

# MONEY ... your essential guide to local and world markets ...

## CURRENCIES

### Exchange Rates

COUNTRY	SELL CASH	SELL DRAFT
AUSTRALIA (Dollar)	0.4033	0.4003
<b>BANGLADESH (Taka)</b>	<b>0.00514</b>	<b>0.00506</b>
CANADA (Dollar)	0.3917	0.3877
CHINA (Yuan)	0.061100	0.0611
DENMARK	0.0761	-
EGYPT (Pound)	0.0642	0.0638
<b>EUROPEAN UNION (Euro)</b>	<b>0.5515</b>	<b>0.5490</b>
HONG KONG (Dollar)	0.04960	0.04920
<b>INDIA (Rupee)</b>	<b>0.00855</b>	<b>0.00840</b>
INDONESIA (Rupiah)	0.00004599	0.00004491
IRAN (Tuman)	0.00033467	-
IRAQ (Dinar)	0.000321	-
JAPAN (Yen)	0.005070	0.005000
JORDAN (Dinar)	0.5349	-
KOREA (Won)	0.0004014	-
<b>KUWAIT (Dinar)</b>	<b>1.3910</b>	<b>1.391</b>
MALAYSIA (Ringgit)	0.129000	0.1290
MALTA (Lira)	-	-
NEW ZEALAND (Dollar)	0.3188	0.3178
NORWAY (Krone)	0.0720	-
N. Yemen (Riyal)	-	-
NEPAL (Rupee)	0.00553	0.00523
<b>OMAN (Riyal)</b>	<b>0.98000</b>	<b>0.98300</b>
<b>PAKISTAN (Rupee)</b>	<b>0.00444</b>	<b>0.00438</b>
<b>PHILIPPINES (Peso)</b>	<b>0.00913</b>	<b>0.00889</b>
<b>QATAR (Riyal)</b>	<b>0.10379</b>	<b>0.10374</b>
<b>SAUDI ARABIA (Riyal)</b>	<b>0.10058</b>	<b>0.10065</b>
SINGAPORE	0.3156	0.3146
SOUTH AFRICA (Rand)	0.05520	0.05510
<b>SRI LANKA (Rupee)</b>	<b>0.00360</b>	-
SWEDEN (Krona)	0.0625	-
SWITZERLAND (Franc)	0.4877	0.3178
SYRIA (Pound)	0.007570	0.0076
TAIWAN (Dollar)	0.013500	-
THAILAND (Baht)	0.012840	0.012780
TURKEY (Lira)	0.2239	-
<b>UK (Sterling)</b>	<b>0.6315</b>	<b>0.6290</b>
<b>UAE (Dirham)</b>	<b>0.102800</b>	<b>0.102800</b>
<b>USA (Dollar)</b>	<b>0.37780</b>	<b>0.37800</b>

Rates are in Bahraini dinars at 17.00 local time, Thursday. Rates are indications only. For firm rates or for currencies not listed above please call Bahrain Financing Company. Telephone: 17228888, Website: www.bfc.com.bh.

### Gulf Interbank Rates

	1 US\$	1 UK Stg	1 SFR	100 Yen
<b>BAHRAIN</b>	0.3770	0.6204	0.4766	0.4922
<b>KUWAIT</b>	0.2855	0.4698	0.3609	0.3727
<b>OMAN</b>	0.3849	0.6334	0.4866	0.5025
<b>QATAR</b>	3.6420	5.9936	4.6043	4.7546
<b>UAE</b>	3.6730	6.0447	4.6435	4.7950
<b>SAUDI</b>	3.7500	6.1714	4.7408	4.8956

### Dollar

Currency	August 19	Previous
Euro	\$1.4388	\$1.4322
Yen	76.47	76.49
Swiss francs	0.7865	0.7918
Canadian dollars	0.9875	0.9901
Pound	1.6487	1.6467

### Oil

Oil delivery prices (in dollars per barrel)

	August 19 (close)
IPE Brent	\$108.62
Nymex crude	\$82.26

### GOLD

Gold bars	Selling
<i>Rates are in Bahraini Dinars</i>	
8gm coin 22k	172.000
8gm coin 21k	166.000
1gm (24 carat)	25.250
2.5gm	61.000
5gm	116.750
10gm	229.500
20gm	456.750
50gm	1,134.250
100gm	2,261.750
1 ounce	707.250
1 tola	267.750
5 tola	1,320.000
10 tola	2,623.500
1kg	22,401.000
1kg silver	535.000
1/2kg silver	269.250

Courtesy Bahrain Express Exchange Tel: 17-275-275

### Metal Prices

LONDON MARKETS	
Gold (per ounce)	\$1,850.54
Silver (per ounce)	\$42.39
Palladium	\$762.47
Platinum	\$1,837.00
<b>(Three-month delivery)</b>	
Aluminium (\$ per tonne)	2,355.00
Copper (\$ per tonne)	8,825.00
Lead (per tonne)	\$ 2,302.00
Nickel (per tonne)	\$ 21,200.00
Tin (per tonne)	\$ 22,800.00
Zinc (per tonne)	\$ 2,193.00
<b>BOMBAY</b>	
Gold 24K (per gram)	Rs2,678.00
Gold 22K (per gram)	Rs2,504.00
Gold (10g)	Rs26,790.00
Silver (1kg)	Rs61,545.00

## US tax evasion law rapped

**NEW YORK:** A US law meant to snuff out billions of dollars in offshore tax evasion has drawn the criticism of the world's banks and business people, who dismiss it as imperialist and "the neutron bomb of the global financial system."

The unusually broad regulation, known as FATCA, or the Foreign Account Tax Compliance Act, makes the world's financial institutions something of an extension of the tax-collecting Internal Revenue Service – something no other country does for its tax regime.

Conceived as a way to enlist the world in a crackdown on wealthy Americans evading tax, it gives global financial institutions and investment entities a choice: either collect and turn over data on US clients with accounts of at least \$50,000, or withhold 30 per cent of the interest, dividend and investment payments due those clients and send the money to the IRS.

Foreign institutions and entities that refuse, or fail, to do so face bills for the taxes due, a draconian penalty of 40pc of the amount in question and heightened scrutiny by the IRS.

"FATCA is a blunt instrument for which foreign banks have no choice but to each spend tens of millions of dollars to help the U.S. enforce its own tax law," said Scott Michel, a tax lawyer at Caplin & Drysdale in Washington. A senior American finance executive at the Hong Kong branch of a major investment house told Michel that FATCA was "America's most imperialist act since it invaded the Philippine Islands in 1899."

The regulation, Michel said, was "engendering a profound and growing anti-American sentiment abroad."

Dean Marsan, a tax lawyer and former senior tax counsel at Lehman Brothers who has written extensively on FATCA, called

the rule "a US-centric law for the world."

The legislation that created FATCA was introduced in 2009 by four congressmen during a crackdown on UBS, the Swiss bank giant that sold tax evasion services. Signed into law by US President Barack Obama in March 2010, FATCA goes into effect on January 1, 2014, for most types of transactions and a year later for other payments.

The phase-in, announced in April, already represents a backtracking by the US Treasury Department amid criticism from foreign banks about FATCA's reach, costs and still-to-be-ironed-out points. It originally had planned a January 1, 2013, start date.

In June, the private banking arm of HSBC said it would stop offering services to US residents outside the United States because of the cost of complying with the rule.

That month, Michael Ambuehl, Switzerland's secretary of state for international tax and financial matters, told a conference in Zurich that FATCA showed that "Switzerland is becoming a target of intense international greediness."

Even the European Commission has objected, and experts say other countries may create their own FATCA-style regimes for US banks or withdraw from US capital markets.

In a barrage of letters to the Treasury, IRS and Congress, opponents from Australia to Switzerland to Hong Kong assail FATCA's application to a broad swath of institutions and entities.

Those affected include commercial, private and investment banks and shells and trusts; broker-dealers; insurers; mutual, hedge and private-equity funds; domiciliary companies; limited liability companies, partnerships; and other intermediaries and withholding agents. FATCA also covers affiliates of the entities.

## Growth woes hit Sensex

**MUMBAI:** The BSE Sensex fell nearly two per cent yesterday to log its fourth straight weekly loss, its longest weekly losing streak since the Lehman collapse, as fears of the US sliding into a recession triggered a global flight from risky assets.

Lingering worries about a slowdown in India's economic growth and profitability of domestic companies due to surging interest rates in Asia's third-largest economy also weighed on investor sentiment.

Finance Minister Pranab Mukherjee yesterday said the Indian stock markets had been affected by the US market sentiments but the country's economy was robust and the growth story was intact.

Global stocks were also hammered yesterday on worries about a banking crisis in Europe as some lenders in the region faced a short-term funding crunch, with most investors rushing to the safety of gold,

which hit a record high.

"The market will continue to be in bearish trend and there is more downside left in the absence of definite signal on how the European situation would be resolved," said Anshu Kapoor, private wealth head at Edelweiss Global Wealth Management.

Infosys, India's No 2 software firm, was the top loser in the Indian market, ending down 5.5pc at 2,224.70 rupees, its lowest closing level in 21 months, on worries about a drop in outsourcing demand in a weak global economy.

India's showcase \$76 billion software and services sector, which has already been reeling under competitive pressure and sluggish demand, counts the US and Europe as its two biggest markets.

The benchmark 30-share BSE

index closed down 1.99pc, or 328.12 points, at 16,141.67, with 21 components in the red, after having fallen as much as 2.9pc to go below the 16,000-mark for the first time in about 15 months.

**BOMBAY STOCKS**

The BSE index, which is down 21pc this year, dropped 5pc on the week, extending its losses to 14pc in four straight weeks, its longest weekly losing streak since September 2008.

Morgan Stanley had pared this week its growth forecast for the Indian economy for the current fiscal year to 7.2pc from 7.7pc earlier.

"We already have a slightly gloomy prospect on the domestic macro front and to top it the global economy is looking much worse now than it was six months ago," said Nitin Rakesh, chief executive of Motilal Oswal Asset Management Company.

"In a global environment like this, it is very difficult to predict the course of the market. We just have to wait it out."

India's three largest IT companies, Tata Consultancy, Infosys and Wipro, dragged the software services sector index down as much as 6.3pc to its lowest level since November 2009.

Tata Consultancy slumped 3.5pc to 928.95 rupees and Wipro closed 2.4pc lower at 320.35 rupees.

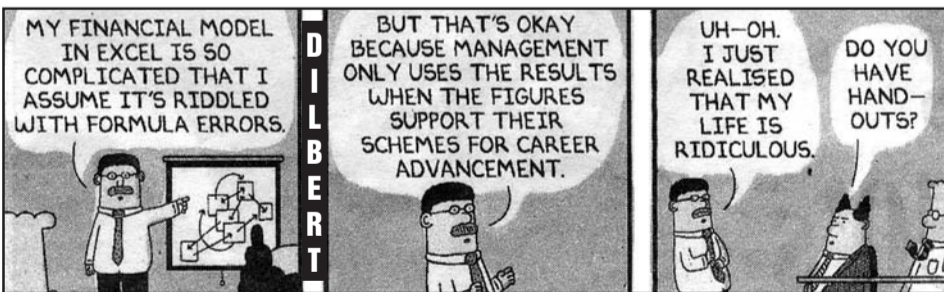
Brokerage BNP Paribas on Thursday downgraded the sector to "deteriorating" from "neutral" on large cuts in earnings per share, citing macro weakness and likely recession.

"Over the next few quarters, not only should Indian IT growth slow due to a higher base from continued headcount dependence, but weaker macro data should only worsen the situation," BNP said in the note.

Larsen & Toubro, India's top engineering and construction firm, closed down 5.1pc at 1,545.55 rupees on concerns that a slowdown in the country's economic growth would crimp investment in infrastructure projects.

The 50-share NSE index closed down 1.99pc at 4,845.65 points.

In the broader market, losers were ahead of gainers in the ratio of 3:1 on relatively heavy volume of 700 million shares.



## SHIPPING

Almoayed Wilhelmsen Imports	
Maersk Phuket	OOCL due from Europe, US, Far East tomorrow
Maersk Phuket	OOCL due from Europe, US, Far East tomorrow
Sima Paya	OOCL due from Europe, US, Far East August 22
APL London	OOCL due from Europe, US, Far East August 25
Maersk Phuket	OOCL due from Europe, US, Far East August 28
Ozge Aksoy	WBC due from Chile, Rijeka, Italy August 28
Sima Paya	OOCL due from Europe, US, Far East August 29
Maersk Wave	OOCL due from Europe, US, Far East August 30
<b>Exports</b>	
Al Isaa	OOCL to Far East, China, Southeast Asia, Inter Gulf August 22
<b>Alsharif Group</b>	
Fowairet	Hanjin due from Europe August 29
Xin Qing Dao	Hanjin due from Far East August 29
Hanjin Port Kelang	Hanjin due from Far East August 29
Hanjin Shenzhen	Hanjin due from Far East August 29
Hanjin Malta	Hanjin due from US August 29

Al Abdali	Hanjin due from US August 29
Guangzhou Highway	K Line due from Japan, Far East September 9
<b>Dilmun Shipping Agency</b>	
Xin Tian Jin	CSCL due from Far East today
Bunga Raya Lapan	Misc due from Far East August 23
Xin Yan Tai	CSCL due from Far East August 27
Bunga Raya Lima	Misc due from Far East August 30
<b>Gulf Agency Company</b>	
Tsingato Express	NYK due from Europe August 23
CMA CGM Wagner	NYK due from Europe August 23
Puelo	CSAV/NOR due from Far East August 25
<b>National Shipping</b>	
Tuchal	HDSL due from Far East today
Daffodil	HDSL due from Far East today
YM Efficiency	YML due from Far East tomorrow
<b>Yusuf bin Ahmed Kanoo</b>	
Alliance Norfolk	Hoegh, US due from Dammam August 23
Maersk Wave	Hoegh, Europe due from Doha August 30

