SingTel stamps footprint in Taiwan

AFP, *Singapore*

Singapore Telecommunications Ltd. (SingTel) stamped its expanding Asian footprint in Taiwan on Friday with the launch of operations by associate New Century InfoComm (NCIC).

SingTel said the launch was significant because NCIC is one of only three operators granted a network license since Taiwan liberalised its 8.06 billion Singapore dollar (4.6 billion US) fixed line market in March last year.

The services, with the brand name sparq (correct) will target corporate and business customers with voice and data services including local and international calls, SingTel said in a statement.

It will also offer domestic leased circuits, broadband Internet access, calling cards as well as toll-free and co-location services.

The services are expected to further expand by mid-2001 when network interconnections are ready, SingTel said.

It took less than a year from winning the license for SingTel's associate to put up a high speed optical fibre network across the island, providing 150,000 lines and covering all of Taiwan's major cities.

"The launch of sparq today is yet another step in SingTel's strategy to participate in telecommunications opportunities in the Asia-Pacific," SingTel's president and chief executive Lee Hsien Yang said.

Aventis posts 63pc jump in net profit

AFP, *Paris*

French-German pharmaceutical group Aventis reported Friday a 63-per cent jump in net profit due to a strong US performance in 2000, its first year after being created in a merger.

Net profit before one-off items soared 63 per cent from a year earlier to 1.126 billion euros (1.05 billion dollars) said Aventis, which calculated the previous year's figures on a pro-forma basis.

But after including the one-off costs of the December 1999 merger of French firm Rhone-Poulenc and German group Hoechst, Aventis posted a loss of 147 million euros, down from a loss of 1.365 billion euros in 1999.

Group net sales rose 9.1 per cent to 22.304 billion euros.

"The merger was a success and we have created a new company with excellent prospects for growth and value enhancement," said a joint statement by chairman Jurgen Dormann and vice chairman Jean-Rene Fourtou.

"The pharmaceutical businesses, the future core activity of Aventis, grew strongly, driven by strategic products and the performance in the United States," it added.

"Our teams at Aventis Pharma met the key targets for the submission and approval of new products. We streamlined our business portfolio and, at the same time, exceeded the cost-saving and synergy targets that we announced when we launched Aventis."

Aventis said it expected its core pharmaceutical business to grow strongly due to above-average top-line growth driven by strategic products, which offered significant potential, particularly in the United States.

"This will be supplemented by the positive impact of synergies, lower financing costs and an improved tax rate," chief financial officer Patrick Langlois said.

India's leading portal Rediff.com acquires first overseas co

AFP, *New Delhi*

India's leading Internet portal Rediff.com said on Friday it has acquired US-based portal thinkIndia.com Inc.

It said the acquisition was Rediff's first overseas and the company had paid a total of three million dollars to the shareholders of thinkIndia.com, which focuses on Indians worldwide.

"We are pleased that our first strategic acquisition has been completed successfully," said Ajit Balakrishnan, chairman and chief executive of Rediff.com India.

"We are now working towards ensuring that the new Rediff USA web site has the type of content, services and marketplace offerings that will attract the Indian community in the US," he added.

Rediff.com targets Internet users in India as well as expatriates and offers a wide range of online products from news and shopping to instant messaging.

Over the last two years, Indian information technology firms have been making a wave of strategic acquisitions largely in the United States to fuel their business expansion.

IMF to set up new unit to spot crises earlier

REUTERS, *Washington*

In a preemptive move aimed at helping it spot crises in emerging economies sooner, the International Monetary Fund said Thursday it would set up a new International Capital Markets department.

The widely-expected move is hoped to help the Washington-based lender spot liquidity crunches in countries like Turkey and Argentina before they have a crippling effect that would require bailouts costing billions of dollars.

Ever since the Asian financial crisis, which started in Thailand in 1997 before rocking the region and spreading as far afield as Brazil and Russia, IMF critics have accused the lender of being too slow to spot problems.

The new department, along with a raft of earlier reforms, also addressees a key concern of new US Treasury Secretary Paul O'Neill, who is keen to see the fund develop into a more proactive organization than it has been in the past.

The fund said in a statement that the new department will offer it greater surveillance of capital markets around the world allowing it to not just spot problems earlier, but also to manage crises when they do occur.

The new unit will take staff and operations from three existing IMF departments. New responsibilities will include developing closer relationships with major commercial banks.

Wall Street traders often complain that the IMF is too rarefied and does not have a firm grasp on the realities of the day-to-day vagaries of financial markets.

The new department will also work on conceptual work about improving the international financial system and access to capital markets by member countries.

"I see this Department as a vital part of the ongoing efforts to strengthen the international financial architecture, and in particular to strengthen the fund's role in crisis prevention," IMF Managing Director Horst Koehler said in a statement.

"With this move, the fund is sending a clear signal that it is serious about its commitment to being a center of excellence for work on financial markets issues," he added.

Koehler said he hopes to appoint a head for the unit with the appropriate professional background and experience as soon as possible.

The move follows the recommendations of an independent panel commissioned by Koehler to see how the fund could improve its understanding of capital markets.

Earlier this week, O'Neill alluded to the IMF doing a better job spotting problems.

"If we in the world do our work well, that there will be less fire-fighting and more polishing the fire engines because we will anticipate difficult situations in countries that could result in a financial unwinding of affairs in a particular country," O'Neill said.

Indeed, the straight-talking Treasury Secretary said that in the last 20 years, few financial crises came as much of a surprise to people who pay attention to such matters.

"And that tells me that it is possible with the right kind of intelligent application of ideas to anticipate and to take action to make sure that we don't have a fire," he said.

The new department should make O'Neill feel more confident that the IMF is at least covering all the bases and that if a crisis does occur, that it made a full effort to spot it.

PHOTO: AFP

A man pulls a cart carrying cardboard to sell for recycling in downtown Tokyo yesterday. Japan's unemployment rate stood at a post-war record high of 4.9 per cent in January, the government announced.

Japan's jobless rate hits post-war high

REUTERS, *Tokyo*

Japan's jobless rate for January hit a record high at 4.9 per cent while Tokyo-area consumer prices slipped and household spending was flat, data showed today, giving more ammunition to politicians seeking further rate cuts.

The public management ministry meanwhile revised down figures for February and March last year to 4.8 per cent from 4.9 per cent, which had previously been the highest level since World War II.

The ministry also revised down previous record highs hit in February and March 2000 to 4.8 per cent from 4.9 per cent.

It said Tokyo-area consumer prices fell for a record 18th consecutive month in February, sliding 0.5 per cent from a year earlier and 0.4 per cent from a month ago, extended a decline that analysts say reflects virtually stagnant consumer spending.

Core prices for the metropolitan area excluding fresh foods slumped a record 1.1 per cent from a year ago, the data showed.

The ministry also released nationwide consumer prices for January, which showed prices up a slight 0.1 per cent year-on-year, halting a 16-month slide and remaining flat on the month.

Core nationwide prices slid 0.5 per cent on the year, down 0.5 per cent from December.

Japan's economic slump has dealt a heavy blow to consumers, whose spending provides about 60 per cent of the economy. High school and university students have been particularly hurt as companies slash costs by hiring fewer graduates.

"Of course, the economy is in recession. My dad's lost his job. I have another year before I start looking for a job, so I hope things get better by then," 20-year-old student Yasushi Ishiguro

The data showed that the average wage-earning household spent 333,031 yen ($2,838) in January, flat in both nominal and actual terms from the same month a year earlier, although up a slight 0.8 per cent from the previous month.

Persistently weak consumer spending has raised concerns that Japan could slip into a deflationary spiral – largely defined as a vicious circle of falling prices causing economic stagnation.

Bank of Japan (BOJ) Governor Masaru Hayami, though softening his tone slightly, has stubbornly claimed he sees no dangers of a deflationary spiral.

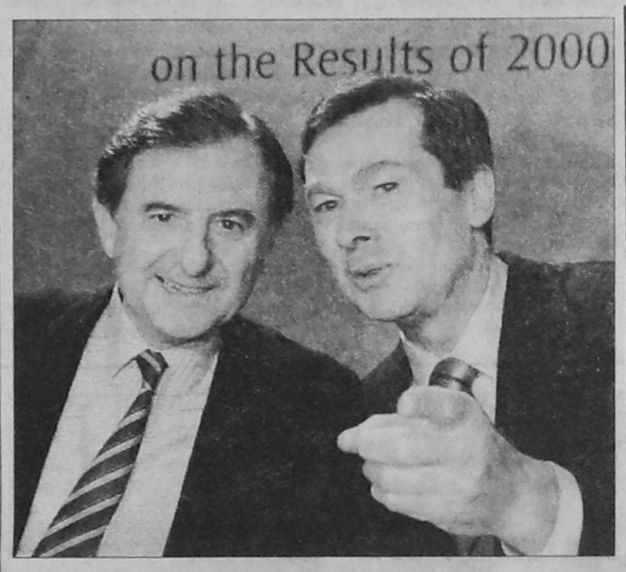

PHOTO: AFP

Aventis German President Jurgen Dormann (R) points at photographers, as he speaks with French Vice-President Jean-Rene Fourtou, in Strasbourg, eastern France, during a press conference of the French-German chemical group yesterday. Aventis reported a 63 per cent jump in net profit due to a strong US performance in 2000, its first year after being created in a merger.

ROK 2000 current account surplus shrinks sharply

AFP, *Seoul*

South Korea's current account surplus shrank sharply to 11.04 billion dollars last year due to increases in imports and services account deficits, the Bank of Korea (BoK) said Monday.

The 2000 current account surplus was down from 24.48 billion dollars in 1999, the central bank said. The trade surplus fell to 16.6 billion dollars last year from 28.37 billion dollars a year earlier.

Exports rose to 175.78 billion dollars from 145.16 billion dollars, and imports were up to 159.18 billion dollars from 116.79 billion dollars.

But the current account surplus in December alone rose to 1.24 billion dollars from 1.06 billion dollars a year earlier on a slowdown in imports.

"Slower growth in imports was the main reason for the rise in the current account surplus in December," a Bok official said.

Australia exploring free trade pact with US

REUTERS, *Washington*

Motivated by the lack of progress in launching new world trade talks, Australia has begun exploring the idea of a free trade agreement with the United States, government officials said Thursday.

Such an agreement would build on the trend of increasing bilateral and regional free trade pacts in the absence of new global trade talks under the World Trade Organisation.

Australian Prime Minister John Howard raised the idea in an introductory telephone call with President George W Bush on Tuesday, a White House spokesman confirmed.

In a speech in Canberra on Thursday, Australian Foreign Minister Alexander Downer said Australia would explore the idea of an individual pact with the United States and a broader agreement including Singapore, Chile and New Zealand.

Meanwhile, Australian Embassy officials have begun sounding out the idea with members of the US Congress.

The United States has already launched separate free trade talks with Singapore and Chile.

The idea of a "Pacific Five" trade pact including the United States, Chile, Singapore, New Zealand and Australian has been discussed in trade circles for years.

In his speech, Downer said Australia still believes a new round of world trade talks under the WTO "is the best way to advance Australian trade interests."

Sales slump on US slowdown

Oracle warns of lower earnings

AP, *San Jose*

Computer software giant Oracle Corp warned that its third-quarter earnings will fall below forecasts because of a sudden slowdown in sales caused by the country's slumping economy.

Preliminary results for the third quarter show earnings will be 10 cents a share. Analysts surveyed by First Call/Thomson Financial were expecting earnings of 12 centers a share. The company earned 8 cents a share in the year ago quarter.

"A substantial number of our customers decided to delay their IT spending based on the economic slowdown in the United States," Larry Ellison, Oracle's chief executive, said Thursday.

Until the last days of the quarter, which ended Wednesday, the maker of database and e-business software expected to beat forecasts. Then the senior executives of its customers began deferring purchases.

"A bunch of deals were already approved at the vice president level," Ellison said. "Once it got up to the CFO and CEO level, they were pushed off. We have a lot of nervous senior executives looking at this economy and being nervous."

Oracle expected about dlrs 1 billion in operating income in the third quarter and will end up with about US $900 million, he added.

Total revenue grew by about 9 per cent. While some revenue streams continued to expand, though at a slower rate than predicted, growth in its core database division was flat or slightly negative.

Ellison said the slowdown in sales is a matter of purchases delayed, not canceled.

"This is not a matter of they are not going to buy. They would just like to wait 30 days or 60 days," he said. "They're just looking at this economy. Everyone is trying to get a read on this economy."

But analysts said if the economy does not improve, Oracle may be hard hit during the fourth quarter – traditionally its strongest.

"A certain amount of deferrals of software sales are never made up," said Mark Verbeck, an analyst at Epoch Partners.

"No one knows how long this is going to continue and how much worse it gets," said Jim Mendelson, an analyst at Wit SoundView. "The wildcard is just where will the May quarter come out."

After weeks of warnings from other high-tech companies, many analysts had been expecting at least some bad news from Oracle, the world's second-largest software maker.

"Over the last two weeks, we've continued to have a bunch of bombs go off around us so that almost every major technology player has encountered some type of problem," Mendelson said. "Increasingly, we were fighting the odds to argue Oracle would not."

Redwood Shores, California-based Oracle will officially release the details its third-quarter results March 15.

Slow reform pace causes ROK economic downturn

REUTERS, *Seoul*

South Koran President Kim Dae-jung said Thursday a current economic downturn was primarily the result of the slow pace of restructuring, but added a recovery would be possible in the second half of this year.

"Our competitiveness weakened because we could not reform swiftly," said Kim in a nationally televised town hall meeting, the fourth by the President. "We could not complete reforms, but set the foundation for reforms. From the second half, we can see the outcome of the efforts."

"I humbly accept criticism about my handling of economic affairs in the past three years," said Kim. "I still believe the best way to an economic recovery is to strengthen the economic structure through corporate and financial reforms led by the private sector."

But Kim's comments on reform failed to stir much reaction, a sharp contrast to his first town hall meeting in 1998 when the audience erupted with applause after his reform pledges.

A recent batch of economic indicators have reinforced the belief the economy has been cooling for months, bringing back echoes of the economic crisis that threw the country into the arms of the International Monetary Fund late in 1997.

The jobless rate before seasonal factors rose to 4.6 per cent in January from 4.1 per cent in December with the number of unemployed jumping nearly 10 per cent to almost a million.

Industrial output in January was stagnant with a 0.1 per cent year-on-year growth, compared with a 4.7 per cent rise in December.

Rising concerns about the economy despite attempts at restructuring has cut the approval rate for Kim's economic policies to less than 50 per cent from more than 80 per cent about three years ago, according to local media.

Turning to inter-Korean issues, Kim said he was in no hurry to hold a return summit with North Korean leader Kim Jong-il although he was sure the meeting would take place.

"I can't say exactly when he (Kim Jong-il) will visit because I don't know myself," Kim said.

Tea workers in Lanka threaten strike

AP, *Colombo*

Sri Lanka's tea and rubber plantations faced a crisis Friday with more than 300,000 workers threatening to strike for higher wages.

Tea and rubber plantations account for more than 14 per cent of the island nation's export earnings.

The workers in nearly 400 estates want a monthly wage increase of 400 rupees ($5). They earn 115 rupees ($1.30) per day now, and it does not go far.

They pay about 11.50 rupees (cents 13) for a pound (0.45 kilograms) of bread; 40 grams (17.5 ounces) of milk cost 102 rupees ($1.18); and rice starts at 25 rupees (0.29 cents) a kilogram.

The workers say the cost of living shot up after the government floated the rupee on Jan 23. The float followed an increase in the price of electricity, water and cooking gas.

The Planters Association of Ceylon, the grouping of plantation owners, has rejected the demand.

The workers, however, have the government's support.

"The employers are being unreasonable, they are trying to take the workers back to slavery," said Arumugam Thondaman, minister for estate infrastructure, who also heads the country's most powerful labor union.

The workers were expected to announce a date for their strike after a meeting with the minister on Saturday.

Thondaman said a committee of government and union representatives would ask President Chandrika Kumaratunga to intervene.

Tender Notice for Appointing Contractor

বিসিআইসি'র পণ্য শিল্পায়নে জাতীয় অগ্রগতির প্রতীক

Separate tenders in sealed condition are invited from renowned contractors for carrying approximately 596.00m tons sacked DAP fertiliser by truck from godowns under the control of Zia Fertiliser Company Limited, Ashuganj, Brahmanbaria, Natore, Mahendranagar and Rajshahi buffer (BADC) and reaching the godown at TSP Complex, Chittagong and dumping at godowns. Tenders will have to be deposited in the tender box kept at the office of General Manager (Commercial), Zia Fertiliser Co. Ltd. Ashuganj, Brahmanbaria 3400 and Senior General Manager (Purchase) BCIC, by 19-3-2001 at 11.00 am. Tenders will be opened just after the expiry of the time limit for receiving tender before the tenderers present (if anyone remain present). Each set of tender documents containing details of rules and regulations along with the schedule of work will be available at the cost of Taka 750/- (seven hundred fifty) (non-refundable) from the Accounts Division of Zia Fertiliser Co Ltd and the office of the Controller of Accounts, BCIC, 30-31, Dilkusha C/A, Dhaka during office hours. The sale of tender schedule will remain suspended on the day of opening tender. The factory authorities reserves the power to accept or reject tender without assigning any reason.

Md Abul Kalam Bhuiyan
Manager (Purchase)
Zia Fertilizer Co Ltd
Ashuganj, B'baria
On behalf of the Managing Director

BCIC-1321-19/2/2001
DFP-4994-26/2
G-409

Bangladesh Rifles Headquarters
Administrative Directorate
Cue & Ord Section
Peelkhana, Dhaka

Re-Tender Notice

Number: 401/17/x/cue Date: 07 Falgun. 1407/ 19 February 2001

1) Sealed tenders are invited by this establishment from enlisted/non-enlisted contractors of this section for purchasing spare parts for firearms and armourer tools for the fiscal year 2000-2001. Detailed description of purchasable goods and rules and regulations of the tender will be mentioned in the schedule. Schedule of tender can be procured from the RP on duty at the No 3&4 Gates of BDR at Peelkhana on payment of Taka 400.00 (four hundred) till 15-3-2001, Thursday from date of publishing this advertisement. Undersigned can be contacted for any information during office hours that is from 0800 hrs to 1400 hrs excepting government holidays. Tenderers can submit tenders in the box kept at the No 4 Gate of BDR at Peelkhana on 18-3-2001, Sunday till 1200 hours and tender box will be opened the same day at 1230 hrs in presence of tenderers (if anyone remains present).

2) The authority reserves the power to reject or accept any or all tenders without assigning any reason.

DAQMG
on behalf of the Director General

DFP-4971-26/2
G-408

Ministry of Foreign Affairs
Government of the People's
Republic of Bangladesh
Dhaka

No 3 (4) 199-EP/Part/1410 Date: 22-02-2001

Tender Invitation

Tenders are invited from bonafide traders/suppliers for supply of audio video blank cassettes for the External Publicity Wing of the Ministry of Foreign Affairs on an urgent basis.

Schedule can be purchased from the office of the undersigned till the last day of submission of tender on payment of Taka 400/- (four hundred) taka (non-refundable) in cash. No schedule will be sold on the day of submitting tender. Security money at the rate of 5% of the quoted rate in the forms of Bank Draft/Pay Order to the undersigned will have to be submitted with the tender.

The last date of submission of tender in the tender box kept at the reception room of the Ministry of Foreign Affairs is 13-3-2001 till 2 pm.

The authority reserves the power to accept any tender or reject all tenders without assigning any reason.

A TM Monemul Haque
Assistant Director (Publications)
Phone: 9554881

DFP-5319-27/2
G-410

Bangladesh Power Development Board
Tender Notice

রাত ১১টা থেকে ভোর ৬টার মধ্যে সেচ পাম্প চালান

Name of office: Resident Engineer (Executive), Magura Electric Supply, PDB, Magura. Name of work: Vehicles repairing work of Magura Electric Supply. Eligibility of contractors: Bonafide vehicle repairing establishment. Estimated expenditure: 38,300/- (thirty-eight thousand three hundred) Taka only. Cost of tender: 50/- (fifty) Taka (non-refundable). Place of availability of tender & date: Chief Engineer, Distribution, Western Zone, PDB, Khulna/Superintending Engineer, Operation & Maintenance Circle, PDB, Jessore/ from the office of the undersigned. Tenders will be sold till 18-3-2001. Date of receiving & opening tender: Tenders will be received in the office of Chief Engineer, Distribution, Western Zone, PDB, Khulna/Superintending Engineer, Operations & Maintenance Circle, PDB, Khulna/office of the undersigned till 12:00 Noon and the tender box will be opened the same day that is on 19-3-2001 at 12:30 PM. (Tenderers may remain present at that time if they so desire). Other terms and conditions and rules and regulations must be followed properly.

Resident Engineer
(Executive) (Acting)
Magura Electric Supply, PDB,
Magura

Biddyut/Jana-1607(3)/2000-2001
DFP-5026-26/2
G-411