



» **Print**

This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to colleagues, clients or customers, use the Reprints tool at the top of any article or visit: www.reutersreprints.com.

China yuan undervalued by between 5 to 27 pct-sources

Tue, Jul 27 2010

WASHINGTON, July 27 (Reuters) - International Monetary Fund staff estimates show the Chinese yuan is undervalued somewhere between 5 to 27 percent, two sources who have seen the staff report told Reuters on Tuesday.

Eswar Prasad, a senior fellow at the Washington-based Brookings Institution and a former IMF official, said IMF staff had used different methodologies to determine how much the currency was undervalued and was published as a footnote in the IMF staff paper on China.

A financial diplomat in Beijing confirmed the range of between 5 and 27 percent.

While IMF staff called the currency "substantially undervalued," the board of member countries dropped that the "substantially" undervalued tag in the final report published on Tuesday and said several directors believed the yuan is undervalued.

© Thomson Reuters 2010. All rights reserved. Users may download and print extracts of content from this website for their own personal and non-commercial use only. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is expressly prohibited without the prior written consent of Thomson Reuters. Thomson Reuters and its logo are registered trademarks or trademarks of the Thomson Reuters group of companies around the world.

Thomson Reuters journalists are subject to an Editorial Handbook which requires fair presentation and disclosure of relevant interests.

This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to colleagues, clients or customers, use the Reprints tool at the top of any article or visit: www.reutersreprints.com.