

# China liquidity fears weigh on Asian markets

AFP, Hong Kong

Asian markets were mostly down Wednesday as concerns over liquidity in the Chinese market weighed on sentiment despite hopes for global recovery ahead of a rate decision in the United States.

Shanghai lost 1.89 percent on worries that an upcoming Nasdaq-style board may divert funds from the main index.

Hong Kong lost 0.49 percent and Seoul 0.43 percent.

However Sydney gained 1.51 percent, led by financial and resources stocks and stronger commodities prices.

Financial markets in Indonesia and Japan were closed due to public holidays.

The falls in Asia came despite Wall Street's 0.52 percent climb to a 2009 high which on upbeat sentiment before the Federal Reserve announces its rate decision and gives an idea of the direction of the US economy.

HONG KONG: Down 0.49 percent. The Hang Seng Index finished down 105.62 points at 21,595.52.

Steven Leung, director of institutional sales at UOB Kay Hian, said: "Investors in mainland China are keen on subscribing to IPOs, that's why the A-share market is falling these days. That will also weigh on the Hong Kong market."

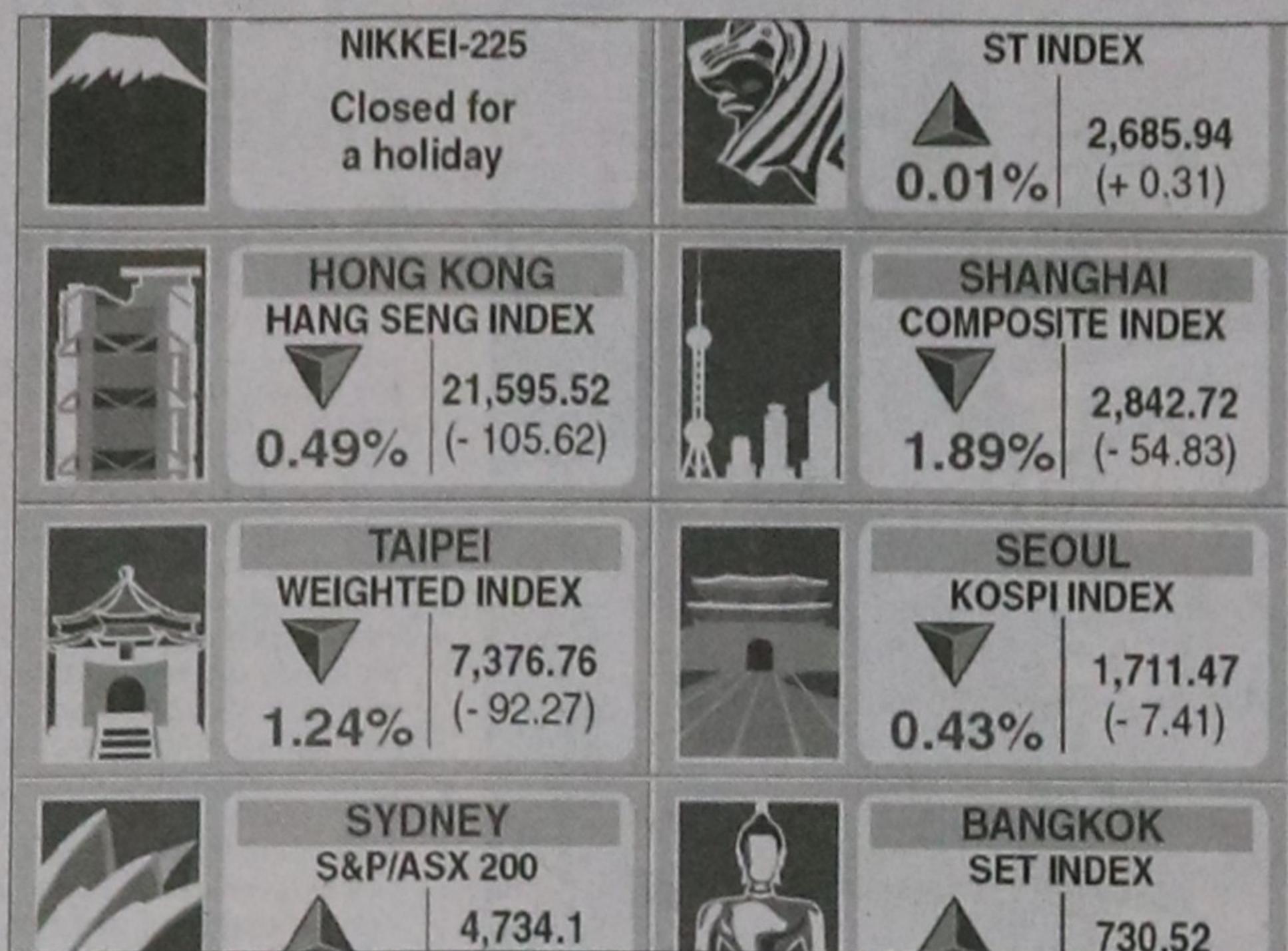
Bank of Communications fell 2.5 percent to 9.93 Hong Kong dollars and Bank of China was down 1.2 percent at 4.28.

Debut stock Sinopharm bucked the trend and ended 16 percent higher at 18.52. Turnover for the stock represented 33 percent of the market.

Geely Automobile surged 19 percent to 2.13, its highest closing level since it was listed in 2004. The carmaker confirmed that a Goldman Sachs-managed private equity fund plans to invest in the firm.

SYDNEY: Up 1.51 percent. The S&P/ASX 200 rose 70.4 points to 4,734.1.

"The bulk of points came



from those stocks leveraged to the global economic recovery and also Asia," said IG Markets analyst Ben Potter.

Rio Tinto advanced 2.29 percent to 61.74 and BHP Billiton grew 0.92 percent to 38.35.

Santos rose 0.46 percent to 15.15.

Commonwealth Bank shares hit a 19-month high of 50 dollars after putting on 2.31 percent.

National Australia Bank lifted 2.68 percent to 30.26, Westpac gained 1.36 percent to 25.30 and ANZ Banking Group 1.07 percent to 23.58.

SHANGHAI: Down 1.89 percent. The Shanghai Composite Index, which covers both A and B shares, fell 54.83 points to 2,842.72.

Investor fears that the creation of a new market may divert funds from the main index brought the market lower, dealers said.

"A large number of new accounts have opened recently for trading (on the Growth Enterprise Market), so we expect more funds will flow into the new startup board," said Yu Zuojie, an analyst at Shanghai Securities.

TAIPEI: Down 1.24 percent. The weighted index fell 92.27 points to 7,376.76.

Analysts also said investors were waiting for results from China-US discussions

on their trade dispute over tires at the G20 summit.

Coal producers led the decline on concerns over weak prices and the sector's valuation following sharp gains this year.

China Shenhua Energy, which was up 79.7 percent from the start of this year, fell 3.9 percent to 30.70 yuan.

SEOUL: Down 0.43 percent. The KOSPI lost 7.41 points to finish at 1,711.47.

Semiconductor maker Hynix declined 5.4 percent to 20,850 won after South Korean conglomerate Hysung said Tuesday it has submitted the only bid to buy a major stake in it.

Hysung plunged by the daily limit of 15 percent to 84,400.

There were few fresh leads to spark buying interest ahead of the conclusion of the Fed meeting, dealers said.

Singapore Airlines was up 18 cents to 13.58 dollars while Singapore Telecommunications eased one cent to 3.17 dollars.

Property developer CapitaLand dropped five cents to 3.68 dollars and Keppel Land put on two cents to 2.68 dollars.

KUALA LUMPUR: Down 0.17 percent. The Kuala Lumpur Composite Index

lost 2.13 points to 1,219.07.

"The market failed to hold on to early gains. Market participants have yet to return in full force as many are still on extended vacation," a dealer said. The bourse was closed Monday and Tuesday for a public holiday.

Banking group CIMB lost 0.7 percent to 11.24 ringgit and construction company Gamuda was down 1.8 percent at 3.29.

Gaming operator Genting added 1.5 percent to 7.31.

BANGKOK: Up 0.85 percent. The Stock Exchange of Thailand gained 6.15 points to close at 730.52.

MANILA: Up 2.07 percent. The composite index gained 57.73 points to 2,842.51.

"It's a technical rebound from oversold levels," said Tisha Alizer of DA Market Securities Inc.

Philippine Long Distance Telephone Co gained 2.3 percent to 2,405 pesos while Metro Pacific Investments Corp. rose 1.54 percent to 3.30 pesos.

Conglomerate Ayala Corp. bucked the trend, falling 0.8 percent to 302.50 pesos.

WELLINGTON: Up 0.13 percent. The NZX-50 gained 3.95 points to 3,147.91.

News that New Zealand's gross domestic product rose 0.1 percent in the June quarter, snapping five quarters of contraction, boosted Fletcher Building which rose eight cents to 8.49 dollars.

But of the other leading stocks, Telecom was unchanged at 2.61 and Contact Energy fell eight cents to 5.73.

Air New Zealand was four cents ahead at 1.28 after announcing it had negotiated turbulent economic times better than other airlines in the region.

SkyTV gained 10 cents to 4.68 after Television New Zealand said it was negotiating with the firm to take over the broadcasting rights to next year's Commonwealth Games in India.

Analysts expect the US central bank to keep key interest rates at existing levels of virtually zero percent in a bid to stimulate domestic demand and sustain the recovery.

"Concerns over the sustainability of the (US) recovery mean that the Fed will not tighten policy anytime soon," said research house Capital Economics.

"The only changes we expect at the (Fed) meeting are a slightly more upbeat tone in the statement."

Analysts said the weakness in the US dollar is also helping keep oil prices buoyant.

**Oil prices ease but stay above \$71**

APP, Singapore

Oil eased in Asian trade Wednesday on profit-taking but stayed above 71 dollars a barrel ahead of this week's Group of 20 summit and a US central bank meeting, analysts said.

New York's main contract, light sweet crude for November delivery, was down 37 cents to 71.39 dollars a barrel in afternoon trade. The October contract expired on Tuesday.

Brent North Sea crude for November dipped 42 cents to 70.11 dollars.

Investors are closely monitoring the results of a US Federal Reserve policy meeting that could indicate the pace of economic recovery of the United States, the biggest energy consumer.

The meeting ends Wednesday.

Leaders from the Group of 20 developed and developing nations are also expected to discuss the state of the global economy when they meet later this week in the US city of Pittsburgh.

Energy demand plunged after the global economy slipped into its worst recession since the 1930s late last year.

This sent oil prices tumbling from historic highs of more than 147 dollars in July 2008 to around 32 dollars in December.

Prices have since clawed back to around 70 dollars, but investors remain concerned over the pace of the global economic recovery.

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# Business

## Shipping

### Chittagong Port

Berthing position and performance of vessels as on 23/9/2009

Port Name of vessel	Cargo	L. port call	Local agent	Date of arrival	Leaving date	Import disch
J/2 Banglar Robi	Gl	—	Bsc	R/A	28/9	—
J/4 Matte Rambow	Cont	Sing	Midi	19/9	23/9	—
J/5 Pertav	Gil(log)	Yang	Pml	9/9	26/9	604
J/6 Mcc Sapphire	Conf	Pt	Midi	20/9	—	584
J/7 Kota Rakya	Conf	Sing	Pil(bd)	19/9	24/9	384
J/8 Tan Binh-28	Gl	Chen	Hsa	19/9	—	991
J/10 Santos	Cont	Col	Midi	19/9	23/9	—
J/11 Amur River	Cont	Col	Aspi	16/9	23/9	4
J/13 Hansa Straldun	Cont	Col	Seacon	20/9	24/9	240
Cd/1 Kota Ranchak	Cont	Sing	Pil(bd)	21/9	23/9	—
Cd/3 Ku Huiang	Cont	P. Kel	Everbest	19/9	24/9	—
Nd/1 Kota Rahmat	Cont	Sing	Pil(bd)	22/9	24/9	—
Nd/2 Oel Enterprise	Cont	P. Kel	Psi	20/9	24/9	—
Nd/3 Ducky Symphony	Repair	Yam	Prime	13/9	24/9	—
Cc/1 Kourus V	Urea(bdc)	Qatar	Pml	13/9	28/9	—
Cc/2 Kulnate	C. Clink	Tarj	Bsl	17/9	24/9	—
Gsj/1 Banglar Doot	Repair	Mong	Allseas	14/9	26/9	—
Gsj/2 Green Ocean	Tsp(bag)	—	Litmond	R/A	—	—

### Vessels not ready

Jag Vikram	Slag	Viza	Sunmoon	17/9
Royal Pearl-s	Wheat(p)	Ukra	Pol	19/9
Brave Royal	C. Clink	Kochi	Bsl	19/9
Banglar Mamata	Urea	Xing	Bsc	20/9
Seahome Shine	Clayif. Spar	Viet	Hsr	21/9
Sc Tianjin	Cpo	Dumai	Rysl	22/9
Al Badiyah	Had	Kuma	Matpl	22/9
Dd Vigilant	Wheat(p)	Aust	Elite	23/9

### Vessels awaiting employment / Instruction

Banga Lanka	—	—	Bandhi	R/A (4/4)
Banglar Gourab	—	—	Bsc	R/A (1/5)
Banglar Moni	—	—	Bsc	R/A (4/8)
Banglar Umi	—	—	Bsc	R/A (3/7)
Sulu Wind	—	Sing	Rainbow	R/A (28/7)
Clayton-ill	—	—	Fsa	R/A (13/8)
Banga Borak	—	—	Bandhi	R/A (11/9)
Celesta	—	—	Rysl	R/A (14/9)
Al Deerah	—	—	Matpl	R/A (14/9)
Nina	—	—	Globlink	R/A (12/9)
Seahome Sapphire	—	—	Hsr	R/A (14/9)
Banga Borti	—	—	Bdship	R/A (22/9)
Banga Borak	—			