

# Investment guru Jim Rogers bets on yuan

■ BY HARSHA JETHNANI

PROBABLY the safest investment around these days is the yuan. This is the view of veteran investor Jim Rogers, who believes the Chinese currency will appreciate against the United States dollar.

"The Chinese currency has been too low... in my view, the currency has to go up and it has to go up a lot over the next few years," Mr Rogers said yesterday.

He was speaking at the World Recycling Convention and Exhibition which began yesterday at the Shangri-La Hotel. The annual conference is organised by the Bureau of International Recycling.

Those attending were also warned about the likelihood of currency turmoil and fluctuations in the next few years.

"All the assets are in Asia now, the creditors are in Asia and the debtor countries are all in the West - that has always led to currency turmoil," said Mr Rogers.

The investment guru said yesterday that he has a preference for currencies of countries with well-managed natural resources, such as Canada and Australia. His portfolio also consists of the US dollar, euro, yen and Singdollar, among others.

Other than currencies, his portfolio is al-



**"The Chinese currency has been too low... in my view, the currency has to go up and it has to go up a lot over the next few years," said veteran investor Jim Rogers. PHOTO: AGENCE FRANCE-PRESSE**

so big on commodities, which he believes are at the early stages of a bull market - where prices rise over a prolonged period.

Demand from cash-rich and developing Asia is chasing a lagging supply of raw materials, he said.

"Three billion people in Asia are increasing their consumption at a time when supply of most commodities is under duress."

Oil reserves, for instance, are in steady decline and there is a serious shortage of farmers and farmland.

If the economy continues to improve, Mr Rogers is sure he will make money on

his holdings "because shortages are developing in nearly everything".

And even if the assumption is that the world economy does not fare well, he would still rather be holding commodities.

When things go wrong, governments are likely to print more money, he said.

Going by history, when more money is printed and currencies are de-based, "the only way to protect yourself and make money is to have real assets", he said.

Still, when it comes to currencies, Mr Rogers is positive on the yuan as economic power shifts from America to China.