



<http://finance.senate.gov>
Press_Office@finance-rep.senate.gov

MEMORANDUM

To: Reporters and Editors
Re: China's announcement on the yuan
Da: Friday, May 18, 2007

Sen. Chuck Grassley, ranking member of the Committee on Finance, with jurisdiction over international trade, today made the following comment on the announcement by China's central bank that it will let the yuan trade more freely.

“This is a positive step, but it's too early to tell whether it's substantive or just window dressing. China can and should move faster to allow market forces to determine its currency exchange rates. A wider trading band can facilitate that, but only if the Chinese government lets it happen. I intend to discuss this with the Chinese delegation coming to town next week.”