

China seeks to dampen US dollar rumors

AP, Beijing

China sought Sunday to dampen speculation it will conduct a massive sell-off of U.S. dollar holdings, with a central bank official saying the dollar remains a mainstay of its foreign exchange reserves.

In an interview carried by the government's Xinhua News Agency, an unnamed official with the People's Bank of China said U.S. dollars and government bonds are "an important part of China's foreign reserve investments."

China's \$1.3 trillion in foreign exchange reserves are the largest in the world and are believed to be comprised largely of dollar assets, potentially giving Beijing enormous sway over the dollar's value and currency markets worldwide.

A report in the British newspaper The Daily Telegraph this past week that quoted Chinese government economists as saying China would

dump its dollar holdings in the event of a trade war with Washington added to jitters in stock markets already unnerved by volatility in U.S. share markets.

Xinhua said the central banker's remarks were intended to counter unspecified reports in Western media that China "is threatening to carry out a sell-off of U.S. dollars."

The Xinhua report was prominently posted on the central government's main Web site, in a further sign Beijing hoped the statement would underscore its commitment to hold U.S. dollar assets and calm investors.

"China is a responsible investor in international financial markets, and our country's foreign exchange reserves are managed with the operational goals of safety, liquidity and profit," Xinhua quoted the central bank official as saying.

The People's Bank does not disclose the composition of the

foreign exchange reserves, which have swelled in recent years as China's exports surged and investors poured money into the country to profit from an economy now in its fourth straight year of double-digit growth.

But the reserves have become a political issue both within China and between Beijing and Washington. As the dollar has fallen in value, the People's Bank has come under pressure to diversify its holdings to maintain the value of the reserves and improve returns.

Washington has pointed to China's growing reserves as proof that the Chinese currency is undervalued, making Chinese exports cheap, putting American manufacturers at a disadvantage and compounding a hefty U.S. trade deficit. Several U.S. senators have renewed calls in recent weeks to punish Beijing if it does not let the currency, the yuan, rise in value.

Air travel in India set to be costlier

ANN/ THE STATESMAN

If the Indian airline industry has its way, low-cost carriers and super-low discount schemes will soon be a thing of the past. Air travel is going to be expensive with airlines from midnight tomorrow imposing increased fuel surcharge of 150 rupees (US\$3.7), which will take the total fuel surcharge to 1,100 rupees (\$27).

In fact Jet and Kingfisher Airlines are planning to hike prices and more private carriers are likely to follow suit. Jet Airways wants to raise fares by 10 per cent.

The air carriers claim they have already suffered losses to the tune of 2,000 crore last year, owing to high prices of crude oil - highest in the world market. Other airlines, including budget ones, could soon hike air fares as well.

The increase in surcharge is primarily to take care of the hike in the price of aviation turbine fuel (ATF), which was announced a few days ago. An airline official said an increase of between 600 rupees and 1,000 rupees is necessary for all carriers to become profitable.

Japan's growth seen slowing in second quarter

AFP, Tokyo

Japanese economic growth is expected to have slowed sharply in the second quarter of 2007, hit by slowing exports to the United States, analysts predict.

Still, the world's second-largest economy probably managed to grow for a 10th straight quarter as consumer spending and capital investment - the main domestic growth engines - remained relatively firm, they added.

The government is expected to report Monday that Japan's gross domestic product grew by 0.3 percent in the second quarter for an annualised rate of 1.0 percent, according to the average forecasts of 10 economists.

That would be sharply slower than the annualised rate of 5.4 percent in the final quarter of 2006 and 3.3 percent in the first quarter of 2007.

Half Yearly Managers' Conference of Central Insurance Company Ltd.



PHOTO: CENTRAL INSURANCE

The Half Yearly Branch Managers' Conference-2007 of Central Insurance Company Ltd was held in Dhaka on Saturday. Chairman of the company Md Nurun Newaz was present among others.



PHOTO: RANGS ELECTRONICS

Akter Hussain, chairman and managing director of Rang's Electronics Ltd, recently inaugurates the 4th raffle-draw on customers' opinion on quality of service.

CURRENCY

Following is Sunday's (August 12, 2007) forex trading statement by Standard Chartered Bank

Sell TT/OD	BC	CURRENCY	Buy		
			TT CLEAN	OD SIGHT DOC	OD TRANSFER
68.8700	68.9000	USD	67.9000	67.8774	67.8321
95.9703	96.0122	EUR	91.4953	91.4648	91.4038
140.8736	140.9350	GBP	135.7661	135.7208	135.6303
59.3177	59.3436	AUD	56.3095	56.2907	56.2532
0.5930	0.5932	JPY	0.5685	0.5683	0.5679
57.9567	57.9820	CHF	56.1018	56.0831	56.0457
10.1466	10.1510	SEK	9.4142	9.4111	9.4048
66.0624	66.0911	CAD	63.7858	63.7646	63.7220
8.8158	8.8197	HKD	8.6730	8.6701	8.6643
45.7790	45.7990	SGD	44.4255	44.4107	44.3811
18.9016	18.9099	AED	18.3365	18.3304	18.3181
18.5070	18.5150	SAR	17.9592	17.9532	17.9412
13.2726	13.2783	DKK	11.9439	11.9399	11.9320
241.0522	241.1593	KWD	239.0574	239.0574	239.0574

Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor. kroner	NZ dollar	Malaysian ringgit
40.475	60.43	111.93	31.300	5.8203	0.7461	3.48

SHIPPING

Chittagong Port

Berthing position and performance of vessels as on 12/8/2007

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/2	Maria	G. Slag	Viza	Saraf	2/8	11/8	1200
J/3	Banglar Urmi	GI(log)	--	PML	R/A	14/8	1245
J/4	Jim Cheng	GI	Inch	Cosco	11/8	16/8	1347
J/7	Fu Wen Shan	GI	Hald	Cosco	11/8	16/8	901
J/8	Santa Suria	C. Clink	Krabi	ASLL	5/8	15/8	2302
J/12	Oel Freedom	Cont	Sing	PSSL	10/8	13/8	276
RM/3	Concord-1	CDSO	Braz	USL	3/8	12/8	--
DOJ/6	Kunti	L. Oil	Indo	ECSL	11/8	14/8	--

Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Ja Vesta	12/8	Pkel	Vega	Cont	Sing
Jag Vikram	12/8	Kohsi	USL	C. Clink	--
An Qing Jiang(liner)	14/8	Para	Cosco	GI	--
Banga Borak	12/8	Pkel	Baridhi	Cont	P. Kel
Banga Bodor	12/8	Sing	Bdship	Cont	Sing
Eid-a-mostafa	12/8	Kaki	Cia	Rice(p)	--
Parshva	12/8	Lumut	Litmond	C. Clink	--
Golden Pacific	12/8	Kohsi	ANCL	C. Clink	--
Eagle Prestige	14/8	Ptp	QCSSL	Cont	L/ptp
Sumida	15/8	P. Kel	Seacon	Cont	Col
Banga Biraj	15/8	Col	Baridhi	Cont	CBO
Kissama	14/8	Kol	BSC	Cont	Sing
Kola Rukun	14/8	Sing	Pli(Bd)	Cont	Sing
Yongxing	14/8	CBO	PSSL	Cont	Sing
Noora	14/8	Krabi	ASLL	C. Clink	--
Xpress Makalu	14/8	Col	Seacon	Cont	Col

Tanker due

Khadijah	13/8	Belwa	MTCL	CPO(RM/8)	--
Jag Viraj	12/8	Sing	MBL	Ammonia	K/A
Al Kuwaitiah	15/8	Kuwa	MSTPL	HSD/JP-1	--

Vessels at Kutubdia

Name of vessels	Cargo	Last port call	Local agent	Date of arrival
Wira Keris	--	--	IBSA	R/A (10/8)
Afroditi	Crude Oil	Rast	Uniglobal	19/7

Outside Port Limit

Wira Keris	--	--	IBSA	R/A (10/8)
Afroditi	Crude Oil	Rast	Uniglobal	19/7

Vessels at outer anchorage

Vessels ready					
Jo Lind	CDSO	Durb	ESL	10/8	
Kota Cahaya	Cont	Sing	Pli(Bd)	11/8	
Kota Ratna	Cont	Sing	Pli(Bd)	12/8	

Vessels not ready

Du Man Gang	R. Sugar	Tuti	Park	7/8	
Ska Whegan	CDSO	Sing	Rainbow	9/8	
Asrar-a-mostafa	Rice(p)	Kaki	Cia	11/8	

Vessels awaiting employment /instruction

Dali	--	--	Seacon	R/A (19/7)
Borak	--	--	FSA	R/A (4/8)
Sc Tianjin	--	--	Rainbow	R/A (9/8)

Vessels not entering

Discovery-ii	R.Phos	Kasa	Litmond	21/7
Banglar Maya	Salt	Kand	BSC	2/8
Ks Harmony	C. Clink	Kohsi	ASLL	5/8
Energy Falcon	C. Clink	Krabi	Litmond	6/8
Golden Star	R. Sugar	Sing	Uniglobal	6/8
Ks Hope	C. Clink	Chin	Olm	7/8

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

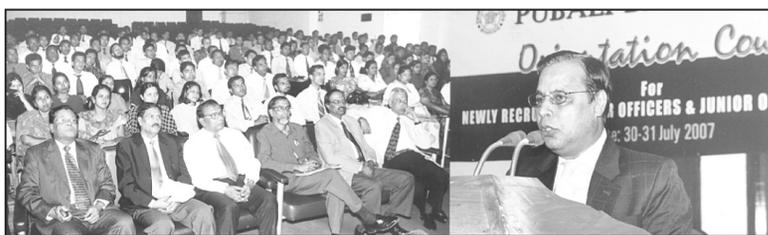


PHOTO: PUBALI BANK

Managing Director of Pubali Bank Ltd Helal Ahmed Chowdhury speaks at an orientation course organised for the newly recruited officers of the bank at a function in Dhaka recently. Other senior officials are also seen.



PHOTO: RAPPORT BANGLADESH

Rapport Bangladesh Ltd recently organised a workshop in Dhaka on 'Breaking Through To The Future'. Conducted by Dr Kanes Rajah, director, Centre for Entrepreneurship, of UK's University of Greenwich Business School, the workshop was participated by top executives of the country's several business organisations.

STOCK