

G20 summit talks needed to avert FX war

REUTERS, London Careful calibration of a U.S. dollar devaluation looks to be the only way to avert the sort of currency war flagged by Brazil and others, leaving G20 powers the unenviable task of agreeing some control of the process.

The top world economies, shaken by three years of financial turmoil, are scrambling to cap or weaken their currencies in a fight over fragile global demand for exports - prompting retaliatory capital curbs and damaging trade rows.

As G20 finance chiefs prepare to meet on Oct. 22, they are no closer to resolution of the decade-old budget of global imbalances between export-driven economies -- mostly developing nations such as China, but also Japan and Germany -- and the big global consumers, the United States, Britain and elsewhere.

While there are no loose agreements on rebalancing over time -- where emerging powers allow currencies to rise gradually -- the lack of an agreed blueprint to manage the transition is already prompting unilateral actions and tit-for-tat reactions in a feeble economic and political environment.

Faced with fiscal exhaustion, hostile electorates and booming China's refusal to allow a rapid rise of the yuan, the U.S., Japan and possibly Britain seem set on another bout of money printing to rebolt their ailing economies and weaken their currencies.

Fast-growing developing countries with flexible exchange rates are caught in the crossfire and are reacting fast, leading to Brazil on Monday to double taxes on foreign inflows and South Korea on Tuesday to

threaten curbs on currency trading. France, which takes G20's rotating chair next month, has denied weekend reports of "secret negotiations" with China. But it's clear that patience in the status quo is running out.

"To avoid the damaging consequences of continued unilateral action ... a core group of major economies needs to agree urgently on a multilateral and coordinated package of policy measures," Charles Dallara, director of banking group the Institute for International Finance, said on Monday.

U.S. trade threats against China over the yuan showed the "counterproductive nature of unilateral policy," Dallara said in an open letter to the International Monetary Fund's annual meeting.

ALL HANDS TO THE PUMP The main problem for emerging economies is much of the freshly minted "core" liquidity, chased away by depressed western interest rates, is flowing to higher overseas returns rather than strapped firms and households in America or Japan.

Their bind is a choice between standing back and accepting export-stunting currency surges and asset bubbles or to resume heavy intervention or capital controls that lead to inflation headaches or further trade distortions.

Robert Johnson, director of the Soros-funded Institute for New Economic Thinking, said G20 needs agreement on the size and pace of the currency shifts between three main groups -- the United States and major consumers; the big exporters of China, Japan and Germany; and a grouping of emerging exporters.



KS Tabrez, deputy managing director of Dutch-Bangla Bank Ltd, inaugurates the bank's branch in Habiganj yesterday.

Oil higher

Oil prices turned higher in Asian trade Wednesday but forecasts of a massive increase in US crude stocks are tempering market sentiment, analysts said.

New York's main contract, light sweet crude for delivery in November was up six cents to 82.88 dollars a barrel in the afternoon.

Brent North Sea crude for November delivery added two cents to 84.86 dollars. Data released by the American Petroleum Institute (API) Tuesday showing a spike in US crude reserves was checking oil prices, said Victor Shum, senior principal of Purvin and Gertz international energy consultants in Singapore.

Suzuki shares soar on production shift report

Shares in Japan's Suzuki Motor soared nearly five percent Wednesday after a newspaper report that it plans to shift part of its engine production abroad due to the strong yen.

The automaker gained 4.91 percent to 1,945 yen in the afternoon, boosted by the report in the Asahi Shimbun.

However, Suzuki denied the story, saying it had no plans to reduce its annual production of 800,000 engines for vehicles assembled at factories in Japan for domestic sales and exports.

"We have been saying we want to replace shipments of parts to Hungary and Indonesia to strengthen the yen's strength," a company spokesman said. "The engine output (in Japan) will not be reduced from 800,000 unless domestic demand falls," he said.

Nonetheless the Asahi report encouraged buying. "It's positive in the sense that the company will be able to better address the impact from the stronger yen," a fund manager at a Japanese asset management firm told Dow Jones Newswires.

Shipping

Table with columns: Berthing position and performance of vessels as on 06/10/2010. Includes columns for No., Name of vessels, Cargo, L. Port call, Local agent, Date of Leaving arrival, Date of Leaving arrival, Import disch.

Table with columns: Outside port limit. Includes columns for Express-29, Jag Lakshya, Banglar Jyoti, Curv. Vessel, Surt. Oil, Wld C. Oil, Bala, Rasta, Bsc, Dbsa, Ibsa, R/a (2/19), R/a (5/10).

Table with columns: Vessels not ready. Includes columns for Tan Bin-30, Vien Dong-3, Hai Ten-18, Isal Troya, Sider Tino, Dap, Rice(bag), Rice(bag), C. Clink, Gt(st. Bil), H. Phan, Hocht, Hocht, Tarj, Sing, Total, Unit Ship, Bst, Barwil Qc, R/a (8/9), 2/10, 3/19, 3/10, 4/10.

Table with columns: Vessels awaiting employment / instruction. Includes columns for Bonga Lanka, Banglar Gourab, Banglar Umi, Bonga Bara, Cement(bag), Wld Cont, Baridhi, Bsc, Bsc, Baridhi, R/a (4/4), R/a (1/5), R/a (1/7), R/a(24/11), Bdpsh, 09/11.

Table with columns: Vessels not entering. Includes columns for Jebel-e-rahmat, Pacific Bang Jiang, Ocean Pearl, Grand Royal, C. Clink, Ferf(bag), Urea, Slag, Kolab, Zhan, Fuku, Intraport, Cosco, Litmond, Vanguard, 6/4, 12/8, 3/9.

Table with columns: Vessels due at outer anchorage. Includes columns for Name of vessels, Date of arrival, L. Port call, Local agent, Type of cargo, Loading port. Lists vessels like Balaban, Oriental Bright, Cape Sable, Troya, Lanka Mahopala, Crown Princess, Golden Huayang, Dong Young.

STOCK

Market Highlights

Table with columns: DSE All Share Index, DSE General Index, DSE-20 Index, CSE All Share Index, CSE-20 Index, CSE Selected Index. Includes values and percentage changes.

Turnover Leaders

Table with columns: Company, Turnover (Vol.), MTK, Share. Lists companies like People's Leasing, Prime Finance, Square Textile, etc.

Capital Gainers/Losers

Table with columns: Company, Price Chn. (%), Close, Turnover. Lists companies like AIMS First, Monno Fabrics, Apex Weaving, etc.

TRADED ISSUES OCT 06, 2010

Table with columns: Company, RDay, BC, Spot, Div, Meeting Date. Lists various companies and their trading details.

News from Trade Servers

EXIMBANK: The bank has further informed that subscription period for rights issue will be from 10.11.2010 to 29.11.2010. Record date for entitlement of rights share is 25.10.2010.

Bank

Table listing various banks and their market values, including AB Bank, City Bank, Eastern Bank, etc.

Engineering

Table listing engineering companies and their market values, including Altab Auto, BD Finance, etc.

JUTE

Table listing jute companies and their market values, including Jute Spinners, Singer, etc.

TEXTILE

Table listing textile companies and their market values, including BHTL, Rabina Textile, etc.

TELECOM

Table listing telecom companies and their market values, including Grameenphone, Rupali, etc.

INVESTMENT

Table listing investment companies and their market values, including ABC, BCD, etc.

FOOD & ALLIED

Table listing food and allied companies and their market values, including ABC, BCD, etc.

CERAMIC

Table listing ceramic companies and their market values, including ABC, BCD, etc.

PAPER & PACKAGING

Table listing paper and packaging companies and their market values, including ABC, BCD, etc.

SERVICE

Table listing service companies and their market values, including ABC, BCD, etc.

S/Note: Capital Gain / Loss rates are prepared on the basis of the close price change of the traded issues. EPS-Earnings Per Share, BV-Book Value per Share, ...