterprises that illegally invested the funds in land and stocks.

CHINA TO REVIVE TROUBLED TRUST SECTOR

Another report adds: China is to revive several trust and investment corporations after hundreds of the government-run companies ran into difficulties during the 1990s Asian financial crisis, state press said Tuesday.

The China Banking Regulatory Commission will issue licenses to five surviving companies that have largely been unable to operate since the crisis a decade ago, the China Daily said.

Hundreds of "international trust and investment corporations" or "ITICs" existed in China prior to the crisis but currently only 55 survive, with most prevented from doing business due to regulations implemented following 1998, the newspa-

pers said.

The new licenses aim to reform the companies into providing "proper trust services offering more diverse financial instruments for corporate and individual clients," it said.

As of September 2006, China's trust firms managed combined assets of 317.8 billion yuan (41 billion dollars), the newspaper reported earlier.

Traditionally the trust firms have served as investment arms of local governments but the sector took a huge blow with the 1999 bankruptcy of Guangdong International Trust and Investment Corp. (GITIC), a reportedly three billion dollar crash that was at the time China's largest-ever bankruptcy.

After the crash of the Guangdong firm, the government realised that such companies were wracked with credit crises stemming from illegal trading and a lack of risk management, the China Daily said in an earlier report.

Wahaha to sue Danone for 5b euros

AFP, Shanghai

China's largest drink maker, Wahaha Group confirmed Tuesday it intends to sue its French partner Groupe Danone for up to five billion euros (6.7 billion dollars) for conducting illegal business.

"We will countersue Danone, asking for two to five billion euros in damages," the company said.

"We have reliable evidence of their violations and will pursue their illegal activities according to the law," read the statement first issued on Monday.

"Wahaha is confident that the facts will reflect its dutiful and faithful performance in its relationship with Danone over the past 11 years."

Hangzhou city-based Wahaha did not say when or where it would sue the French firm it has partnered with since 1996, but company spokesman Shan Qining on Tuesday acknowledged the plan, declining further comment.

A spokeswoman for Danone refused to comment.

Saudi Telecom to acquire 25pc stake in Maxis

AFP, Kuala Lumpur

State-owned Saudi Telecom will acquire a strategic 25 percent stake in Malaysia's Maxis Communications in a deal worth 3.05 billion dollars, the official Bernama news agency said Tuesday.

Saudi Telecom president Saud Al Daweesh said the investment "will enable us to achieve our stated objective of 10 percent of our revenue to be generated from external sources by 2010."

On completion of the agreement, Saudi Telecom will have a 25 percent effective interest in Maxis and a 51 percent direct stake in PT Natrindo Telepon Seluler (NTS), Maxis' subsidiary in Indonesia, Bernama said.

Saudi Telecom said its stake in Maxis would allow the Malaysian operator to negotiate more favourable terms with vendors and service providers and help create value for Binariang, which owns Maxis, and its shareholders.



PHOTO: COMMERCIAL BANK OF CEYLON

S Prabagar, chief operating officer of Commercial Bank of Ceylon Ltd, hands over the documents of 'Probriddhi', a new SME (small and medium enterprise) loan product of the bank, to the first customer of the loan of the bank's Sylhet branch at a launching ceremony recently. Other senior officials were also present.

CURRENCY

Following is Tuesday's (June 26, 2007) forex trading statement by Standard Chartered Bank						
Sell		CURRENCY	Buy			
TT/OD	BC		TT CLEAN	OD SIGHT DOC	OD TRANSFER	
69.3200	69.3500	USD	68.3500	68.3272		68.2817
94.8575	94.8985	EUR	90.3724	90.3422		90.2820
140.1928	140.2534	GBP	135.0733	135.0282		134.9382
60.1420	60.1681	AUD	56.5323	56.5134		56.4758
0.5740	0.5742	JPY	0.5499	0.5497		0.5493
57.4031	57.4280	CHF	54.3625	54.3444		54.3082
10.6957	10.7003	SEK	9.5300	9.5268		9.5205
65.8873	65.9158	CAD	63.0651	63.0441		63.0021
8.8925	8.8964	HKD	8.7286	8.7257		8.7198
46.1150	46.1349	SGD	44.3256	44.3108		44.2812
19.0283	19.0365	AED	18.4595	18.4533		18.4410
18.6284	18.6365	SAR	18.0811	18.0750		18.0630
13.1323	13.1380	DKK	11.8343	11.8303		11.8224
237.2082	237.3131	KWD	235.5189	235.4427		235.2904
Exchange rates of some currencies against US dollar						
Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor. kroner	NZ dollar	Malaysian ringgit
40.66	60.59	111.13	32.305	5.9464	0.7661	3.47
Local Interbank FX Trading						
Local interbank FX market was active on Tuesday. Demand for USD was steady.						
Local Money Market						
Money market was active on Tuesday. Call money was stable and most of the deals ranged between 6.50 and 6.60 percent.						
International Market						
The yen rose on Tuesday pulling away from multi-year lows versus the dollar and euro after Japanese, South Korean and New Zealand officials raised concerns about the low-yielding currency's recent weakness. The euro was flat on the day against USD, while the greenback gained 0.1 percent against Swiss franc.						
<i>This memorandum is issued by Standard Chartered Bank and is based on or derived from information generally available to the public from sources believed to be reliable. While all reasonable care has been taken in its preparation no responsibility or liability is accepted for errors of fact or any opinion expressed herein.</i>						



PHOTO: BATA SHOE COMPANY (BANGLADESH)

J Carbajal, managing director of Bata International Group West, and JD Hearn, managing director of Bata Bangladesh, pose for photographs with the participants in a two-day regional product development meeting of the Bata International Group of the Bata Shoe Organisation that began in Dhaka yesterday.

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 26/6/2007							
Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/2	Tay Son-4	Gi	Sing	Alseas	19/6	27/6	1664
J/3	Banglar Mookh	Gi(log)	Yang	Pml	16/6	29/6	1249
J/4	Banga Bodor	Cont	P. Kel	Baridhi	25/6	29/6	--
J/5	Lion Trader	R. Sugar	Bang	Litmond	12/6	27/6	--
J/6	Kota Ratna	Cont	Sing	Pil(bd)	23/6	26/6	4
J/8	Xiang Jiang	Gi	Dali	Cosco	26/6	30/6	--
J/9	Wisdom	Cont	Sing	Apl	24/6	28/6	340
J/10	Foel Freedom	Cont	Sing	Pssl	25/6	29/6	--
J/12	Pac Palawan	Cont	Sing	Cel	24/6	27/6	159
J/13	Pac Aquila	Cont	Sing	Seacon	26/6	29/6	--
CCT/1	Yongxing	Cont	Col	Pssl	21/6	--	--
CCT/3	Xpress Makalu	Cont	Col	Seacon	24/6	28/6	--

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Hpaan	26/6	Yang	Mta	Gi(log)	--
Banga Borak	28/6	Sing	Bdship	Cont	Sing
Mir Damad	27/6	Kol	Bsca	Cont	L/chenn
Eagle Pioneer	27/6	Sing	Ct	Cont	Sing
Martha Russ	27/6	Sing	Qcsl	Cont	Sing
Banga Bijoy	30/6	Cbo	Baridhi	Cont	Cbo
OEL Singapore	28/6	Sing	Pssl	Cont	Sing
Kota Cahaya	27/6	Sing	Pil(bd)	Cont	Sing
Vanguard	27/6	--	Sunmoon	C. Clink	--
Maritime Chiangmai	29/6	Tarj	Bsl	C. Clink	--
Csaw California	29/6	--	Pssl	Cont	Col
Dali	29/6	Col	Seacon	Cont	Col
Pacific Express	28/6	Sing	Pil(bd)	Cont	Sing
Pagan	28/6	Yang	Mta	Gi(log)	--
Josco View	28/6	Pkl	Rsl	Cont	Sing

Tanker due

United Dynamic	27/6	Jebel	Dsl	Crude Oil	--
Aetos	2/7	Sing	Rainbow	Cdso	Rm/

Vessels at Kutubdia

Name of vessels	Cargo call	Last Port	Local agent	Date of arrival
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Outside port limit

Lalis	Canola/r.s.	Cana	Litmond	22/6
Wira Keris	--	--	Ibsa	R/a (25/6)

Vessels at outer anchorage

Vessels ready

Cape Bonavista	Cont	P. Kel	Bdship	26/6
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Vessels not ready

NIL				
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Vessels awaiting employment / instruction

Banglar Kallol	Ballast	Ind	Bsc	13/6
Banglar Robi	--	--	Olm	R/a (17/6)

Vessels not entering

Sarim	C. Clink	Krabi	Litmond	13/6
Orchid Sky	R. Sugar	S. Afri	Rainbow	15/6
Unity-t	C. Clink	Chin	Sunmoon	17/6
Maria	Gypsum	Krabi	Saraf	17/6
Pan Express	C. Clink	Kohsi	Asil	19/6
Maris	C. Clink	Lumut	Litmond	19/6
Arya Payam	R. Sugar	Braz	Usl	20/6
Asian Star-1	C. Clink	Kohsi	Saraf	20/6
Pearl River	Wheat	Sing	Rainbow	21/6

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

STOCK