

China, EU to accelerate talks on Beijing's WTO entry

BEIJING, May 6: China and the European Union (EU) have agreed to speed up negotiations on the mainland's entry to the World Trade Organisation (WTO), state media reported today, says AFP.

Chinese premier Zhu Rongji at a meeting with visiting European Commission Vice President Sir Leon Brittan expressed appreciation for EU support, the China Daily reported.

Both sides agreed to accelerate the pace of negotiations and exchanged views on Sino-EU trade and economic relations.

Brittan, who arrived Wednesday on a two-day mission to bring fresh impetus to

the discussions, held meetings with Chinese officials, including State Councillor Wu Yi and Foreign Minister Tang Jiaxuan.

The talks continued into the evening and he was deep in conversation with Foreign Trade and Economic Cooperation Minister Shi Guangsheng at a reception organised by the European Union in a Beijing hotel.

Neither side would comment on whether the intense talks were likely to lead to an accord during a China-EU summit next week in Beijing.

The EU and the United States want to agree terms to enable China's entry before the

Global funds getting back to Asia

HONG KONG, May 6: The big guns have returned to Asia, buying blue chips and prompting a spurt of rotational buying that has broadened out the regional rally, analysts said, reports Reuters.

But some warned of a possible correction in Seoul shares, whose year-long rise has helped spur gains elsewhere.

Foreign funds are opting for liquidity in Asia, buying the biggest blue chips rather than stocks with the best restructuring track record or those with the best valuations, analysts said.

This has allowed local and retail investors to switch out of blue chips in search of laggards, in the process generating huge volumes and helping to broaden out the market strength.

This is no longer just Asian dedicated funds, were seeing global funds as well,

said Dan Fineman, strategist at Jardine Fleming Securities. "And it's no longer reallocation; it appears they're gearing up to find cash to put in fresh funds."

Bill Overholt, Asian strategist at Nomura International, said his company's order book reveals a fast rise in foreign fund flows, which suggests markets will rise much higher than Asian interest rates at lower levels than before crisis struck.

The foreigners are just beginning to come in, so this is something that could go for a while, Overholt said.

Markets such as Hong Kong have shown increasingly broad strength, and smaller regional markets in Bangkok and Jakarta are gaining on spillover strength from the three rally leaders so far: Hong Kong, Singapore and Seoul.

"That's what makes all of

this so powerful," said Fineman. "It's a combined effort."

Peter Perkins, strategist at Daiwa Research International, said that while foreign fund flows are notoriously difficult to track, one bellwether indicator is the premium on foreign designated shares around the region.

The Bangkok Bank BBL.BK foreign share premium had risen from 27 per cent in February to 67 per cent on Tuesday — its highest in five years.

Analysts are increasingly calling for a correction in the market that led the entire region out of the doldrums, and continues to report higher volumes — \$4 billion a day — than anywhere else in Asia apart from Tokyo.

"Given the state of the economy, there's incredible exuberance towards shares, said Perkins, noting the rising

number of statements of concern by public officials.

The South Korean government itself has got into the act, with Finance Minister Lee Kyu-sung warning on Thursday that investors should be cautious toward the market rally.

Jardine Fleming's Fineman said second quarter gross domestic product figures could disappoint, triggering a correction. Other problems include the Daewoo DWGR.CN — restructuring, and stumbles in Newbridge Capital's acquisition of Korea First Bank 00110.KS.

But following Monday's break of the 11,000 barrier by the Dow Industrials, global liquidity is expected to continue lifting most Asian stock markets skywards.

Analysts said that without a reversal in the US market, any Asian correction would likely be short-lived.

Exchange Rates

Following are yesterday's Standard Chartered Bank rates of major currencies against Taka:

Central Bank USD/BDT Rate: Buying - BDT 48.35/Selling - BDT 48.65

Selling	Currency	Buying	OD
TT/OD	BC	TT Clean	OD SIGHT
48.7300	48.7700	USD	48.3200
0.4156	0.4180	JPY	0.3919
32.4585	32.4852	CHF	31.3400
28.9319	28.9566	SGD	28.0067
34.1127	34.1407	CAD	32.8819
5.7847	5.7894	SEK	5.7035
33.2046	33.2319	AUD	30.9683
12.9432	12.9539	MYR	12.5991
6.3038	6.3090	HKD	6.1278
13.0633	13.0740	SAR	12.8146
13.3415	13.3525	AED	13.0839
0.0407	0.0408	KRW	0.0404
79.5761	79.6414	CNR	76.9399
52.6040	52.6472	EUR	50.2190

US dollar

Buying	Selling
48.15	48.75
48.1	48.7

Market Commentary

The demand for dollar remained steady in the local forex market on Thursday. In the interbank market, dollar traded in a narrow range of BDT 48.65 to BDT 48.66. The call money market was in an elevated state and call rate ranged between 9.5 to 10.5 per cent.

In the curb market, cash US dollar notes traded between BDT 49.40 and BDT 49.60.

At 1615 hours local time, USD traded at 120.63/68 JPY, GBP at 1.6355/60 USD and euro at 1.0804/10 USD.

Oil prices surge to 17-month high

NEW YORK, May 6: Oil prices climbed to 17-month highs yesterday, but oil company shares fell, reflecting Wall Street's feeling that the oil market may be overheating, analysts said, reports Reuters.

On the New York Mercantile Exchange (NYMEX), crude oil for June delivery traded as high as \$19.05 a barrel for the first time since early December 1997.

It settled at \$18.98, gaining just six cents on the day, but overcoming an early fall of nearly 50 cents as the market thumbed down an unexpected increase in gasoline stocks last week which offset a moderate drop in crude inventories.

"The day's closing shows this is a classical bull market," said Bill O'Grady, an analyst at A G Edwards.

"You just can't keep it down, no matter what," he added.

Oil shares ended lower as equity traders "felt uncomfortable over the oil market's sharp rise and that a correction was coming," said Fadel Gheit, an analyst at Fahnestock & Co.

Gheit's comment added to concerns raised earlier by other analysts, who say the oil market's long rally may already be flagging.

The Standard & Poor's International Oil Index, which tracks major integrated oil companies, slipped 11.90 points or 1.17 per cent, to 1,000.85.

Among the oil majors,

Australia may ban non-Y2K compliant airlines

CANBERRA, May 6: Airlines could be banned from flying into Australia if they are found to be at risk of the year 2000 computer bug, the nation's aviation safety watchdog said Thursday, reports AP.

Civil Aviation Safety Authority director of aviation safety Mick Toller said all airlines operating in Australia would be checked for Y2K compliance in the next few months.

"All foreign airlines operating into Australia require an Air Operators Certificate," he told a Senate estimates hearing.

"One of the issues that we will be reviewing before the end of the year will be Y2K compliance for all airlines, both Australian and foreign, that hold Air Operators Certificates."

The bug affects older computers that use two digits to denote dates and may be unable to recognize the change from 1999 to 2000 at midnight on New Year's Eve.

Toller played down the risk to air travellers.

"There is a general sense of well-being at the moment that aircraft are not going to fall out of the sky," he said.

"There are not any significant issues that have been identified other than in a few minor navigation systems in old aircraft which are not safety-threatening."

RE-BID NOTICE

1. Bid Notice : 18/98-99 to 26/98-99.
 2. Name of work : World Bank/IDA assisted 1998 Flood Rehabilitation work of Satla-Bagda (Polder No. 1, 2 & 3) Project and Paisarhat-Ramshil Sub-Project (IDA Credit No. 2791-BD).
 3. Estimated cost : As per following Bid list.
 4. Earnest Money : As per following Bid list.
- Bid Security shall be in the form of Pay Order, Bank Draft, Protirokaha Sanchay Patra in favour of Deputy Director, RAC, Barisal.
5. Implementation : As per following Bid list.
 6. Eligibility of : -do- -do- contractor
 7. Availability of : Sonali Bank, Sagardi Branch/Sonali Bank, Bid WAPDA Branch, Motijheel C/A, Dhaka/Divisional Commissioner, Barisal.
 8. Bid receiving : Executive Engineer, Barisal O&M Division, office Barisal/ Divisional Commissioner, Barisal.
 9. Last time & date : Up to 9.6.99 during office hours. of Bid selling
 10. Time & date of : Up to 12-00 hours on 10.6.99. Bid receiving
 11. Date & time of : 13-00 hours on 10.6.99. Bid opening
 12. Price per set of : Tk. 400/- & Tk. 700/- (Non-refundable). Bid

Bid No	Contract Package No.	Description of work	Estimated Cost (Tk)	Earnest Money (Tk.)	Time of award (day)	Eligibility of contractor
1	2	3	4	5	6	7
18/98-99	331-W3	Repair of Bridge under Paisarhat-Ramshil Sub-project.	97,929/-	2449/-	60	'D' Class
19/98-99	331-W2	Repair of Inlet under Paisarhat-Ramshil Sub-Project	7,63,492/-	19,089/-	90	'B' Class
20/98-99	330-W1	Repair of Inlet under Satla-Bagda Project (Polder-3)	5,69,699/-	14,243/-	90	'B' & 'C' Class
21/98-99	329-W4	Repair of Inlet under Satla-Bagda Project (Polder-2)	3,18,578/-	7,965/-	90	'C' & 'D' Class
22/98-99	329-W2	Re-construction of Inlet under Satla-Bagda (Polder-2)	16,99,772/-	On total quoted amount	90	'B' & 'C' Class
23/98-99	328-W5	Repair of Pipe Inlet under Satla-Bagda (Polder-1)	5,36,574/-	13,415/-	90	'B' & 'C' Class
24/98-99	329-W1	Re-construction of Pipe Inlet under Satla-Bagda Project (Polder-2)	16,93,522/-	On total quoted amount	90	'A' & 'B' Class
25/98-99	328-W2	Re-construction of Pipe Inlet under Satla-Bagda (Pol-2)	17,99,809/-	-do-	90	'A' & 'B' Class
26/98-99	328-W1	Re-construction of pipe inlet under (Satla-Bagda (Pol-1)	16,87,876/-	-do-	90	'A' & 'B' Class.

Md Abdul Mannan
Executive Engineer
Barisal O&M Division
WDB, Barisal.

Office of the Executive Engineer
Rangamati O&M Division
BWDB, Rangamati

Notice Inviting for Re-Tender

1. Tender No : T-18/1998-99.
2. Name of work & estimated cost : **Group-A:** Repair & maintenance of 4 nos foot bridge in PS Rangunia; Dist Chittagong under FDR financed by IDA. Tk 7,71,903/= (Taka seven lac seventy one thousand nine hundred three) only.
Group-B: Repair & maintenance of 7 nos regulator in PS Rangunia; Dist Chittagong under FDR financed by IDA. Tk 4,82,658/= (Taka four lac eighty two thousand six hundred fifty eight) only.
Group-C: Repair & maintenance of 44 nos gates of regulator in PS Rangunia; Dist Chittagong under FDR financed by IDA. Tk 4,75,154/= (Taka four lac seventy five thousand one hundred fifty four) only.
3. Tender security : Tk 2.50% of the estimated amount. Fixed deposit holder shall have to deposit a token tender security @ 1% of the estimated amount.
4. Last date & time of receiving the tenders : Up to 12-00 hours of 13-6-99.
5. Date & time of opening the tenders : On 13-6-99 at 13.00 hours.
6. Eligibility of : B, C & D class enlisted contractor to take part for tender 1998-99.
7. Name & address : 1) The Manager, Sonali Bank, WAPDA Branch, Motijheel C/A, Dhaka.
2) The Manager, Sonali Bank, Bahadderhat Branch, Chittagong.
3) The Manager, Sonali Bank, Katalali Branch (Banarupa), Rangamati.
4) The Manager, Sonali Bank, Kaptai Branch, Kaptai.
8. Name & address : The Executive Engineer, Rangamati O&M Division, BWDB, Rangamati & his office also at Kaptai.
9. Name & address : Md Mohsin Ali, Executive Engineer, Rangamati O&M Division, BWDB, Rangamati.

Executive Engineer
Rangamati O&M Division
BWDB, Rangamati.

PANI-473/98-99
GD-372

Re-Tender Notice

1. Tender Notice No : 13/1998-99 dated 02/05/1999
2. Name of work and package no. : **CHANDPUR IRRIGATION PROJECT (CIP)**
(i) Manufacturing, supplying, placing dumping off C.C blocks including allied items of works for Meghna river bank protection at Tajkharandi and Katakhal in PS Haimchar, Dist. Chandpur under "1998 FDR Project" financed by IDA under Credit No. 2791-BD during 1998-1999-12 Packages i.e.:
a) Package No. 53-W1 to Package No. 53-W6=6 Packages
(For manufacturing & supplying CC blocks at Tajkharandi).
b) Package No. 53-W7 & Package No. 53-W8=2 Packages
(For carrying, placing & dumping of CC blocks at Tajkharandi).
c) Package No. 53-W9 to Package No. 53-W11=3 Packages
(For manufacturing & supplying of C.C blocks at Katakhal).
d) Package No. 53-W12=1 Package
(For carrying, placing & dumping of C.C blocks at Katakhal).
3. Estimated cost : (i) a) Package No. 53-W1 to 53-W6=Taka 61.12 lac for each package.
b) Package No. 53-W7 & 53-W8=Taka 44.95 lac & Taka 44.81 lacs for each package respectively.
c) Package No 53-W9 to 53-W11=Taka 65.22 lac for each package.
d) Package No. 53-W12=Taka 33.53 lac.
4. Earnest money (bid security) : (i) 2% (Two & half per cent) of the Bid Amount.
5. Eligibility of : (ii) 1% (One per cent) of the Bid Amount for Fixed Security Deposit holders.
6. Date of receipt & opening of the Bids : Package No 53-W1 to 53-W6 and Package No. 53-W9 to 53-W11 for 'A' Class only and package No. 53-W7, W8 & W12 for 'A' & 'B' Class enlisted contractors under BWDB during the year 1998-1999.
7. Where bid documents will be available : Bids will be received upto 13th June/99 upto 12.00 hours in the office of the Executive Engineer, Chandpur O&M Division, BWDB, Chandpur and will be opened at 13.00 hours in presence of the intending contractors on the same day.
(i) Office of the Commissioner, Chittagong Division, Chittagong.
(ii) Office of the Manager, Sonali Bank, WAPDA Building, Motijheel Commercial Area, Dhaka.
(iii) Office of the manager, Sonali Bank, Sholohar Branch, Chandpur.
(iv) Office of the Manager, Janata Bank, Sonobaya Branch, Kandirpar, Comilla.
8. Price of bid document & last date of selling : Bid documents will be issued to each contractor @ Tk 750.00 (Seven hundred fifty) only for work of value Tk 10.00 lac to Tk 50.00 lac and Tk 2000.00 (Two thousand) only for work of value above Tk 50.00 lac upto Tk 100.00 lac. Last date for selling of tender documents is 10th June/1999 during office hours.
9. Other information to be obtained from : Office of the Executive Engineer, Chandpur O&M Division, BWDB, Chandpur.
10. Name of the advertiser : Mohammad Aminul Islam, Executive Engineer, Chandpur O&M Division, BWDB, Chandpur. Tel: 0841/3008.
11. Remarks : The authority reserves the right to accept any tender or reject all tenders without assigning any reasons.

Mohammad Aminul Islam
Executive Engineer
Chandpur O&M Division
BWDB, Chandpur

GD-371

'ROK economy not out of danger'

PARIS, May 6: The South Korean economy is not out of danger even though "the worst of the financial crisis is behind us", South Korean President Kim Dae-Jung told the newspaper Le Monde here yesterday, reports AFP.

He also stressed that reform of conglomerates, so-called chaebols, was vital and that delay could threaten financial stability in South Korea.

"If reform of the chaebols is not carried through, the loans they have received will become new bad debts and a new financial crisis will be on the horizon," he warned.

Brazil Congress probing alleged central bank profiteering

BRASILIA, May 6: Congress opened an investigation yesterday into possible illegal profiteering by Brazil's central bank during a devaluation of the national currency earlier this year, reports AFP.

Senator Jader Barbalho, who set up the Parliamentary Investigative Committee looking into the banking sector, said the panel would focus on allegations the central bank sold cheap dollars just ahead of the real's devaluation to troubled private banks Marka and FonteCindam.

The committee would also investigate whether former central bank president Francisco Lopes gave the banks insider information.

The pro-government senator said seven other lines of inquiry that had prompted the committee's creation had been exhausted and were now in the hands of federal investigators.

President Fernando Henrique Cardoso yesterday suggested that the committee take no more than 120 days to wrap up its investigation.

On Monday current Central Bank President Arminio Fraga denied any wrongdoing by the bank, saying that the sale of dollars to Banco Marka were totally legal.

Yen compatible with Japanese recovery: IMF

JAKARTA, May 6: International Monetary Fund Asia-Pacific director Hubert Neiss said today the yen's current levels were compatible with recovery in Japan and the rest of Asia.

"I think the yen around current levels is compatible with our forecasts of a recovery," Neiss told Reuters television in an interview, when asked whether the yen's level was in the best interests of recovery in Japan and Asia.

Neiss said he expected fiscal stimulus measures to continue into next year if private demand continued to lag.