

# China freezes prices on key products amid inflation scare

**AFP, Beijing**

China, facing the spectre of inflation, has frozen the prices of key products subject to government price controls or regulation, the nation's top planner announced.

"In principle, there will be no new price-raising measures this year," said a statement posted on the website of the National Development and Reform Commission.

The vast majority of prices are outside government control in China, but the measure is nevertheless likely to affect important items for which the central government still sets the price, such as water, electricity and oil products.

The statement said that any unauthorized price hikes on such goods or services are strictly forbidden.

China, which only a few years ago was concerned about falling prices, is now faced with inflation rates not recorded for years.

The consumer price index rose 6.5 percent year-on-year in August, the highest monthly rate in a decade.

For the full year, China's inflation is expected to hit 4.2 percent, well above a government target of three percent, the Asian Development Bank said earlier this week.

Inflation is becoming a more salient issue as China's ruling Communist party prepares to hold a key meeting to select top officials for the party and government for the next five years.

Price stability in the run-up to the 17th Party Congress is widely seen as a top policy objective, as inflation has historically been a major source of public discontent.

Soaring food prices, and especially the price of China's favourite meat pork, have been widely blamed for the steep spike in inflation.

However, the higher prices are also seen as reflections of more general issues in the economy, including bottlenecks emerging in an economy that is seeing double-digit growth for the fifth consecutive year.

"The consumer price index is a kind of barometer for the economy as a whole, and it's closely linked to investment and industrial production," said Qi Jingmei, an economist at the State Information Center, a think tank.

Even if price controls do nothing to dismantle bottlenecks, they will keep local governments from price hikes that have no solid base in supply and demand conditions, she argued.

"It serves as a warning to the local governments to be cautious on price rises. The message is, 'Don't raise the price because the government next door is doing it.'"

Price controls are considered a somewhat old-fashioned policy tool in China's increasingly free-wheeling market economy, and the jury was still out on whether they would have any real effect.

"It's by no means certain that this will be enough to stop consumer prices from continuing their rise," said Shi Lei, a Beijing-based macroeconomist with TX Consulting.

"After all, the government's ability to determine prices has been considerably weakened in recent years," he said.

# Oil prices below \$82 in Asian trade

**AFP, Singapore**

Oil prices were lower in Asian trade Thursday as investors took profit following a record-setting rally, but are expected to remain high amid tight supplies and weather concerns, dealers said.

Diplomatic sabre-rattling over Iran is also contributing to market concerns because of its potential impact on geopolitics in the oil-producing Middle East region, they said.

At 3:15 pm (0715 GMT) New York's main futures contract, light sweet crude for October delivery, was trading at 81.83 dollars a barrel, down 10 cents from its record close of 81.93 dollars in late US trades Wednesday.

The contract hit an all-time intraday high of 82.51 dollars on Wednesday after the US Department of Energy (DoE) said crude oil reserves had tumbled the previous week, underscoring supply tightness.

Brent North Sea crude for November delivery was down 36 cents to 78.11 dollars. It had also jumped to 78.47 dollars in intra-day trading Wednesday, just shy of its all-time high of 78.64 dollars in August 2006.

"Investors are taking profit," said Victor Shum, a Singapore-based analyst with energy consultancy Purvin and Gertz.

"Oil prices have increased about 20 percent over the past 18 trading days. That's a very sharp rise so some pullback is not surprising."



PHOTO: RANKSTEL

**RanksTel's Head of Chittagong Sales Moinuddin Ahmed and Director of Zoha Knitwear Ltd Chittagong Majed Hossain exchange documents after signing a corporate agreement on behalf of their organisations recently.**



PHOTO: BATA SHOE COMPANY

**JD Hearn, managing director of Bata Shoe Company (Bangladesh) Ltd, inaugurates a 'Bata Family Store' at Gawsia in Dhaka recently. Other senior officials of the company were present.**

# CURRENCY

Following is Thursday's (September 20, 2007) forex trading statement by <b>Standard Chartered Bank</b>					
Sell		CURRENCY	Buy		
TT/OD	BC		TT/CLEAN	OD SIGHT/DOC	OD TRANSFER
69.3200	69.3500	USD	68.3500	68.3272	68.2817
98.2750	98.3175	EUR	94.0086	93.9773	93.9146
140.2552	140.3159	GBP	135.2510	135.2059	135.1157
60.9323	60.9587	AUD	57.3183	57.2992	57.2610
0.6121	0.6124	JPY	0.5863	0.5861	0.5857
59.6352	59.6610	CHF	56.4363	56.4175	56.3799
11.1882	11.1931	SEK	9.9205	9.9172	9.9105
69.7525	69.7827	CAD	66.6634	66.6412	66.5968
8.9245	8.9283	HKD	8.7601	8.7572	8.7514
47.1084	47.1288	SGD	45.2529	45.2378	45.2077
19.0309	19.0391	AED	18.4620	18.4558	18.4435
18.6389	18.6470	SAR	18.0911	18.0851	18.0730
13.6379	13.6438	DKK	12.2482	12.2441	12.2360
243.0054	243.1128	KWD	240.7471	240.6692	240.5134
Exchange rates of some currencies against US dollar					
Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor. kroner	NZ dollar
40.02	60.62	113.45	34.240	5.5658	0.7356
					Malaysian ringgit
					3.45

# Apex Tannery declares 17pc dividend

Apex Tannery Ltd has declared a 17 percent dividend for its shareholders for the year that ended on June 30, 2007.

The dividend was announced at the 31st annual general meeting (AGM) of the company held in Dhaka yesterday, says a press release.

Chairman of the company Syed Manzur Elahi presided over the AGM, while directors and senior officials were present.



PHOTO: APEX TANNERY

**Syed Manzur Elahi (2-R), chairman of Apex Tannery Ltd, presides over the 31st annual general meeting of the company in Dhaka yesterday. Directors and senior officials were also present.**

# SHIPPING

## Chittagong Port

### Berthing position and performance of vessels as on 20/9/2007

Berth No.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch
J/2	Blue Sky	Gl(hr.c)	Thai	Barwill	14/9	20/9	2744
J/3	Oriente-2	Wheat(p)	Sing	Mutual	9/9	28/9	2549
J/4	Id Commander(72)	Gl(st.c)	Sing	H&sl	17/9	20/9	1227
J/5	Titan-7	Gl(log)	Yang	Pml	15/9	26/9	2092
J/6	Eid-a-mostafa	Rice(g)	Kaki	Cla	9/9	22/9	1854
J/8	Bulet	Urea(bcic)	Sing	Mhsl	R/a	22/9	1621
J/9	Banga Bort	Cont	P. Kel	Baridhi	17/9	23/9	117
J/10	Banga Bijoy	Cont	Col	Baridhi	17/9	21/9	178
J/11	Merker Bridge	Cont	Sing	Apl	17/9	20/9	--
J/12	Kota Raja	Cont	Sing	Pil(bd)	18/9	22/9	371

### Vessels due at outer anchorage

Name of vessels	Date of arrival	L. port call	Local agent	Type of cargo	Loading ports
OEL Freedom	20/9	Sing	Pssl	Cont	Sing
Tug Crown-1	20/9	Mumb	Kamaphuli	Towing Dradge Equip	Sing
Banga Bonik	20/9	Sing	Bdship	Cont	Sing
Marina Star-2	20/9	P.kel	Til	Cont	Kol
Vinalines Pacific	20/9	Kotisi	Bashund	C. Clink	--
Dubai Crown	20/9	Sing	Rainbow	Asoya	--
Apl Lilac	21/9	Sing	Apl	Cont	Sing
Lilac Ace	21/9	Kol	Everett	Vehi	15 Pkgs
Dali	21/9	Cbo	Seacon	Cont	Col
Yong Yue-8	21/9	Col	Qcsl	Cont	Col
Kissama	21/9	Para	Bsca	Cont	Sing
Banga Barta	23/9	Kol	Baridhi	Cont	P. Kel
Hansa London	23/9	Cbo	Pssl	Cont	Col
Dea Signal	23/9	Sing	Ibsa	Proj. Equip	--
Noora	22/9	Krabi	Asil	C. Clink	--
Gassam	22/9	Lumut	Asil	C. Clink	--
Orfeas	23/9	P. Land	Litmond	Wheat(p)	--
Kota Rukun	22/9	Sing	Pil(bd)	Cont	Sing

### Tanker due

Sattitara	20/9	Thai	Ecsi	L.b. Oil	Dof/5
Stardust	22/9	Mala	Mtcl	Cpo	Rm/8
Al Deerah	21/9	Kuwa	Mstpl	Hsd/sko	--
Fathimah	22/9	Mala	Mtcl	Cpo	Rm/8
Gagar Mayang	25/9	Kuwa	Mstpl	Hsd/jp-1	--

### Vessels at Kutubdia

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

Wira-Keris	--	--	lbssa	R/a (17/9)
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### Vessels at outer anchorage

#### Vessels ready

Cape-Henry	Cont	Col	Apl	19/9
Josco View	Cont	P. Kel	Rsl	19/9
Eagle Pride	Cont	P.kel	Qcsl	19/9
Al Kuwaitiah	Hsd/jp-1	Kuwa	Mstpl	19/9

#### Vessels not ready

Sunny.Falcon	Urea(bcic)	Sing	Litmond	7/9
Cielodi Salerno	Cdso	P. Luis	Usl	8/9
Siteam Panther	Cdso	Braz	Rainbow	17/9
Tina	Urea(bcic)	Sing	Mhsl	19/9
Sc Tianjin	Cpo	Dumai	Wth	18/9
Maritime Songkhla	C. Clink	Indo	Bsl	19/9
Laju Sejahtera	Cpo	Pada	Seacom	20/9

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

# STOCK