

Central bank corporate survey says Japan business sentiment shows biggest improvement in 12 yrs

TOKYO, Oct 4: Japan's business sentiment showed its strongest improvement in almost 12 years in September, a key central bank survey showed. Today's reports Reuters.

But while the survey provided further evidence that the world's number two economy is rebounding from its worst post-war downturn, it also found that more firms saw the need to slash their capital investment in restructuring efforts this year.

The Bank of Japan's "tankan" quarterly corporate survey showed the sentiment index for big manufacturers rose for the third straight quarter to minus 22 from minus 37 in June.

The result was slightly better than market forecasts. A Reuters poll of 18 economists had on average projected the key diffusion index (DI) would come in at minus 26.

The DI for big manufacturers reflected a recent improve-

ment in economic indicators and the market perception of an economic recovery in Japan," said Koichi Ono, economist at Daiwa Institute of Research, adding that this trend would continue.

Some say outlook remains clouded

But some economists are still cautious about the outlook.

The September tankan results were similar to those in June — corporate sentiment is leading actual economic conditions, and it shows only a very moderate economic recovery," said Jun Ishii, chief market economist at Tokyo-Mitsubishi Securities.

The outlook for the economy still remains clouded, especially looking at corporate profits and capital spending."

Looking forward, the survey found that the index for big manufacturers would further rise to minus 16. But the pace of the improvement was expected

to slow down, likely as manufacturers start factoring in a squeeze on offshore profits from the yen's 15 per cent rise against the dollar this summer.

The tankan sentiment gauge is a diffusion index of the percentage of companies reporting favourable business conditions minus those reporting unfavourable conditions. A negative figure means pessimists outnumber optimists.

Tankman gave mixed signals to markets

The better business confidence gave a brief boost to the yen, pushing it briefly to 104.42 to the dollar, but the yen eased to around 105.75 by late morning trade.

Tokyo share prices firmed on relief over improvements in the latest tankan, while the yield of Japanese government bonds fell, reflecting the fall in capital investment in the survey.

"The positive impact on the yen is likely to be diluted by weakness in the tankan's capital expenditure related data," said Industrial Bank of Japan senior market analyst Mitsumaru Kumagai.

The survey showed that big Japanese companies plan to cut capital investment by a worse than expected 9.4 per cent in fiscal 1999/00 ending next March from the previous year.

This marked the most dismal forecast for capital spending by large firms since the BOJ first started reporting the tankan in 1983.

In the previous June tankan, big firms had said they planned to cut investment by 7.9 per cent for this fiscal year.

"Obviously the capex number is disappointing. I think that shows that restructuring is pretty much aggressive at this stage," said Flachra Maccana, West LB Securities head of equity research. But he added that this was "good news for the future."



An office worker reads a book as he eats in a Dunkin' Donuts shop in Seoul Sunday. Western fast-food outlets have grown massively in popularity in Seoul since the country's worst economic crisis in decades forced the opening of its once-closed markets. — AFP photo

Government of the People's Republic of Bangladesh
Department of Films & Publications
112, Circuit House Road, Dhaka

No. 3-30/1999-2000(F)

Tender Notice

No. 24(F)/1999-2000

Open sealed tenders are invited from importer/supplier firms for purchase of the undermentioned black & white negative & positive processing special type black & white chemicals:

Description of goods	Quantity
1. Mettol	14 Kg
2. Hydroquinon	25 Kg
3. Sodium Sulphate	20 Kg
4. Sodium Carbonet	25 Kg
5. Sodium Thiosulphate	150 Kg
6. Aclai Acetic Acid	15 Litre
7. Potassium Alum	20 Litre

Each set of tender schedule will be available at Tk 400/- (four hundred) from Accounts Section of this Directorate during office hours up to 11-10-1999 (26-06-1406 BS). Tenders will be opened on 12-10-1999 (27-06-1406 BS) at 11:35 min.

Sheikh Mohammad Billal Hossain
Deputy Director (Film)
&
Member-Secretary, Tender Committee

DDP-21424-27/9

G-1806

Bangladesh Shilpkala Academy
Segunbagicha, Ramna, Dhaka-1000

Phone: 9560602
Fax: 9562853, E-mail:
bsacharu@vasdigital.com

9th Biennial Asian Art Exhibition Bangladesh-1999

Notice for Appointment of Customs Clearing Forwarding Agent

Tenders are invited from customs clearing and forwarding agents for clearing different art works from Zia International Airport of different countries for exhibition in the 9th Biennial Asian Art Exhibition to be held from 6th November 1999 under the auspices of Bangladesh Shilpkala Academy and to send them to the concerned countries after the exhibition. The establishments which have worked as the clearing forwarding agents earlier in any international standard exhibition/fair will be given preference.

Schedule of items and other rules and regulations of the said work can be procured from the Accounts Section of the Academy and the Ministry of Cultural Affairs at the Bangladesh Secretariate (Bhaban No 6, 10th floor, Section-7) on payment of Taka 100/- (one hundred) in cash during office hours. Security money for an amount of Tk 5000/- (five thousand) (refundable) in the form of Pay Order/Draft from any scheduled bank in favour of the Bangladesh Shilpkala Academy will have to be deposited along with the tender.

Tenders will have to be submitted by 12:00 Noon on 10-10-99 in the tender box kept at the administration building of Bangladesh Shilpkala Academy or Section-7 of the Ministry of Cultural Affairs at Bangladesh Secretariate. Tenders will be opened the same day at 1 PM at Bangladesh Shilpkala Academy before the tenders (if anyone remains present).

The Academy authority fully reserves the right to accept or reject any or all tenders.

Subir Chowdhury

Member-Secretary
Organising Committee

9th Biennial Asian Art Exhibition-1999
and Director, Art Department

DDP-21833-30/9

G-1810

Kuwait wants price rise of Brent crude oil

KUWAIT CITY, Oct 4: Kuwait Oil Minister Saad Nasser al-Sabah said Sunday he hopes the price of Brent crude oil, from the North Sea, will reach 25-28 dollars a barrel, says AFP.

Sheikh Saad said he wants Brent crude to rise to that level in the coming months "so when we calculate the general average of prices over a year, we will conclude that the price of the Kuwaiti oil barrel ranges between 20-21 dollars."

"This is the reasonable price of Kuwaiti oil, which is enough to erase the budget deficit by the fiscal year 1999-2000," he said, quoted by the official KUNA news agency.

Brent crude for delivery in November was worth 23.75 dollars a barrel Friday in London.

Vietnam's rice exports hit record

HANOI, Oct 4: Vietnam's rice exports topped a record of 3.8 million tonnes in the first nine months. Vietnam's English daily Vietnam News reported today, says Xinhua.

The nine-month figure equaled last year's total rice exports, an official of the Ministry of Trade (MoT) said.

The official optimistically said that the national target of exporting 4.3 million tonnes of rice this year is "within reach."

He said that over 200,000 tonnes of rice a month could be exported in each of the last three months of the year, with 250,000 tonnes likely to be exported in October alone, pushing exports over the first 10 months to over 4 million tonnes. This will represent a year-on-year rise of 24 per cent.

A slight recovery in world rice prices means that exporters are expecting higher earnings, although prices are still lower than they were last year.

Asia still accounts for nearly 60 per cent of Vietnam's rice export markets, with Africa accounts for 20 per cent, followed by the Middle East for 13 per cent.

Europe and the America consume nine per cent of Vietnam's rice exports.

LONDON, Oct 4: Rising inflation will nudge pay deals higher in Britain next year but there will be no dramatic upsurge to worry the Bank of England, pay experts Incomes Data Services (IDS) said today, reports Reuters.

Its latest report said pay awards, bonuses and overtime would result in average earnings growth of around 4.5 per cent, broadly in line with current rates.

IDS said wage bargaining over the next year would take place against the backdrop of a tightening labour market, stronger economic growth, higher company profitability and rising inflation — all factors that will put workers in a strong position when it comes to pay negotiations.

But employers will also have a few aces up their sleeves. Inflation will still be extremely low by historical standards, many firms will find it hard to increase prices making generous pay deals difficult to justify and there are likely to be ongoing problems for exporters.

The net result, say IDS, is that most basic pay rises will continue to be in the 2.5 to 4.0 per cent range, a band interest rate setters at the Bank of England would be relatively comfortable with.

In recent months, IDS has said pay deals have fallen in line with low inflation but have found a floor around 2.5 per cent.

"But with more use of variable bonuses, the basic pay rise will not necessarily be a good

indicator of the real value of settlements," said IDS.

"Settlement levels, bonus payments and increased overtime working are likely to mean that average earnings growth will stay around the 4.5 per cent level."

Wage pressures in the UK have been relatively well contained in recent months despite falling unemployment turning the screws on an ever-tightening labour market.

Earnings growth in July inched up to 4.6 per cent from 4.4 per cent in June, a touch above the Bank's comfort level of 4.5 per cent.

The Bank cited tight conditions in the labour market when it raised rates by a quarter point to 5.25 per cent last month.

Asian stocks close mixed

In Hong Kong, the blue-chip Hang Seng Index rose 142.62 points or 1.1 per cent, closing at 12,875.86.

Brokers said bargain-hunters stepped into the market following a recent slump in share prices.

Trading remained light as many investors stayed on the sidelines ahead of the rate-setting Federal Open Market Committee meeting in the United States on Tuesday.

Share prices in Singapore close lower on a lack of fresh developments. The benchmark Straits Times Index fell 13.39 points, or 0.7 per cent, to 7,685.48.

South Korea stocks slumped as investors expressed disappointment over a package of new market stabilization measures announced earlier by the government.

The Korea Composite Stock Price Index fell 20.98 points, or 2.5 per cent, to 818.37.

Thai share prices also closed sharply lower on profit-taking following Friday's 4.6 per cent rise in the key index.

The Stock Exchange of Thailand index fell 11.74 points, or 2.9 per cent, to 395.49.

Elsewhere:

Jakarta: Indonesian shares closed lower as selling in blue chips erased earlier gains in the main index. The Composite Index fell 1.9 per cent, or 10,736 points, to 555,304.

Taipei: Share prices closed slightly higher on bargain-hunting. The market's key Weighted Stock Price Index rose 25.93 points, or 0.33 per cent, to 7,685.48.

Wellington: New Zealand share prices closed lower. The benchmark NZSE-40 Capital Index fell 6.21 points, or 0.3 per cent, to 2,045.62.

Manila: Philippine shares closed slightly higher. The Philippine Stock Exchange Index of 30 selected companies rose 1.32 points, or 0.1 per cent, to 2,104.28.

Sydney: Australian share prices closed moderately lower, as jitters about a potential rise in interest rates and a Labour Day holiday in some Australian states restricted demand for equities. The benchmark All Ordinaries Index closed at 2,895.5, down 17.4 points in the key index.

Kuala Lumpur: Malaysian shares closed slightly higher on buying by mainly local institutional investors.

Eastern Refinery Limited

(A Subsidiary of Bangladesh Petroleum Corporation)

North Patenga, Post Box No 35

Chittagong-4000

Bangladesh

Dated: 26th September, 1999

Sealed tenders alongwith the original proforma invoice/catalogue/brochure are invited from the bonafide manufacturers/suppliers/agents for supply of the following materials on C&F Chittagong basis as per specifications, terms and conditions mentioned in the schedules of relevant tender documents:

Tender No	Description of Materials	Cost of Tender Schedule Per Set	Last Date for Purchasing of Tender Schedule	Opening Date of Technical Offer.
ER/PUR/IT-13/99	Mud-Hog Diaphragm Pump.	Tk 200/-	14-11-99	15-11-99
ER/PUR/IT-14/99 (Two Envelope System)	Various Valve	Tk 200/-	15-11-99	16-11-99

Tender No	Description of Materials	Cost of Tender Schedule Per Set	Last Date for Purchasing of Tender Schedule	Opening Date of Technical Offer.
ER/PUR/IT-15/99	Various Pipe & Pipe Fittings	Tk 200/-	16-11-99	17-11-99
ER/PUR/IT-16/99 (Two Envelope System)	Various Studs, Nuts, Bolts & Washer	Tk 200/-	17-11-99	18-11-99

Tender documents may be obtained from (i) Accounts Department of Eastern Refinery Limited, North Patenga, Chittagong or (ii) Manager, Liaison Office, Eastern Refinery Limited, Flat No A/2 (1st Floor), 67/4, Kakrail Road, Dhaka-1000, on payment of the cost of tender schedule in taka or equivalent currency (Non-refundable).

The tenders must be dropped in the tender box kept in the Purchase Department, Eastern Refinery Limited, North Patenga, Chittagong, Bangladesh as per date & time mentioned in the tender documents.

Eastern Refinery Limited Authority reserves the right not to accept the lowest offer & reject any or all tenders without assigning any reason thereof.

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