

Three Japanese banks to merge, form global giant

TOKYO, Mar 14: Three big Japanese banks plan to join forces next year to form the world's third-largest bank ranked by assets, underlining the rapid pace of change in Japan's hard-pressed financial sector, banking sources said today, reports Reuters.

They said Sanwa Bank 8320.T, Asahi Bank Ltd and Tokai Bank Ltd were likely to make an official announcement of their plans to merge later today.

Prime Minister Keizo Obuchi lauded the move, welcoming the country's banking consolidation as a boon to customers and banking profits, as well as a boost to Japan's financial stability.

The merged bank will have combined assets of 103.7 trillion yen (\$975.4 billion), second in Japan only to another three-

way mega-merger announced in October of Dai-Ichi Kangyo Bank Ltd, Fuji Bank Ltd and Industrial Bank of Japan Ltd, which will have around 135 trillion yen (\$1.27 trillion) in assets.

That new grouping, to be called Mizuho Financial Group, will be the world's largest bank, followed by the new institution to be created by the merger announced last week of German giants Deutsche Bank AG and Dresdner Bank, with combined assets of \$1.2 trillion.

The Sanwa-Tokai-Asahi alliance is the latest in a series of mega-mergers in Japan's banking industry, which is rapidly consolidating to face up to excess capacity, low margins and increasingly fierce foreign competition.

Until 1990 Japan had 23 money-centre banks. If the

planned tie-ups go ahead, the number will fall to just 11.

Many analysts are sceptical about the benefits of ever-bigger mergers, but James Florillo, banking analyst at ING Barings in Tokyo, said the latest deal at least made geographical sense.

Sanwa has a strong franchise in Osaka, in western Japan, Asahi's base is in Tokyo and Tokai's stronghold is in Nagoya, in central Japan.

Shake-up in 2002

Asahi and Tokai have already announced plans to form a joint holding company in October, and the banking sources said the new plans will call for setting up a holding firm including Sanwa in April 2001.

They said the three banks would then reorganise and integrate their operations in the spring of 2002, probably with

separate units for global investment banking and retail banking.

The three banks are not particularly strong in investment banking, have a bloated workforce of 37,600 and must repay 1.8 trillion yen in public money doled out by the Japanese government to prop up banks that suffered heavy losses over the last decade.

Two other major Japanese banks, Sumitomo Bank Ltd and Sakura Bank Ltd, with 99.6 trillion yen in combined assets, are expected to merge by April 2002.

The latest merger, if it comes about, would leave Bank of Tokyo-Mitsubishi Ltd 8315.T, currently Japan's largest bank with 68.12 trillion yen in assets, virtually the only big bank not involved in the industry consolidation over the past year.

S'pore job market to get boost this year

SINGAPORE, Mar 14: Singapore's job market will get a boost this year from electronic commerce expansion and the opening up of the telecommunications sector, officials said yesterday, reports AP.

The outlook for 2000 is positive, as sustained improvement in economic conditions will have a favourable impact on the labour market," the Manpower Ministry said in its annual report on the labour market.

Over the long term, employment in manufacturing is not likely to increase significantly as the sector shifts into higher value-added activities and reaps the gains of higher productivity.

The disk drive industry, once a mainstay of Singapore's electronics export engine, has been hit particularly hard as multinational corporations such as Seagate Technology recently announced plans to move operations to lower-cost countries.

Thailand and the Philippines were other countries that could compete with Singapore in terms of labour costs for lower value manufacturing. Gale said, adding that Singapore is concentrating on more upmarket, high-tech goods to make up for higher labour costs.

Along with telecommunications and the Internet, the transportation and logistics

sectors will need more workers this year as the worldwide trend toward outsourcing gathers steam, the ministry said.

But more jobs will continue to be lost in lower value manufacturing, while jobs will be added at the higher end in areas such as semiconductors and chemicals, the ministry said.

Early this year, Singapore's government announced plans to throw the telecommunications market open to full competition as of April 1, two years earlier than originally planned. A number of companies have indicated they will apply for licenses to offer a range of services, from paging to Internet access.

Along with telecommunications and the Internet, the transportation and logistics

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to major currencies.

Currency	Selling TT & OD	Selling BC	Buying T.T. Clean	Buying OD. Sight Export Bill	Buying OD. OO Transfer
US Dollar	51.2300	51.2700	50.8100	50.6570	50.5860
Pound Stg	81.0920	81.1553	79.8835	79.6429	79.5297
Deutsche Mark	25.6775	25.6975	24.6746	24.6003	24.5653
Swiss Franc	30.8896	30.9097	30.2494	30.1584	30.1155
Japanese yen	0.4875	0.4875	0.4784	0.4770	0.4763
Dutch Guilder	22.7892	22.8070	21.8991	21.8332	21.8022
Danish Krone	6.6818	6.6880	6.5392	6.5195	6.5102
Australian \$	32.0649	32.0899	30.7604	30.6677	30.6242
Belgian Franc	1.2449	1.2459	1.1963	1.1927	1.1910
Canadian \$	35.4540	35.4540	34.4054	34.3019	34.2531
French Franc	7.6561	7.6621	7.3571	7.3349	7.3245
Hong Kong \$	6.5942	6.5993	6.5145	6.4949	6.4857
Italian Lira	0.0259	0.0260	0.0249	0.0248	0.0248
Norway Krone	6.1191	6.1239	6.0208	6.0027	5.9841
Singapore \$	30.3657	30.3894	29.4022	29.3137	29.2720
Saudi Rial	13.6975	13.7082	13.5119	13.4712	13.4520
SWEDISH KRONA	5.8980	5.9026	5.8248	5.8073	5.7990
Qatari Riyal	14.1129	14.1240	13.9167	13.8748	13.8551
Kuwaiti dinar	172.8641	172.9991	160.5676	160.0841	159.6665
Thai Baht	1.3540	1.3551	1.3401	1.3361	1.3342
Euro	50.2208	50.2600	48.2593	48.1140	48.0456

Bill buying rates					
TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
=====	50.3866	49.9632	49.5398	49.1163	48.2695

US dollar London Interbank Offered Rate (LIBOR)					
Buying (\$)	Selling (\$)	Currency	1 Month	3 Months	6 Months
50.5860	51.2300	USD	6.00375	6.15000	6.36250
79.5297	81.0920	GBP	6.05944	6.21328	6.39963
Cash/TC	Cash/TC	Euro	3.64938	3.78000	3.97188

Exchange rates of some Asian currencies against US dollars					
Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
43.577/43.580	51.885/51.895	37.963/37.989	3.7995/3.8005	7440/7450	1118/211192

Amex notes on Monday's market					
The interbank USD/BDT market was very active on Tuesday. High demand for USD dollar exceeded supply. Average USD/BDT rate traded between 51.14-51.1500 like the previous day. Interbank call money market is getting momentum as EID days coming near. Regular cash withdrawal at retail level is gradually eating up the liquidity of the market. Today average call rates ranged between 7 and 8 per cent. It is likely to go up even more tomorrow.					

The yen resumed its upward path against the dollar in late Tokyo trade on Tuesday, despite lingering concerns that Japanese authorities would step in to stem its rise. After hitting a high of 104.81 against the dollar overnight, the yen backpedaled near 106.00 in early trade. The yen was also supported by sales in the euro, Swiss franc and other currencies in yen cross trade by Japanese investors ahead of end-March book-closings. Such selling also weighed on the dollar against the yen and was expected to continue through the end of the month. The dollar was quoted at 105.37/47 yen compared with 105.61 in late US trade on Monday. The euro was at 101.59/67 yen, near its lifetime low of 100.95 yen. It stood at 101.87 yen in late US trade. Speculative sales from US and European operators pushed the dollar to a low of 105.18 yen in late Tokyo trade, after stop-loss sales were triggered near 105.30 yen. That also pushed the euro to a low near 101.31 yen. But the dollar and euro quickly rebounded as intervention fears prompted short-covering. The dollar was also mildly supported by buying interest among Japanese investors and US operators below 105 yen.

The euro was little changed against the dollar, holding near the \$0.9635 level recorded in late US trade on Monday. The euro had been unable to hold onto the gains from its rally above 97 cents overnight, even though the trend-setting Nasdaq composite index ended 2.8 per cent lower.

At around 0814 GMT the exchange rates of major currencies against USD were GBP/USD 1.5715/1.5717, USD/CHF 1.6728/1.6738, USD/JPY 105.09/105.11, EUR/USD 0.9628/9631.

Govt. of the People's Republic of Bangladesh

Noakhali PWD Division, Noakhali

Tender Notice

(Tender No- 54 of 1999-2000)

Sealed tenders are invited in BD Form No 2911 for the undermentioned work as per terms and conditions stated below:

1. Name of work : Construction and Modernization of 6 Nos Textile Institute in Bangladesh (1 one) at Begumganj Dist. Noakhali. (Sub-Head: Renovation of cement concrete floor & providing mosaic work in ground floor Academic Building) during the year 1999-2000.
2. Estimated Cost : Group No. I (one) Tk. 4,95,961/- Group No. II (Two) Tk. 49,722/- Group No. III (Three) Tk. 3,56,164/-
3. Earnest Money : Group No. I (one) Tk. 9,925/- Group No. II (Two) Tk. 9,820/- Group No. III (Three) Tk. 7,130/-
4. Time allowed : for completion of work Group No. II (Two) 75 (Seventy-five) days Group No. III (Three) 60 (Sixty) days
5. Price of tender : schedule Tk. 425/- per set per group.
6. Place of selling & receiving tenders : Office of the undersigned in/c. all Executive Engineers' office under PWD Circle, Comilla.
7. Last date of selling tender : During office hours up to 22-3-2000.
8. Eligibility of contractors/firms to compete in the tender : a) Category applicable as per financial limit of authorized enlisted contractor of PWD. b) The intending tenderers must have VAT registration TIN & certificate c) Original money receipt of purchasing tender documents and attested copy of VAT registration certificate and TIN certificate must be enclosed along with the tender.
9. Date of receiving and opening of tender : Up to 12.00 Noon of 23-3-2000 and will be opened on the same day at 12.15 PM.
10. Lottery (Applicable where necessary) : If more than one tender are received having same rates stand lowest selection will be made by lottery to be held on 2-4-2000 at 12.30 PM in the office of the undersigned in presence of the intending tenderers who may like to remain present.
11. The undersigned reserves the right to accept or reject any or all the tenders without assigning any reason.

DFP-5654-9/3 G-468

Executive Engineer PWD Division, Noakhali.

Directorate General Defence Purchase

Ministry of Defence

New Airport Road, Tejgaon

Dhaka-1215

Tender