

Asian economies seen shifting down a gear in '08

AFP, Tokyo

Asia's economies are set to lose some steam in 2008 as the US economic locomotive slows, but continued breakneck growth in China should ensure the region escapes a severe downturn, analysts predict.

Japan looks particularly vulnerable to any cooling of the US economy as brisk exports have played a pivotal role in a recovery in Asia's largest economy after a slump stretching back over a decade, they said.

But overall the region is expected to remain relatively resilient to the ongoing fallout from a US housing slump and related credit squeeze.

"Growth will likely moderate somewhat from what has been a very strong performance this year across most of Asia," said David Cohen, director of Asian Economics in Singapore.

The extent of the slowdown will depend on whether the US economy makes a hard or a soft landing, analysts said.

"Asia ex-Japan is well placed to

weather a moderate global economic slowdown, but not a sharp downturn," Lehman Brothers economist Rob Subbaraman wrote in a research note.

As well as an expected US slowdown, high oil prices and a possible dollar slump are seen as the main potential threats to the region.

But analysts said Asia is in better shape to cope with external shocks than a decade ago when the regional financial crisis struck because countries now have current account surpluses and huge foreign exchange reserves.

Despite its resilience so far to signs of a US slowdown, analysts say Asia's fortunes are still closely tied to the United States.

"If there is a hard landing, we doubt that the region could decouple; China could even face deflation," said Subbaraman.

Asian economies still rely heavily on the United States by the goods churned out by their myriad factories.

"The exposure of Asian economies to the US and other major industrialised economies has increased not decreased over the

last couple of years," said Jan Friedrich, a senior economist at the Economist Intelligence Unit in Hong Kong.

But he said the fast-growing Chinese and Indian economies might benefit from a moderation in growth amid concerns about overheating.

"China is probably growing a bit fast at the moment, India is probably also still somewhat on the verge of overheating," he said.

Slowing demand for their exports would help to rein in growth to more sustainable levels, said Friedrich.

According to the Asian Development Bank, Chinese economic growth will ease to 10.5 percent in 2008 from 11.4 percent in 2007 "if government measures to cool the economy begin to take hold."

China's economy continues to power ahead despite government efforts to rein in growth, with a recent emphasis on directly ordering banks to curb lending.

Growth in the Southeast Asian economies is expected to cool to 6.1 percent in 2008 from 6.3 percent in 2007, the ADB predicts.

Weak or strong, euro still unloved

AFP, Brussels

When the newly created euro slumped to an all-time low in 2000, detractors lined up to predict a dark future for the young currency.

The euro marks its ninth birthday on January 1, with detractors now warning of grave consequences on account of its strength.

The single European currency has appreciated by 14 percent against the dollar since the start of 2007 to within reach of 1.50 dollars, and by 27 percent since it was launched in 1999.

Although the euro's ascent has helped soften the blow of soaring, dollar-denominated oil prices for consumers, it is pinching European exporters by making their products less competitive on international markets.

The aerospace industry, with costs largely in euros but sales outside Europe in dollars, is suffering in particular and threatening to shift some production to dollar zones to take control of costs.

"The only way to prepare the company for a dollar that no one can control is -- unfortunately -- to set up shop in a dollar zone," said recently Louis Galois, the chief executive of the EADS European aerospace giant.

"In the eyes of the public and some politicians the euro is blamed for everything," economist Patrick Artus said at French Bank Natixis.

"At its launch, it was blamed for inflation -- today it is blamed for slower economic growth," he added. "But the real fault does not lie with the euro but the dollar."

With the dollar's weakness fuelled by concerns about the health of the US economy, governments in the eurozone are largely powerless in the face of their currency's rise.

Although Washington repeatedly stresses that a strong dollar is in US interests, the currency's weakness is providing a solid boost to American exports just as the economy is beginning to slow.

But divisions among Europeans about whether the euro's strength is a problem makes it all the more difficult for the eurozone to take action.

French politicians and business leaders have riled against the euro's strength while their German, Dutch and Austrian counterparts remain much more relaxed.



Head of Marketing of mobile phone operator CityCell Anand Rajasingham speaks at the 6th International Conference on Marketing 2007 held recently in Dhaka. CityCell CEO Michael Seymour, among others, was present.



Transcom Electronics Ltd and Rahimafroz Ltd have entered into a channel partnership agreement under which from now IPS (instant power supply) products of Rahimafroz will be available at the showrooms of Transcom. The product launching ceremony was held on Sunday at Transcom's Gulshan-2 showroom where Arshad Huq, general manager (Sales & Marketing), and Yeameen Sharif Chowdhury, general manager (Marketing), of Rahimafroz, among others, were present.

CURRENCY

Following is Tuesday's (December 18, 2007) forex trading statement by Standard Chartered Bank.

Sell	Buy	CURRENCY	TT CLEAN	ODSIGHT DOC	ODTRANSFER
68.9700	69.0000	USD	68.0000	67.9773	67.9320
100.7928	100.8366	EUR	96.4920	96.4598	96.3955
140.8868	140.9601	GBP	135.8232	135.7779	135.6874
60.7557	60.7821	AUD	57.1472	57.1282	57.0901
0.6235	0.6238	JPY	0.5968	0.5966	0.5962
61.0246	61.0511	CHF	67.6809	67.6617	67.6232
11.1877	11.1926	SEK	9.9186	9.9153	9.9087
70.0274	70.0579	CAD	66.8962	66.8739	66.8293
8.8630	8.8668	HKD	8.6988	8.6959	8.6901
48.3830	48.4041	SGD	46.4322	46.4168	46.3858
18.9291	18.9373	AED	18.3655	18.3594	18.3471
18.4906	18.4987	SAR	17.9854	17.9834	17.9714
13.9935	13.9996	DKK	12.9702	12.9658	12.9572
248.4544	248.5646	KWD	245.5797	245.5002	245.3412

Indian rupee	Pak rupee	Lankan rupee	Thai baht	Not known	NZ dollar	Malaysian ringgit
39.59	69.95	108.96	33.650	5.5424	1.07556	3.35



Tapan Chowdhury (R), power and energy adviser, inaugurates a 35 MW expansion unit of the power plant implemented by Summit Power Ltd at Ashulia in Savar, Dhaka on Monday. Dr Fauzul Kabir Khan, secretary to Power Division, Habibullah Mojumder Khan, chairman of Rural Electrification Board, Ayesha Aziz Khan, director of Summit Group and Summit Power Ltd, and Towhidul Islam, managing director of Summit Power Ltd, among others, were present.

Stock

TRADED ISSUES December 1														
DSE					CSE					Other Info				
Company	FV/MIL (Tk.)	Price (Tk.)	Change (%)	Turnover (Tk.)	Share	Company	FV/MIL (Tk.)	Price (Tk.)	Change (%)	Turnover (Tk.)	Share	AGM	EPS (Tk.)	CPDS (%)
BANK														
AB Bank *	1000	2613.75	-0.42	2624.75	16223	2608.75	-0.67	2626.25	6310	06:46:07	20.20			
City Bank *	1000	491.50	-0.07	492.00	3919	489.00	-0.64	492.25	1885	25:01:07	37.8			
ICBC Bank *	1000	2512.50	0.78	2493.00	12662	2482.50	-0.63	2498.00	1585	25:01:07	37.8			
National Bank *	1000	1296.00	0.11	1362.25	4157	1308.25	1.15	1307.00	150	10:44:02	42.0			15.0
Public Bank *	1000	976.00	0.59	969.00	10436	970.50	1.11	964.75	250	31:03:07	-0.42			
Urbana Bank *	1000	1857.25	0.14	1866.25	4817	1847.50	0.23	1850.00	1410	00:44:07	62.2			20.0
Urbana Finance *	1000	1488.00	1.47	1466.50	9817	1476.25	0.67	1465.00	64	06:04:07	7.5			5.00
Eastern Bank *	1000	1000.00	0.05	1005.00	3065	1003.75	0.60	1004.50	730	12:06:07	47.9			20.0
United Leasing *	1000	860.00	0.39	838.00	1867	850.00	-	Not Listed	60	07:05:07	58.6			20.0
Urbana Finance *	1000	678.50	0.13	670.25	5251	675.00	0.23	660.50	4530	13:05:07	-0.42			20.0
Urbana Finance *	1000	678.50	0.13	670.25	5251	675.00	0.23	660.50	4530	13:05:07	-0.42			20.0
Prime Bank Ltd *	1000	860.00	0.64	863.50	12492	857.25	0.29	864.75	4850	23:03:07	46.2			20.0
Urbana Finance *	1000	678.50	0.13	670.25	5251	675.00	0.23	660.50	4530	13:05:07	-0.42			20.0
Dhaka Finance *	1000	653.00	0.77	648.00	17649	654.25	0.89	645.92	391	23:03:07	37.5			10.00
NCC Bank *	1000	444.25	0.21	435.50	18748	443.75	1.77	437.00	8833	29:04:07	35.4			10.00
Urbana Finance *	1000	678.50	0.13	670.25	5251	675.00	0.23	660.50	4530	13:05:07	-0.42			20.0
Dutch Bank Ltd *	1000	736.00	0.25	720.25	3186	730.00	-	Not Listed	1904	30:04:07	17.9			10.00
Midas Finance *	1000	372.00	0.40	370.50	4108	374.00	-	Not Listed	20	21:06:12	12.4			10.00
Urbana Finance *	1000	678.50	0.13	670.25	5251	675.00	0.23	660.50	4530	13:05:07	-0.42			20.0
First Leasing *	1000	344.00	0.66	341.75	3600	331.00	-0.43	350.00	350	20:06:07	45.8			10.00
Standard Bank *	1000	329.50	2.96	329.00	85324	340.00	2.10	333.00	1781	29:04:07	17.8			10.00
One Bank *	1000	584.75	0.10	583.25	2108	586.75	-0.08	591.00	3154	17:05:07	47.9			20.0
Back Asia *	1000	302.25	0.70	498.75	10723	305.25	1.15	500.00	350	30:04:07	34.1			10.00
Mercantile Bank *	1000	402.00	-1.06	426.50	9833	419.00	-	Not Listed	50	31:05:07	32.9			10.00
People's Leasing *	1000	387.75	0.10	387.00	1000	387.75	-	Not Listed	527	03:06:07	33.2			10.00
Prime Finance *	1000	308.50	0.21	301.25	6376	300.00	-0.41	301.25	50	23:06:07	35.2			10.00
Prime Finance *	1000	381.50	0.49	383.75	8235	371.75	0.90	371.75	650	29:04:07	30.0			10.00
Prime Finance *	1000	381.50	0.49	383.75	8235	371.75	0.90	371.75	650	29:04:07	30.0			10.00
Islamic Finance *	1000	210.75	0.00	210.75	332	212.25	1.68	208.75	556	07:06:07	18.1			12.5
Urbana Finance *	1000	390.25	0.25	394.00	1781	391.00	-	Not Listed	87	09:06:07	20.6			10.00
Urbana Finance *	1000	390.25	0.25	394.00	1781	391.00	-	Not Listed	87	09:06:07	20.6			10.00
BIFC *	1000	210.75	-1.69	222.00	940	216.25	-1.48	220.00	130	21:05:07	20.6			10.00
Urbana Finance *	1000	390.25	0.25	394.00	1781	391.00	-	Not Listed	87	09:06:07	20.6			10.00
Urbana Finance *	1000	390.25	0.25	394.00	1781	391.00	-	Not Listed	87	09:06:07	20.6			10.00
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