

International Business News

HSBC in talks for 70pc of South Africa's Nedbank

REUTERS, Johannesburg/Hong Kong

HSBC is in talks to buy up to 70 percent of South Africa's Nedbank, in a potential \$6.8 billion deal that would give Europe's biggest lender a broader gateway to the fast-growing African continent.

HSBC and Anglo-South African insurer Old Mutual, which owns a controlling stake in Nedbank, said in separate statements on Monday they were in exclusive talks about the deal.

Old Mutual said HSBC could purchase up to 70 percent of South Africa's fourth-largest bank, an acquisition that could be worth about 49.9 billion rand (\$6.8 billion), given Nedbank's current market value.

It was not immediately clear whether HSBC would get the necessary clearance from South Africa's regulators to buy a stake in the bank. HSBC already has a presence in South Africa, offering commercial banking and offshore personal banking.

For HSBC, which has lagged behind rival Standard Chartered in Africa, the acquisition would bulk up its presence as more of its Chinese customers are looking to do deals on the resource-rich continent.



George Buckley, chairman of the board, president and chief executive officer of US industrial conglomerate 3M, with a mascot during the opening of the company's new concept store in Tokyo yesterday. The 3M Japan Group, Sumitomo 3M announced the opening of a time-limited concept store called "3M store" which will open in Tokyo's fashion district Harajuku from today until December 26 this year.

India's Mahindra vows to become global SUV player

AFP, Seoul

Indian carmaker Mahindra and Mahindra said Monday it would use its purchase of South Korea's Ssangyong Motor to become a global player in the sport utility vehicle market.

Pawan Goenka, president of Mahindra's automotive and farm sector, said the merger would help both companies expand in the global market.

"We believe that Ssangyong and Mahindra make powerful companies to create a global SUV brand," he told reporters after the Indian company signed a preliminary agreement to buy a controlling stake in Ssangyong.

Ssangyong, South Korea's smallest carmaker, is mainly a manufacturer of low-priced but robust SUVs such as "Rexton," "Kyron" and "Actyon" that sell globally. It also makes sedans.

It was granted court protection from creditors in February 2009 after rising oil prices and slowing demand due to the global crisis hit SUV sales and former Chinese parent Shanghai Automotive Industry Corp declined to inject more funds.

HP launches \$1.6b bid for 3PAR

REUTERS, New York

Hewlett-Packard Co launched a \$1.6 billion bid for data storage company 3PAR Inc on Monday, topping an offer by technology rival Dell Inc.

HP bid \$24 a share for 3PAR, about 33 percent more than Dell planned to pay in a deal announced a week ago. At the time, Dell's bid for 3PAR, which makes storage products that use virtualization technology to allow companies to boost efficiency, marked an 87 percent premium to its share price.

Representatives from 3PAR and Dell were not immediately available for comment on the HP move.

HP, faced with turmoil in its top ranks after the resignation of Chief Executive Officer Mark Hurd, said its board had approved the bid.

Shares of 3PAR, which was founded in 1999 and posted revenue of \$194 million in its last fiscal year, jumped 37 percent in premarket trading after the HP announcement. Shares of HP slipped 1 percent.

AIG's ILFC unit repays nearly \$4b of US loans

REUTERS, New York

American International Group's aircraft leasing unit ILFC repaid nearly \$4 billion of U.S. loans after raising new debt from investors, a source familiar with the matter said on Sunday.

The repayment reduced the principal balance under a Federal Reserve Bank of New York loan to just over \$15 billion, its lowest level since the March 2009 restructuring of government aid, the source said.

A previous low of \$17 billion was reached in December after AIG gave the Fed preferred interest in two special purpose vehicles created to hold its foreign life insurance business, the source said, declining to be named as the development is not yet public.

LIFESTYLE

Hotels ring up big iftar sales

SAYEDA AKTER

Days are hectic for the kitchen and banquet staffs of the city's plush hotels and restaurants, as they have to cater to a huge number of guests -- corporate or otherwise -- every evening for iftar and dinner.

On the menu, there are several courses for iftar, starting with the usual items, such as chickpea (chhola), white pea (motor), piaju, potato chop, puffed rice, doi bora, biryani and fruit items. And the dishes are accompanied by varieties of kebab and halim, to serve the band of hungry people who fast the entire day.

While eating out is becoming a habit for the urban crowd, Ramadan has brought a chance for restaurants, and five-star and three-star hotels to add an estimated 10 percent to their monthly revenues.

Industry insiders estimate these high-end hotels and restaurants sell iftar and dinner items worth Tk 15 crore in the four weeks of Ramadan.

The trend of treating friends, colleagues and stakeholders to iftar at restaurants started mainly from the time the corporate houses started flourishing in Bangladesh, they said.

MA Awal, sales director of Sonargaon, said the hotel received quite a good number of advance bookings for iftar parties, along with dinner.

"During Ramadan, iftar plays an important role in shaping the entire culture of fasting, especially in our country. Along with corporate guests, the number of individual guests is increasing these days."

"We have huge bookings for the entire month of Ramadan mainly from the corporate houses and different trade bodies," Awal said.

Sonargaon, the country's oldest five-star hotel, serves around 500 guests on average every evening, a majority of which are corporate guests. A complete package that includes iftar and dinner costs Tk 1,500 a



Pedestrians walk past a billboard promoting the Iftar Buffet of Sonargaon Hotel at Karwan Bazar intersection in Dhaka. Ramadan helps restaurants and hotels add extra cash to their monthly revenues.

person, added Awal.

He said the hotel would be able to earn 10 percent more from its banquet sales than estimates for monthly sales.

Dhaka Sheraton is also busy and has logged a big number of advance bookings from banks, telecom operators and political parties, according to Shahidus Sadeque, marketing manager of the hotel.

Iftar and dinner cost Tk 1,800 a person at Sheraton, he said.

Apart from five-star dining, three-star

hotels, such as Hotel Sarina and Lake Shore Hotel, are also serving a growing number of guests.

Rubaiyat Islam, assistant marketing executive of Lake Shore Hotel, said the hotel is getting huge bookings, mainly from individual clients who want to have a get-together with their near and dear ones for iftar.

"We also received satisfactory bookings from corporate houses."

Iftar and dinner cost Tk 2,000 per person at Lake Shore. The hotel expects a 15 percent

rise in its monthly sales.

Meanwhile, popular restaurants like Khana Khazana and Star Kabab are also pulling brisk sales from iftar.

Ahad Ahmed, manager of Khazana's Gulshan outlet, said they receive orders for around 1,500 iftar boxes every day, which has already ensured a 20 percent rise in its monthly revenues.

Iftar buffet with follow-up dinner is available during the whole month of Ramadan at a cost of Tk 750 a person.

TOURISM

Historic Manila seeks to tempt tourists

AFP, Manila

In the shadows of an ancient cathedral in the Philippine capital, wilting horses attached to carriages shelter from the tropical sun as their drivers try to interest the few tourists milling around.

Hawkers exhibit sombreros, fans and rosaries on the pavement nearby but few buyers are in sight -- a depressingly familiar scenario for Manila's historic tourist district centred on the colonial Spanish walled city of Intramuros.

Tourists generally skip old Manila in their rush to Boracay and some of the the Philippines' other tropical islands, but the new government of President Benigno Aquino is hoping to entice them to linger a little longer.

"Intramuros should be the top tourist attraction in Manila," Tourism Secretary Alberto Lim, who has been in the post since June, told AFP in a recent interview.

"We should build museums, we have so many beautiful artefacts that are sitting in warehouses, it's almost criminal that they're going to waste and that they're deteriorating."

The Southeast Asian archipelago's cultural history includes three centuries as a Spanish colony that ended in 1898, followed by nearly half a century under US rule.

But Manila, which was once dubbed the "Pearl of the Orient", is now better known for its sprawling slums and widespread poverty than its architectural and



Tourists on a horse-drawn carriage pass a damaged building in Intramuros in Manila on Sunday.

cultural riches.

Much of the architecture that made it one of Asia's most intriguing cities was destroyed during World War II, when US bombs rained down to oust the occupying Japanese forces.

Efforts by post-war architects to rebuild Manila's ruined churches were not a success because they lacked experience and technology, according to Paulo Alcazaren, architect and founder of the Heritage Conservation Society.

"The conservation during that period was pretty primitive. They

tried to replicate the original stone with concrete blocks and cement," he said.

Nevertheless, nuggets of historical gold can still be found in old Manila.

Among them is the shell of Intramuros, built by the Spanish rulers as their walled enclave and where they executed Philippine revolutionary hero Jose Rizal.

Another is the Romanesque-Byzantine Manila Cathedral, which was originally constructed in 1581 and then rebuilt six times after being destroyed by earthquakes, fires and bombing.

Nearby the Spanish-era San Augustin Cathedral is guarded at the entrance by Chinese lion statues, a legacy of the Philippines' long history of immigrants from China.

For Carlos Celdran, whose theatrical tours of the churches and nearby Intramuros are a must-see for any visitor, tourists who skip old Manila miss an opportunity to explore a historical melting pot of cultures unique in Asia.

"Our Hispanic past is unique for the region... for a Korean tourist a Catholic church is really

exotic," Celdran said.

When tourists do stay in the Philippine capital before hitting the island resorts, many of them end up staying in hotels in the swanky Makati area, which was built on the site of a former airport after World War II.

Makati is now Manila's financial heart, as well as an expat-haven with designer shopping malls, international hotels, chic bars and up-market restaurants.

But Celdran said old Manila was more authentic.

"Makati will always show you what the Philippines wants to be... glitzy, shiny, new, controlled, instead of showing you what we really are... unbridled and gloriously chaotic," he said.

Celdran and Alcazaren see potential for Manila's old quarter, but believe it should be redeveloped as part of a broader project encompassing the port area of Manila Bay.

Manila Bay is renowned for its golden sunsets, which can be enjoyed over a cocktail on the terrace of the Manila Hotel, a US colonial-era building that once included the Beatles among its celebrity guests.

Celdran said Manila's port area, with its palm-tree-lined boardwalk, had the potential to be the Philippines' version of Miami in the United States.

Yet for the time being, visitors seeking a sunset vista are more likely to encounter half-naked street children scavenging along the litter-strewn beach with a putrid smell of pollution wafting off the sea.

Asia to lead smartphone sales

AFP, Singapore

Smartphones will make up over half of Asian mobile phone sales by 2015, with 477 million units likely to be sold, an industry report said Monday.

Consultancy Frost and Sullivan said smartphones would account for 54 percent of the Asia-Pacific mobile market in five years, up sharply from five percent in 2009.

The sharp take-up rate for smartphones will be a huge revenue boost for telecom operators as it means a surge in demand for data services, the consultancy said.

The consultancy said data usage from smartphones would generate over 38 billion US dollars for the region's telecom operators by 2015, from slightly over 1.3

billion dollars last year.

Smartphones are high-end mobile devices providing faster access to data connections such as e-mail and Internet browsing than so-called feature phones, which have less computing ability.

Subscribers usually pay more for mobile data services, translating into higher average revenue per user (ARPU) for operators keen to make up for flat or declining earnings growth from feature phones.

"Smartphones are critical to every operator's mobile broadband business case, as a smartphone user's ARPU typically increased by 25 to 100 percent after adoption depending on the market," said Marc Einstein, the consultancy's industry manager.



Mercedes-Benz has delivered more than 300,000 units of E-class vehicles worldwide until yesterday. Two German plants manufacture the vehicles. Rancon Motors, a sister concern of Rangs Group, is its general distributor in Bangladesh.