

# Weakening dollar creates dilemma on both sides of the Atlantic

AFP, Paris

The fall in the value of the dollar against the euro is gathering pace, creating some advantages but also serious difficulties on both sides of the Atlantic, analysts say.

Exporters are under pressure in Europe, inflationary pressures are likely to rise in the United States and funding the US current account deficit will become more difficult.

The euro continued its ascent on Friday, passing 1.41 dollars for the first time, with analysts saying there was nothing to stop it going on to smash 1.45 dollars or higher.

"We see nothing to interrupt the trend," said Veronique Riches-Flores, chief economist at Societe Generale.

John Silvia, chief economist at Wachovia, predicted that conditions were such that the euro could soon climb to 1.45 dollars.

The US Federal Reserve bank last week dropped its main interest rate from 5.25 percent to 4.75 percent, in a bid to galvanise the embattled US economy, which has been battered by the crisis in the "subprime" home loan sector.

The central bank signalled that it

could drop rates even further.

At the same time the European Central Bank has dug in and continues to point to inflationary pressures — auguring ill for a drop in rates despite pressure for action from some European political leaders.

"It is probable that the Fed will drop again its main rates, while the ECB will perhaps leave its own unchanged, or even raise them," said Rafael Martorell at BNP-Paribas.

The cut in US interest rates reduces interest in the dollar and boosts the attractiveness of the euro.

In Europe, the strong euro has a number of benefits, most notably it makes oil imports cheaper because crude is priced in dollars.

It also reduces the price of other imports from outside the European Union: an advantage for consumers, as well as certain industries that rely on imports.

The strong euro also allows large European groups to buy assets overseas at lower prices.

However, European exporters are starting to feel the pinch because the strong euro makes

their exports more expensive for overseas consumers whose currencies follow the fluctuations of the dollar.

The eurozone's trade account, a measure of its trade relations with the rest of the world, dropped to a surplus of 4.6 billion euros in July from 7.6 billion euros.

France is particularly affected, with its trade deficit rising above 30 billion euros year on an annual basis in July.

Concern is also setting in in Germany, the EU's export champion, whose trade surplus nevertheless increased in July despite the surging euro and troubles on financial markets.

"If the dollar continues to fall that will cast a shadow over our export prospects," German Economy Minister Michael Glos said in the newspaper Bild last week.

However with the notable exception of France, which is increasingly critical of the European Central Bank, most European governments have maintained their silence faced with the euro's new records.

## US cities' Wi-Fi dreams fading fast

AFP, Washington

Ambitious plans for big Wi-Fi networks to provide free or low-cost wireless Internet access are being abandoned or scaled back by US cities as the economics of the deals turn out to be more challenging than expected.

San Francisco and Chicago in recent weeks abruptly halted plans to set up municipal Wi-Fi networks while Internet giant Earthlink, a partner for a number of cities, has begun a reorganization that will limit new projects.

Wi-Fi, one of the most popular standards for wireless Internet access, had been seen as a means of connecting more people at a relatively low cost, and city leaders across the United States had been rushing to use the technology for "digital inclusion" programs for low-income residents.

But cities and companies are finding the economics more difficult, with many expensive access points needed and relatively small numbers of subscribers signing on.

"I think it's a troubled market," said Daryl Schoolar, senior analyst at the research firm In-Stat.

"Some thought a lot of people would rush out with laptops and would use it. But Wi-Fi doesn't really penetrate buildings well. And people use Wi-fi mainly in hotels, airports and cafes."

Although some privately operated Wi-Fi deployments in these high-density locations have become popular, analysts say the notion of a large municipal network blanketing cities is questionable.

MuniWireless, a website tracking municipal projects, counts over 400 cities in planning or development of Wi-Fi networks. But analysts say only a small percentage of these are operating, and many are primarily for police or public-safety access.

"The problem is finding a business model that really works," said Stan Schatt, analyst with ABI Research.

"Originally the municipalities came into this by saying they would offer Wi-Fi and get a free ride for their internal networks, and it turns out it doesn't work that way."



PHOTO: REHAB

Acting President of REHAB (Real Estate and Housing Association of Bangladesh) SM Anwar Hossain speaks at a function on Saturday in Dhaka to mark the stall distribution for the upcoming REHAB Housing Fair, New York-2007.



PHOTO: GP

Business Solutions of Grameenphone has signed a partnership agreement with Uttara Club Limited recently. Rubaba Dowla Matin, head of Brands of the phone company, and Liaquat Ali, member (administration) of Uttara Club Ltd, signed the agreement on behalf of their organisations. Other officials were also present.

## CURRENCY

Following is Sunday's (September 23, 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
99.3356	99.3786	EUR	94.8015	94.7698	94.7066
141.5445	141.6058	GBP	136.4198	136.3743	136.2833
61.1472	61.1736	AUD	58.1043	58.0850	58.0462
0.6133	0.6136	JPY	0.5876	0.5874	0.5870
59.6609	59.6867	CHF	57.7329	57.7137	57.6752
10.6130	10.6176	SEK	9.8252	9.8219	9.8154
69.9637	69.9939	CAD	67.4862	67.4637	67.4187
8.9159	8.9197	HKD	8.7710	8.7681	8.7623
46.5485	46.5686	SGD	45.1692	45.1541	45.1240
19.0466	19.0548	AED	18.4805	18.4743	18.4620
18.6791	18.6872	SAR	18.1487	18.1427	18.1306
13.7352	13.7411	DKK	12.3311	12.3270	12.3188
243.3520	243.4594	KWD	241.3804	241.3804	241.3804

### Exchange rates of some currencies against US dollar

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Nor. kroner	NZ dollar	Malaysian ringit
39.72	60.61	113.45	31.800	5.5340	0.7420	3.44



PHOTO: BRAC BANK

BRAC Bank Ltd has opened three ATM (automated teller machine) booths at Bijoy Nagar, Shantinagar and on Panthapath in Dhaka recently. Managing Director of the bank Imran Rahman inaugurated the booths, while senior officials were present.



## SHIPPING

### Chittagong Port

Berthing position and performance of vessels as on 23/9/2007.

Berth no.	Name of vessels	Cargo	L. Port call	Local agent	Dt of arrival	Leaving	Import disch.
J/3	Orientor-2	Wheat(P)	Sing	Mutual	9/9	28/9	2416
J/5	Tilan-7	GI(Log)	Yang	PML	15/9	26/9	813
J/7	Sunny Falcon	Urea(Baic)	Sing	Limmond	7/9	30/9	1209
J/8	Bulet	Urea(Baic)	Sing	MHSL	R/A	24/9	532
J/10	Banga Bonik	Cont	Sing	Bdship	21/9	24/9	74
J/11	Oel Freedom	Cont	Sing	PSSL	20/9	24/9	119
J/12	Kissama	Cont	Para	BSC	22/9	25/9	154
J/13	Dali	Cont	Col	Seacon	21/9	25/9	534

### Vessels due at outer anchorage

Name of vessels	Date of arrival	L. Port call	Local agent	Type of cargo	Loading ports
Hansa London	23/9	Col	PSSL	Cont	Col
Banga Barla	25/9	Kol	Baridhi	Cont	P. Kel
Pac Aquila	23/9	Sing	Seacon	Cont	Sing
New Anhui	26/9	Mong	MBL	Urea	K(U)
Dea Signal	24/9	Sing	IBSA	Proj. Equip	--
Noora	23/9	Krabi	ASLL	C. Clink	--
Gassam	23/9	Lumut	ASLL	C. Clink	--
Orfeas	23/9	P. Land	Limmond	Wheat(P)	--
Wogof-E-Mujdalefa	26/9	Kaki	Cla	Rice(G)	--
World Trader-1	24/9	Niko	Angelic	Mop(Fert)	--
Supertec	23/9	Zhou	ASLL	C. Clink	--
Ks Trust	24/9	Zhou	ANCL	C. Clink	--
Pacific Jaguar	24/9	Sing	IBSA	Proj. Mat	--
Banga Biraj	25/9	Col	Baridhi	Cont	Col
Esham	29/9	--	CEL	Cont	Sing
Cape Bonavista	23/9	P. Kel	Bdship	Cont	P. Kel

### Vessels at Kutubdia

Name of vessels	Cargo	Last Port call	Local agent	Date of arrival
Wira Keris	--	--	IBSA	R/A(23/9)
Dubai Crown	Aosoyabeen	Sing	Rainbow	20/9

### Outside Port Limit:

Wira Keris	--	--	IBSA	R/A(23/9)
Dubai Crown	Aosoyabeen	Sing	Rainbow	20/9

### Vessels at outer anchorage

#### Vessels ready:

Kota Rukun	Cont	Sing	Pil(Bd)	23/9
Stardust	Cpol	Malta	MTCL	23/9

#### Vessels not ready:

Cielodi Salerno	CDSO	P. Luis	USL	8/9
Siteam Panther	CDSO	Braz	Rainbow	17/9
Tina	Urea(Baic)	Sing	MHSL	19/9

#### Vessels not entering:

Krymchakhar	Wheat(P)	Tuap	Unique	29/8
Santa Barbara	C. Clink	Krabi	Uniship	11/9
Ks Harmony	C. Clink	Kohsi	ASLL	12/9
Pacific No.1	C. Clink	Kohsi	Bashund	14/9
Rm Dynasty	Wheat(P)	Ura	Limmond	15/9
Maria	Slag	Viza	Sunmoon	16/9
Vinalines Pacific	C. Clink	Kohsi	Bashund	20/9
Mina	Scraping	Puna	Rsship	18/9

#### Movement of vessels for: 24/9/2007

	Out Going	In Coming	Shifting
J/8	Bulet	GCB: K. Rukun	J/5 Titan-7
J/10	B. Bonik	NCT/2 Pac Aquila	
J/11	Oel Freedom	CCT/2 M. Russ	
CCT/2	Yong You-8	J/2 Tina	
CCT/3	Josco View	RM/3 C. Di Salerno	
NCT/2	C. Henry		

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

## STOCK